

**Opportunities 2000:
Multisectoral Collaboration for Poverty Reduction
Final Evaluation Report**

by

**Eric Leviten-Reid
Caledon Institute of Social Policy**

September 28, 2001

Table of Contents

Acknowledgments..... i

Executive Summary iii

Introduction..... 1

Opportunities 2000: An Opportunity for Learning. 2
Evaluating OP2000: An Action Learning Framework 3

Part One: The Story.....7

 Origins 7

The Problem 8

 The Response.....9

 Initial Project Design 10

 Building Momentum: Finding Project Partners..... 11

 Building Momentum: Assembling the Leadership Roundtable 12

 Building Momentum: Creating a Public Profile 13

 Encountering Challenges 14

 Funding Support for Nonprofit Projects 14

 Refocussing the Leadership Roundtable..... 15

 Mid-term Assessment 16

 Responding to the Mid-term Evaluation..... 18

Business Action Team 19

 Government Working Group 20

 Community Action Team 22

 Voluntary Sector Working Group..... 23

 Beyond 2000 24

Part Two: Outcomes26

 Introduction..... 26

 i. Experience of Individual Participants..... 27

Demographic Profile.....	27
Pathways In and Out of Poverty	30
Hopes and Expectations.....	31
Benefits for Individuals	31
Overall Benefits	31
Specific Outcomes	32
Participants' Views of Their OP2000 Projects.....	35
ii. Organizations and Poverty Reduction Strategies.....	39
Project Selection	39
Effective Strategies and Techniques	40
1. Basic Needs Strategies.....	40
2. Strategies for Linking to the Mainstream Economy.....	42
3. Creating Alternative Sources of Employment	47
4. Building Financial Assets	52
Ingredients of Success	54
Major Impediments to Success.....	59
Building Organizational Capacity and Commitment.....	61
Strengths of OP2000.....	64
Aspects of OP2000 Requiring Attention	66
iii. Community Level Changes	67
Opportunities 2000 as an Intermediary Organization.....	67
Mobilizing Resources	68
Awareness and Understanding of Poverty	69
Social Capital and Rejuvenated Civic Culture	71

Conclusion: Lessons and Recommendations..... 72

OP2000: the challenge of leadership and the possibilities of community... 73	73
Poverty reduction and multisectoral collaboration	73
A balancing act	74
A long-term process.....	74
No one cause; no one solution	75
A complex but coherent view of poverty	75
A flexible system of community responses	76
A system change intermediary.....	76
Infrastructure for community-based poverty reduction.....	76
Strategies upon which to build.....	78
Enhancing impact	80

A continuing process of citizen participation 81

References **82**

Appendices..... **84**

Appendix A: Opportunities 2000 Evaluation Framework

Appendix B: Household Survey Guides (Initial and Follow-up)

Appendix C: Guide to Participant Focus Groups

Appendix D: Guide for Participant In-Depth Interviews

Appendix E: OP2000 Partner End of Project Interview Guide

Appendix F: Opportunities 2000 Project and Participant Results (December 31, 2000)

Appendix G: Opportunities 2000 Initial Household Survey, Selected Tables

Appendix H: Opportunities 2000 Follow-up Survey, Selected Charts and Tables

Appendix I: Opportunities 2000 Follow-up Survey, Overview of Findings for Open-Ended Questions

Appendix J: Organizational Capacity-building: Selected Charts

Appendix K: “The Three Levels of Outcomes: A Framework for Evaluating Multidimensional CED,” by Eric Leviten. (2000. *Making Waves*, Vol. 11, No. 2: 6-9.)

Appendix L: *Are Outcomes the Best Outcome?* by Sherri Torjman. (1999. Ottawa: Caledon Institute of Social Policy. November.)

Acknowledgments

The author gratefully acknowledges the participation of the many individuals who contributed to the preparation of this report.

A special note of appreciation is due to project participants, community partners, Leadership Roundtable members and OP2000 staff who generously contributed their time and ideas to the evaluation process. Naturally, there would be no account of the OP2000 experience if not for the willingness of those taking part to share their thoughts and feelings with others. This evaluation process placed substantial demands on all involved. Your participation enabled lessons to be learned which will benefit others similarly committed to finding solutions to the problem of poverty.

The Opportunities 2000 Evaluation Advisory Committee provided thoughtful guidance throughout the design and implementation of the evaluation process. Sincere thanks to committee members: Ari Ariaratnum, Marco Campana, Peter Clarke, John Colangeli, Pierre Filion, Bob Irwin, Peter Katona, Sally Lerner, Lea Porter and Bob Sharpe.

Several individuals made specific contributions to the research process.

As a volunteer, Sally Lerner helped design and direct in-depth interviews with project participants and conducted a series of interviews with organizers of poverty reduction projects. Her steadfast participation and incisive input throughout the evaluation process were greatly appreciated.

Lea Porter and Peter Clarke played instrumental roles in the data gathering process. Lea conducted in-depth interviews with participants and prepared a detailed summary of the findings. Lea also implemented the follow-up household survey, conducting telephone interviews with survey respondents. Peter arranged and conducted focus groups with project participants and OP2000 staff. He also prepared a thorough summary of these sessions. In both cases, their commitment to understanding and sharing the views of participants, coupled with their own insights into the issues associated with poverty and poverty reduction, generated thoughtful reflections on the OP2000 experience.

Lynn Eldershaw developed the household survey database and generated innumerable tables in support of the analysis process. Lynn also prepared a summary of the open-ended questions from the follow-up household survey. Her dedicated, competent and timely efforts were very much appreciated.

The OP2000 project was a collaborative learning process in all respects. Thanks are due to OP2000 colleagues for their assistance in all aspects of the evaluation work, from the

logistical to the analytic. Particular thanks to OP2000 Coordinator, Mark Cabaj, for his assistance in thinking through the challenges of evaluating such an initiative. Thanks also to Mark, Paul Born and Allan Day, as well as other staff members and volunteers, for many conversations about the OP2000 initiative. I would like to acknowledge Louise Kearney and Naomi Stansfield, in particular, for their steadfast assistance in facilitating matters too numerous to list.

The author is also deeply grateful for the guidance and support provided by the Caledon Institute's Sherri Torjman throughout the work on the OP2000 evaluation, for her insights on all manner of issues related to community-based poverty reduction and for her thorough editorial input to the final report. Thanks also to Louise Roussel for administrative support throughout the project as well as in production of this final report.

Special thanks to Catherine Leviten-Reid for reading drafts of the report, providing editorial suggestions, and for an evolving conversation about community economic development and a great deal more.

Executive Summary

Opportunities 2000 (OP2000) is a community-based poverty reduction project taking place in Waterloo Region, Ontario. In the initial phase of its development, the project was sponsored by the Lutherwood Community Opportunities Development Association, a local, nonprofit, human service agency, and supported by a broad-based, multisectoral network.

Originally designed as a four-year initiative slated to end on March 31, 2001, OP2000's partnership network has decided to extend its work into a second phase. Now jointly sponsored by Lutherwood CODA, the Regional Municipality of Waterloo and DuPont Canada, OP2000 has entered into a transition year. It is continuing to support effective initiatives from its first phase, renewing its partnership network and developing a long-term strategy to guide a second three-to-five year poverty reduction program.

Final Evaluation

The following report presents the findings of an extensive evaluation of Opportunities 2000 Phase One. The evaluation was undertaken by the Caledon Institute of Social Policy. Caledon was a partner in the OP2000 initiative with responsibilities in the areas of research, evaluation and dissemination. In keeping with the underlying theme of Caledon's involvement, the evaluation was framed as an 'action learning' process – an ongoing cycle of dialogue, action and reflection through which participants gradually develop a deeper, more complex understanding of the issues they are facing and the strategies that can lead to desirable outcomes. The evaluation set out to document the experience of the project in a manner that would help participants think critically and creatively about the work in which they are engaged.

The report provides a comprehensive overview of both the qualitative and quantitative outcomes of the project. Part One tells the story of the project. It describes its origins and its evolution over time illustrating the challenges faced and the responses generated. Part Two discusses the outcomes of the project for individuals, organizations and the community. It includes consideration of the strengths and weaknesses of the various practices used to help people in their efforts to exit poverty. A concluding chapter draws out lessons from OP2000's work in Phase One and raises issues for consideration as the project enters its second phase.

Overview

Opportunities 2000 began with an ambitious and multifaceted agenda. Its primary objective was to help 2,000 households exit poverty by the end of the year 2000 while at the same time building the community's capacity to combat poverty on a long-term basis. It also aimed to share the lessons learned along the way with other groups across Canada engaged in similar work in their own communities.

Overall, Opportunities 2000 raised the profile of poverty as an issue of concern in Waterloo Region. It engaged a wide range of local stakeholders, including business, government, the voluntary sector and low-income residents, in active efforts to address the problem and deepen their understanding of the issues associated with it. In the process, the project shifted the focus of energy and resources from alleviating the hardships of living on low incomes toward enhancing economic opportunities and it improved the capacity of diverse individuals, organizations and sectors to work together for poverty reduction.

The work of Opportunities 2000 has stimulated interest in communities across the country; some communities have already applied aspects of its approach to their own poverty reduction efforts while others are interested in examining its strategy more closely.

Specific Outcomes

The impact of OP2000's first phase continues to be felt even as it prepares to pursue a second round of activity. The individuals and organizations mobilized to address poverty have maintained an active interest in this issue. A majority of the initiatives begun during the first phase have endured beyond OP2000's original end date. Specific outcomes at the individual, organizational and community levels continue to mount.

As of December 31, 2000, Opportunities 2000 had assembled a broad network of local partners, including 41 nonprofit organizations, 40 businesses, all four levels of government (federal, provincial, regional and local) and a working group of low-income residents. Forty-nine poverty reduction projects were initiated or sustained with assistance from Opportunities 2000. More than 1,600 individuals participated in these projects. Nearly 500 of those participants obtained new or improved employment, 151 proceeded to further training and education, 79 started small business ventures, 60 developed computer skills, 60 stabilized their housing conditions, 24 built financial assets and many more experienced a range of benefits in terms of their personal development (e.g., improved self-confidence; strengthened networks of support). Among respondents to a survey conducted near the end of the project, nearly half indicated that they had seen increases in their personal and household incomes. In addition to the direct benefits experienced by individual participants, other household members benefited indirectly.

In addition, virtually all of OP2000's nonprofit partners indicated some improvement in organizational capacity as a result of participating in the project. Approximately 75 percent of the nonprofit projects started with support from Opportunities 2000 have continued into an additional phase.

Most importantly, OP2000 created a multisectoral network committed to seeking out innovative and effective ways to generate adequate economic opportunities for all community members. In the process, OP2000's organizing team developed its capacity to serve as a local intermediary focussed on poverty reduction. As the project evolved, its role as animator and facilitator of the network became more clearly defined. It is now well-positioned to focus on

institutional and systemic changes that can maximize OP2000's impact on poverty during its next phase of activity.

Conclusions and Recommendations: A Process of Engagement and Collaboration

The report identifies a number of keys to OP2000's success as well as issues for it to address in the next phase of its work:

a galvanizing goal

Although Opportunities 2000 became identified early on with the goal of moving 2,000 households out of poverty by the end of the year 2000, its originators entered the process with other goals as well. They wanted to raise the profile of poverty as an issue of concern in Waterloo Region. They wanted to create a community excited by the realization that it could create adequate opportunities for all its members. They wanted to bring people from diverse sectors together in a collective effort to counter poverty. They wanted to foster partnerships through which concrete initiatives could be undertaken. They wanted to re-focus energy and imagination from delivering services and resources that would alleviate the hardships of poverty to creating economic opportunities that would allow people to exit poverty altogether. They wanted to experiment with techniques and strategies for poverty reduction and build organizational capacity to engage in this work. They wanted to enable low-income residents to make consistent progress in their journeys out of poverty by providing them with sustained community support.

As the report details, in the course of four years, Opportunities 2000 made substantial progress on each of these aspirations. Along the way, it also brought to life the process which led to these results.

Ultimately, the '2,000 by 2000' goal engaged people's attention sufficiently to allow this complex and ambitious project to unfold. However, it was not the goal itself which produced the results but the process that developed around it. People gathered, built relationships, opened their imaginations to new possibilities, saw their own gifts in new ways and combined them with those of others to produce something none could have created on their own.

poverty reduction and multisectoral collaboration

Critical to OP2000's success were two other aspects of its approach: its distinctive focus on poverty reduction and its use of multisectoral collaboration as the basic tool for countering poverty. Ultimately, the focus on poverty reduction provided a conceptual basis for linking the work of various stakeholders. It raised the possibility that their respective activities and concerns were not isolated ends in themselves but parts of a larger effort: creating adequate economic and social opportunities for all members of the community. In

turn, the focus on multisectoral collaboration generated practical opportunities to explore how diverse stakeholders might combine their resources to achieve mutually desired outcomes. In effect, the OP2000 approach triggered a process of social entrepreneurship in which stakeholders sought to combine existing resources in new, more productive ways.

a balancing act

In the end, there is no neat and simple formula for tapping the creative potential of community life. Undertaking such initiatives requires strong leaders who both believe in the process and bring to it the knowledge and skills required to make innumerable judgments crucial to its successful development. Opportunities 2000 was fortunate to have a team of such leaders among its staff and volunteers.

The work of this group is best understood as a balancing act. It required ongoing assessments and judgments about how best to address both sides of a series of important tensions. The success of OP2000 is not attributable so much to any one single idea or strategy as to the ability of its leaders to continuously balance:

- long-term vision with short-term goals
- comprehensive perspective with specific, concrete initiatives
- a focus on outcomes with a focus on process
- challenge and stimulation with support and encouragement
- a bias for action with a bias for learning
- eclectic experimentation with a search for root causes and solutions
- a desire for unity and consensus with an openness to diversity and debate.

As Opportunities 2000 looks to the future, one critical factor for its long-term success will be its ability to sustain and renew its leadership.

no one cause; no one solution

One observation that should be made based on the Opportunities 2000 experience is that there is no one cause of poverty nor one single solution. The discussion and debate that occurred within OP2000 about the appropriate way to define poverty led to a recognition that there are multiple factors that contribute to poverty and that these factors are present in different combinations in the lives of low-income residents. One great strength of a broad-reaching community process, such as Opportunities 2000, is that it can mobilize a wide range of resources and generate a variety of responses. Appropriate assistance can then be offered on a flexible basis to individuals facing different circumstances.

As it proceeds into its second phase, OP2000 should resist the temptation to reduce and simplify its view of poverty or the variety of strategies it draws upon to help combat it. An important reason for mobilizing broad-based community responses to social problems, such as poverty, is that it re-engages citizens with these issues and enables them to develop a more complex appreciation of the factors involved. Such an understanding not only enables

citizens to undertake effective community action but also to seek and support practical and creative public policies.

a complex but coherent view of poverty

Building on the learning that occurred during its first phase, OP2000 should articulate a more fully integrated conception of poverty that makes it easier for all involved to think about the issue in complex terms. Several models were identified in the course of the project's development which resonate well with the approach favoured by the partnership network. These models conceive poverty as a lack of self-sufficiency. They identify a series of factors – e.g., income, housing, personal support networks, health, knowledge and skills – that contribute to self-sufficiency. A critical mass of strengths in these various areas is required to achieve this goal on a sustained basis. These models also point to institutional and systemic factors, as opposed to the attributes of individuals, that need to be addressed if sustained improvements are to be realized in terms of poverty reduction.

a flexible system of community responses

In its first phase, Opportunities 2000 tended to focus attention on the challenges and opportunities associated with individual projects and strategies. Now having undertaken a variety of initiatives, it is in a better position to think about poverty reduction in more systematic terms: How can different strategies be coordinated so that they form a set of stepping-stones geared to the needs of specific individuals? How can the good practices illustrated by one project be fostered in others? What resources and arrangements are needed to strengthen the poverty reduction system as a whole? Again the emphasis should be on creating a diverse, flexible and responsive system that enables low-income residents to design action plans appropriate to their circumstances and acquire the skills and resources required for them to meet their needs on a sustained basis.

infrastructure for community-based poverty reduction

In addition to the role of local intermediary, five other types of infrastructure appear to be important for community-based poverty reduction efforts. Each of these warrants attention as Opportunities 2000 enters its second phase:

1. *Technical assistance* was highly valued by OP2000's project partners during Phase One. Access to this assistance appeared to contribute to project success. Additional resources are required to meet the demand, especially for project specific consultation.
2. *Research support* also proved helpful to projects both as an aid in designing their own initiatives and as the basis for seeking support from funders and the general public. In some cases, however, additional research would have been desirable. Staff in some nonprofit organizations indicated that they lacked the time to undertake research directly on strategies of current interest to their organizations. Access to research support to address their needs would reinforce their willingness to innovate. Linkages with local

universities interested in supporting community initiatives through collaborative ventures in applied research could be explored.

3. Lack of stable *funding for nonprofit organizations* undermined the effectiveness of some agencies and the projects they undertook. Lack of adequate funding was one cause of the high rate of staff turnover that disrupted a number of partner projects. Overburdened staff were less effective than they might otherwise have been in carrying out their responsibilities. In addition, financially strapped organizations were less able to engage in the research and development work needed to organize new and innovative projects or undertake the planning needed to launch them as effectively as desired. Furthermore, short-term project funding raised the risk that valuable services were provided on an inconsistent basis. It also meant that gains made by organizations that learned how to deliver programs and services effectively would be lost if additional project funding were not identified. Ultimately, short-term project funding tends to be shortsighted. It undermines the development of capacity both for organizations and the individuals they serve.
4. *Building low-income voice* has been an ongoing focus of attention for Opportunities 2000 since midway through the first phase. While constructive steps have been taken, continued attention is needed. Input received from low-income participants in OP2000 projects indicates the important insights that low-income residents can bring to the issues they are encountering. Their views should be given a more central place in OP2000's work in the period ahead. As much as with any other aspect of OP2000's activities, an investment in research and technical assistance to identify and apply innovative strategies is warranted in this area.
5. The scale, complexity and dynamism of OP2000 in its first phase posed challenges for the *monitoring and evaluation* of its work. The evaluation strategy grew and evolved as part of OP2000's own process of growth and development. Certain foundations have now been laid that can be built upon in the second phase. The focus on learning is well-founded and should be taken up as a continuing theme in the next phase of evaluation. Project partners could be integrated more fully into the ongoing identification and sharing of lessons learned. Such a strategy also could address OP2000's needs for more frequent feedback on progress in the conduct of its work. Substantial resources are required to carry out such an extensive learning and assessment process. Engaging local agencies to conduct this work should allow the close, ongoing contact needed between the assessment team and the project itself while also having the added benefit of investing in the further development of local capacity.

enhancing impact

Many of the projects undertaken by OP2000 partners proved to be effective in moving people along the path out of poverty. These are discussed in the body of the report. While support for such efforts should continue, several other areas deserve specific attention in the next phase:

- *reforming welfare to work policies*

Although some efforts have been made within OP2000 to improve the operations of the province's welfare-to-work program, a number of policy barriers remain. In addition to perceiving Ontario Works as punitive and stigmatizing, many project participants pointed out a variety of ways in which the program was not developmentally sound. For instance, they pointed to the limited earnings exemptions it allows, its restrictions on the building of financial assets, the abrupt loss of benefits that occurs as one moves into paid employment, including loss of drug plans crucial to the health and well-being of some individuals, and difficulties accessing training and education while receiving social assistance. Efforts are needed to redesign these regulations so that they support strategies for building financial and human capital, and so that they facilitate rather than inhibit the transition to well-paying jobs.

- *housing*

Poverty not only occurs when income is too low but also when the costs of basic needs are too high. The lack of affordable housing has emerged as a vital concern in communities across Ontario and other parts of the country. While this issue has been given some attention within OP2000, no specific initiative was generated to address it. It is a major area of work that could be tackled in the next phase.

- *gender and poverty*

As noted in Part Two of this report, many more women than men were participants in OP2000 partner projects. Women are also disproportionately represented among the low-income population of Waterloo Region. Indeed, the face of poverty is typically female. Gender issues have not received focussed attention within OP2000. While many of the issues pertaining to poverty are common to women and men, there are clearly factors specific to the realities of women's lives which ought to be addressed.

- *community/school relations*

In many jurisdictions, schools are becoming focal points for community activities. In the process, young people are linked into an array of programs, services and activities that help them deal with personal and family challenges that may cause them to exit school early and enter a pathway leading to poverty. Community/school connections also integrate young people into civic life enabling them to develop leadership skills and the habits of active citizenship. Fostering closer ties with the public school system could add an important facet to OP2000's work both in terms of poverty prevention and long-term community capacity-building.

Introduction

Opportunities 2000 (OP2000) is a community-based poverty reduction project taking place in Waterloo Region, Ontario. In the initial phase of its development, the project was sponsored by the Lutherwood Community Opportunities Development Association, a local, nonprofit, human service agency, and supported by a broad-based, multisectoral network.

Originally designed as a four-year initiative slated to end on March 31, 2001, OP2000's partnership network has decided to extend its work into a second phase. Now jointly sponsored by Lutherwood CODA, the Regional Municipality of Waterloo and DuPont Canada, OP2000 has entered into a transition year. It is continuing to support effective initiatives from its first phase, renewing its partnership network and developing a long-term strategy to guide a second three-to-five year poverty reduction program.

Opportunities 2000 began with an ambitious and multifaceted agenda. Its primary objective was to help 2,000 households exit poverty by the end of the year 2000 while at the same time building the community's capacity to combat poverty on a long-term basis. It also aimed to share the lessons learned along the way with other groups across Canada engaged in similar work in their own communities.

Overall, Opportunities 2000 raised the profile of poverty as an issue of concern in Waterloo Region. It engaged a wide range of local stakeholders in active efforts to address the problem and fostered a deeper understanding of poverty. In the process, the project shifted the focus of energy and resources from alleviating the hardships of living on low incomes toward enhancing economic opportunities and it improved the capacity of diverse individuals, organizations and sectors to work together for poverty reduction.

The impact of its first phase continues to be felt even as it prepares to pursue a second round of activity. The individuals and organizations mobilized to address poverty have maintained an active interest in this issue. A majority of the initiatives begun during the first phase have endured beyond OP2000's original end date. Specific outcomes at the individual, organizational and community levels continue to mount.

As of December 31, 2000, Opportunities 2000 had assembled a broad network of local partners, including 41 nonprofit organizations, 40 businesses, all four levels of government (federal, provincial, regional and local) and a working group of low-income residents. Forty-nine poverty reduction projects were initiated or sustained with assistance from Opportunities 2000. More than 1,600 individuals participated in these projects. Nearly 500 of those participants obtained new or improved employment, 151 proceeded to further training and education, 79 started small business ventures, 60 developed computer skills, 60 stabilized their housing conditions, 24 built financial assets and many more experienced a range of benefits in terms of their personal

development (e.g., improved self-confidence; strengthened networks of support). Among respondents to a survey conducted near the end of the project, nearly half indicated that they had seen increases in their personal and household incomes. In addition to the direct benefits experienced by individual participants, other household members benefited indirectly.

In addition, virtually all of OP2000's nonprofit partners indicated some improvement in organizational capacity as a result of participating in the project. Approximately 75 percent of the nonprofit projects started with support from Opportunities 2000 have continued into an additional phase.

The network of individuals and organizations mobilized during the first phase have committed to continue its work. An intensive period of planning and regeneration is currently underway as OP2000 seeks to re-focus its energy for the period ahead.

Opportunities 2000: An Opportunity for Learning

The following report was prepared by the Caledon Institute of Social Policy. While formally a final evaluation of Opportunities 2000 (Phase One), we see the report in broader terms.

The Caledon Institute has been an active partner in OP2000 from its inception. Our role in the project has been threefold: We have conducted research on the profile of poverty in Waterloo Region and the factors contributing to it, as well as on poverty reduction 'best practices,' led the project's evaluation process and disseminated lessons derived from OP2000 to other interested groups. In many ways, the following report is the culmination of all three roles. It reflects our overall purpose for participating in OP2000 – namely, the desire to learn and support learning about community-based poverty reduction.

In our view, OP2000 is one of a new generation of projects sometimes referred to as 'comprehensive community initiatives.' Over the course of the last decade, many communities have recognized that complex social issues, such as poverty, cannot be addressed effectively by any one agency acting on its own. As a result, some communities have brought diverse stakeholders together in collaborative efforts to resolve common problems. Such initiatives embody many of the ideas at the cutting edge of social policy – from civic engagement to social capital to asset-based development. Our interest in OP2000 stemmed from the extraordinary opportunity it offered to explore these concepts in practical terms.

Our experience with Opportunities 2000 resonates with those of others involved in evaluating comprehensive community initiatives. Pioneering efforts that they are, the impacts that can be expected from these initiatives are not yet well established. In effect, they are in the process of discovering the nature and the scale of the outcomes they can

achieve. As one evaluator commented in advising against setting rigid goals at the outset of such projects:

It is the nature of uncharted territory and the cutting edge that there are no maps. Indeed, in the early stages of exploration there may not even be any destination (goal) other than the exploration itself. One has to learn the territory to figure out what destination one wants to reach [Brown 1995: 2].

Our interest in OP2000, and our primary purpose in this report, has been to chart the territory it is exploring. In so doing, we hope to ease its future travels and open the terrain for others.

Evaluating OP2000: An Action Learning Framework

Besides the fact that comprehensive community initiatives are breaking new ground, they share a variety of other features that make them difficult to evaluate. According to the Aspen Institute, an American foundation that has worked extensively in this area, these initiatives typically:

- pursue broad, multiple goals
 - PROMOTE CROSS-SECTORAL INTERACTION
- seek organic or synergistic change
- are intentionally flexible, developmental and responsive to changing local conditions
- seek some combination of community empowerment, ownership, participation, leadership and community capacity-building
- tend to recognize the long-term nature of fundamental community change and employ relatively long-term time frames
- intend to bring about change at different levels and different spheres but often operate with implicit theories about how this is to happen [Brown 1995: 2].

Such projects pose numerous challenges for evaluation. The goals and strategies of the projects may change considerably as initiatives respond to the dynamics of their respective communities. Synergies fostered among different sectors and levels of activity (e.g., individual, family, community and government) are difficult to track. Attribution of specific outcomes to designated interventions is problematic because of the range of variables at play. Key outcomes, such as community capacity-building, lack agreed-upon definitions and measures. The ideas behind the design of projects are often unspecified, making it difficult to assess the validity of the theories on which they are based. Finally, because the sheer scope of such initiatives goes well beyond the average community project, it is easy to underestimate the resources required for evaluation [Kubisch et al. 1995: 2-3].

Not all of these challenges were so evident at the outset of the project. In fact, the mid-term evaluation helped us to realize the full extent of the dynamism and complexity of the OP2000 initiative even as it raised similar considerations for the project itself. In the wake of changes the project made in response to the mid-term report, the evaluation strategy also was substantially redesigned.

The revised evaluation framework adopted an ‘action learning’ perspective. The framework conceived evaluation as part of an ongoing cycle of dialogue, action and reflection. Through this process, project participants gradually developed a deeper, more complex understanding of the issues they were facing and the strategies that can lead to desirable outcomes. This evaluation report is one moment in this cycle. It seeks to document the experience of the project in a manner that helps participants think critically and creatively about the work in which they are engaged. (An outline of the evaluation framework can be found in Appendix A and an article discussing its general applicability to multidimensional community initiatives is provided in Appendix K.)

The evaluation framework identified four specific aims:

1. Chronicle the OP2000 experience.
2. Document the diverse array of outcomes it achieved.
3. Identify the strengths and weaknesses of the strategies employed.
4. Determine the lessons gained for future efforts at poverty reduction.

In keeping with the revised goals of the project, it specified outcomes to be tracked at three levels:

1. **Individuals:** Income and non-income changes occurring in the lives of project participants and their households.
2. **Organizations:** Changes in the way partner organizations perceive their roles in relation to poverty reduction work and in their capacity to play these roles.
3. **Community:** Changes in the commitment of the wider community to reduce poverty and in its ability to act in a concerted fashion to achieve this goal.

In order to carry out this work, a series of research tools were developed and employed:

1. Individuals

- Household Surveys

Initial and follow-up surveys were conducted with low-income participants in projects undertaken by OP2000 partners. A sample of the survey can be found in Appendix B.

The initial survey was administered as participants entered their projects. It was delivered as a written questionnaire. It collected basic demographic and income data. It

also asked participants about their hopes and expectations as their projects began. The survey was administered to 560 participants; 330 responses were received.

The follow-up survey was administered near the end of the project. It was conducted through telephone interviews (approximately 20 minutes' duration) with 141 individuals who had completed initial household surveys. It asked participants what they liked and disliked about their projects and how they believed they had benefited through their participation. It specifically inquired about the contribution that projects made toward achieving employment, self-employment, training/education and income goals.

- **Focus Groups**

Six focus groups involving a total of 30 low-income participants were conducted. These sessions explored a variety of issues related to participants' experience with OP2000 projects, as well as their suggestions for ways government, business and nonprofit organizations can assist in combating poverty. The guide for the focus group sessions can be found in Appendix C.

- **In-Depth Interviews**

Twenty-six low-income participants took part in in-depth interviews. An initial interview lasting from one to two hours was conducted mid-way through the project; a briefer second interview was completed as part of the follow-up household survey. These interviews took a longer-term perspective on participants' experience of poverty. The interviews sought to develop a deeper understanding of the dynamics of poverty and to determine where the OP2000 initiative fit in individuals' efforts to improve their social and economic circumstances. An interview guide can be found in Appendix D.

2. **Organizations**

- **End of Project Interviews**

Interviews were conducted with 14 individuals who played lead roles in organizing projects undertaken by OP2000's project partners. Interviews explored the outcomes of the project, the difficulties encountered, the assistance obtained from OP2000 and the changes in the capacity of sponsoring organizations. Interviews also were conducted with two OP2000 seconded staff who played lead roles in organizing initiatives with the local business sector. Questions used in the interview can be found in Appendix E.

- **End of Project Reports**

Written reports were prepared by 18 nonprofit project partners. These reports summarized the outcomes of their projects and the lessons learned.

3. Community

- **Participant Observation**

The Caledon Institute's OP2000 Research Coordinator participated directly in many aspects of the project over the course of three years. He communicated with staff on a regular basis about the issues facing the project and participated in community consultations along with local project partners. He served as a member of the Leadership Roundtable and its Government Working Group. He had formal and informal conversations with members of the Leadership Roundtable and many of OP2000's project partners. He presented information about the project to a wide array of nonlocal groups, including members of a 'learning consortium' established in conjunction with the project. Through this extensive and multidimensional involvement, he developed an intimate familiarity with the dynamics of the project, the issues it faced and the changes it underwent.

- **Document Review**

A documentary diary was kept by OP2000 and the Caledon Institute throughout the project. The diary included: OP2000's initial project proposal, annual reports, newsletters, media stories, conference and consultation reports, proposals and reports from partner projects, meeting minutes, and monitoring and evaluation documents. These were reviewed as part of the process of reconstructing the project's evolution.

The following report synthesizes the findings from these various research tools. It consists of three main sections that address the key goals identified in the evaluation framework. Part One tells the story of the project. It describes its origins and its evolution over time illustrating the challenges faced and the responses generated. Part Two discusses the outcomes of the project for individuals, organizations and the community. It includes consideration of the strengths and weaknesses of the various practices used to help people in their efforts to exit poverty. The final section draws out lessons from OP2000's work in Phase One and raises issues for consideration as the project enters Phase Two.

Part One: The Story

Origins

Lutherwood CODA was formed in 1998 through the merger of two well-established nonprofit community agencies.

Lutherwood was created by the Lutheran Church of Canada in the early 1970s as a boys residential treatment centre. Since then, it grew to become a multifaceted human services agency providing treatment services for youth and families, an open custody program for young offenders, supports for young parents and unemployed youth, and a retirement community for seniors.

The Community Opportunities Development Association (CODA) was created in 1984 by a coalition of labour, church and community organizations. It was established in response to widespread layoffs that occurred in the local manufacturing sector during the recession of the early 1980s. Over the next decade, CODA developed a wide variety of programs and partnerships to help community members realize their economic goals. It provided employment counselling, self-employment training, business mentoring, and loan funds to assist with business development and other employment development activities.

By the mid-1990s, both organizations had achieved a high level of competency in their respective areas of activity. Nevertheless, both recognized that for all their efforts, too many members of the Waterloo Region community were experiencing serious social and economic hardships. In fact, the percentage of local households living on low incomes had risen from 12 percent in 1990 to 14.6 percent in 1995 [Hodgson 1999: 1]. At the same time that many people were facing an increasingly difficult labour market, deficit-fighting governments were cutting spending on social programs and reducing access to employment services. As a result, many individuals were left to fend for themselves or turn to financially strapped community agencies for assistance.

In this context, both Lutherwood and CODA began looking for ways to enhance the scale and impact of their work.

In 1995, CODA undertook a major review of its programs and services. With the aid of an evaluator and a roundtable of experienced community economic development practitioners from around the country, it came to recognize that it had reached a plateau in two respects. First, through direct delivery of services, CODA was able to reach only a fraction of the people needing assistance. Although it could continue to expand as a service provider, such incremental growth would not achieve the dramatic increase in scale of activity that the situation demanded. Second, although CODA had become proficient at moving people into employment, it was not necessarily effective at enabling people to exit poverty. Given the difficult labour market, too many people using its services were securing jobs with low wages

and part-time or casual hours. Having moved from unemployment or social assistance into jobs, these people now found themselves among the ranks of the working poor.

Reflecting on its recent work, CODA also recognized that it had begun to develop a new mode of operation. Its focus on supporting people in their efforts to create their own economic opportunities resonated with the aspirations of other community agencies and with government and business representatives. Increasingly it was partnering with such groups on innovative initiatives geared to developing this 'opportunities' agenda. For example, from 1992 to 1996 CODA spearheaded the Opportunities Planning project, an innovative program in which social assistance recipients, nonprofit community organizations, government and business worked together to enable effective transitions from welfare to work. Through such initiatives, the focus of CODA's work had begun to shift from service delivery to facilitation of institutional and systems change.

The impetus behind Opportunities 2000 was to further develop CODA's emerging role as a change agent and, in so doing, dramatically improve its ability to help local people not only obtain employment but, more fundamentally, exit poverty.

In the course of exploring a possible merger, CODA and Lutherwood discussed this new venture. The two organizations shared the desire to achieve a new level of capacity in helping individuals and families become self-sufficient members of a strong and healthy community. Merger, they hoped, would create a 'whole that was greater than the sum of its parts.' Their partnership was the first in what gradually became a community-wide collaborative effort for poverty reduction.

The Problem

In developing Opportunities 2000, Lutherwood CODA advanced a particular interpretation of the poverty situation in Waterloo Region [Community Opportunities Development Association 1997].

Waterloo Region was seen as a microcosm of Canada. On the one hand, it enjoyed tremendous economic prosperity; on the other, a surprisingly large portion of its residents lived in poverty – and that number was growing.

In the view of Lutherwood CODA, the basic problem was a change in the structure of economic opportunity. In the transition to the new knowledge-based economy, many people had been displaced and were unable to regain their footing. Moreover, social policies developed during the early postwar period were ineffective at helping people address the new challenges they faced. Such policies provided an invaluable social safety net but served less well as a springboard for bouncing people back into the mainstream of economic life. The growing number of people reliant on government income assistance programs testified to the limits of existing programs and services.

While this situation was apparent across the country, it was particularly well illustrated in Waterloo Region. A robust manufacturing sector had long been a mainstay of the region's prosperous economy. Since the 1980s, however, its manufacturing sector had experienced extensive layoffs and plant closures. In the early 1990s alone, the region lost some 15,000 manufacturing jobs [Hodgson 1999: 3].

At the same time, the local economy had proven to be remarkably resilient. It achieved strong growth in such areas of the new economy as financial services and information and computer technology. Unfortunately, this new growth did not generate comparable economic opportunities for all local residents. The emerging labour market was polarized between a relatively small number of 'good jobs' – paying high wages for high skills – and a larger number of 'bad jobs' – low skill, low paying jobs, with nonstandard hours and few, if any, benefits. By 1997, Lutherwood CODA estimated that there were 40,000 employable people living in Waterloo Region who either could not obtain work or work that provided sufficient income to keep them above the poverty line.

The Response

If constrained economic opportunity were the underlying cause of the worsening poverty situation, Lutherwood CODA proposed to address that problem directly. The 'opportunities-based approach' that guided CODA's work in recent years appeared to be the appropriate response to current challenges.

While income supplements and social services are valuable measures, these traditional tools for countering poverty no longer were adequate in themselves. In the current context, more focus was needed on strategies for rebuilding individuals' economic capacity and improving the quality of employment opportunities available to them. The 'opportunities approach' targeted unemployment and low wages as the key issues to be addressed. It maintained that people do not want to depend on government income assistance or be trapped in low-paying jobs. Through individual initiative and community support, it was possible for people to find or create new and better economic opportunities.

CODA's previous work had proven the overall effectiveness of this approach. The aim of Opportunities 2000 was to move these ways of thinking and acting into the mainstream of economic and social life. To accomplish this goal, Lutherwood CODA would encourage other nonprofit organizations to add an 'opportunities dimension' to their work. In addition, it would mobilize broad community support for this agenda. Finally, it would seek out new, more effective strategies for community-based poverty reduction [Community Opportunities Development Association 1997].

Initial Project Design

From the outset, Lutherwood CODA recognized that the OP2000 project was a learning process. It entered that process with a plan of action, but also with an expectation that this plan would grow and evolve as new partners joined, specific initiatives were undertaken and practical lessons were learned.

To orient the project, it formulated a statement describing OP2000's long-term vision:

We envision the people of Waterloo Region who are living in poverty working with people from all sectors of the community to create opportunities which will reduce the region's poverty rate to the lowest in Canada and in so doing generate learnings and set an example for all Canadians.

This vision was translated into three key project goals:

1. Help 2,000 households move out of poverty by December 31, 2000.
2. Identify and implement the most practical methods for creating employment and income opportunities that can lead people out of poverty.
3. Share the project's lessons and successes with other communities across Canada.

Three mutually reinforcing strategies were identified as the means through which these goals would be achieved:

1. **Projects:** Partnerships would be formed with nonprofit organizations interested in pursuing projects that would generate income and employment opportunities for low-income households. A small core staff would provide technical assistance to these organizations in designing and implementing their projects.
2. **Leadership:** A Leadership Roundtable consisting of approximately 20 individuals representing low-income households, nonprofit organizations, business and government would guide the project. Roundtable members would use their influence to build community support for the project, raise community awareness about poverty and poverty reduction and develop a long-term strategy for combating poverty in Waterloo Region.
3. **Research:** The Caledon Institute of Social Policy, a national policy institute with an active interest in community responses to social problems, would contribute research on policies and practices for community-based poverty reduction. It also would document the project's work, oversee the project's evaluation process and disseminate lessons learned to interested groups across the country.

Based on this initial action plan and on its strong track record, Lutherwood CODA was able to attract financial support for the project from charitable foundations (the J.W. McConnell Family Foundation, the Atkinson Foundation), private corporations (the Royal Bank of Canada), and a number of local businesses and individuals.

These contributions provided the project with a four-year operating budget of \$1.25 million. The work of the project was supported by a staff ranging in size from three to seven full-time equivalent positions, including three staff seconded from other agencies. The core staff was augmented by a number of individuals hired on short-term contracts and the participation of several university placement students. Early in the project, Human Resources Development Canada agreed to contribute an additional \$1.1 million to fund specific poverty reduction projects undertaken by OP2000 partners.

Building Momentum: Finding Project Partners

During the early stages of the project, the overarching goal was to generate momentum around the work of poverty reduction. To accomplish this, OP2000 set out to engage a critical mass of partners in tangible poverty reduction initiatives.

Based on previous experience, the OP2000 team believed that participation in specific projects focussed attention and energized people. It was leery of 'process approaches' to community development that sometimes did not lead to any concrete action. Through projects, people could realize their ability to have a tangible impact on the issue of concern to them. At the same time, they could build relationships with those with whom they worked, continue to learn about the issue and devise new ways to address it.

At this point in the initiative, OP2000 expected that the voluntary sector would be the lead actor in developing poverty reduction projects. Other stakeholders – business, government and low-income households – would play more of a supporting role, offering guidance to nonprofit organizations and opening doors that might help them in their work.

Developing partnerships took time. The budgets of many nonprofit organizations had been cut in recent years due to deep cutbacks in government spending. In part, these cuts meant that organizations were understaffed and had limited time to spend exploring new partnerships or developing new projects. In addition, funding cuts had resulted in both Lutherwood and CODA having withdrawn from some partnership projects in which they had been participating. Organizations involved in these initiatives wondered if Lutherwood CODA was a reliable partner. Furthermore, the cuts were accompanied by hints that government was reluctant to fund so many nonprofit organizations. The merger of Lutherwood and CODA into one ‘monster’ organization raised fears among some agencies that they might soon be ‘gobbled up.’ Finally, there was the question of the project itself. What was OP2000? What kinds of projects was it proposing? What support would it provide? Was OP2000’s approach compatible with the goals and needs of its prospective partners?

While fostering relationships with their nonprofit colleagues, OP2000’s staff also prepared tools to assist partners with project development. A resource library was assembled and a guide for developing poverty reduction projects was prepared. This manual, *Local Action to Fight Poverty*, was produced in collaboration with the Centre for Community Enterprise, a leading community economic development organization based in British Columbia. The manual provided a step-by-step process for the selection and planning of poverty reduction projects. OP2000’s project developers conducted workshops based on the manual as part of the technical assistance they provided to project partners.

Building Momentum: Assembling the Leadership Roundtable

While partnerships were being developed with nonprofit organizations, the Leadership Roundtable also was being formed. The primary purpose of the Leadership Roundtable was to advise and support OP2000 as it evolved. Its members were to bring a variety of perspectives to the poverty issue. They also were to bring influence with key sectors and institutions in the community whose assistance would be needed to carry out an effective poverty reduction program. The Leadership Roundtable was to consist of approximately 20 individuals representing the project’s four main stakeholder groups: government, business, nonprofit organizations and low-income households.

Given Lutherwood CODA’s involvement in the voluntary sector, and its extensive work with low-income households, special attention was needed to attract partners from the business and government sectors. The participation of key individuals from these sectors would lend the project credibility with other prospective participants. When the Region of Waterloo and several high profile business people agreed to participate, encouragement was given to others to support the project as well.

People agreed to join the Leadership Roundtable for different reasons. Some were long-time associates of Lutherwood CODA and had confidence that any venture it undertook would be worthwhile. Others were new to the community and were looking for a way to become involved and make a contribution. Some had been involved in poverty-related work for years and found the boldness of OP2000's goals to be refreshing. Others did not realize the full extent of poverty in what they perceived (rightly) as a remarkably prosperous region and felt compelled to join in the effort to address it. Some were dismayed by the limitations they saw in existing social programs while still others viewed the OP2000 initiative as a potential source of support for work in which they already were involved. Some hoped that OP2000's strategy could bring about broad changes in the local community that more narrowly focussed initiatives could not. Others were particularly attracted by the prospect of sharing solutions with selected communities across the county.

OP2000's mission was sufficiently broad and flexible that many people could find a place for themselves in its mandate. Its basic message was a simple one: Poverty is a significant problem in Waterloo Region; new and better ways are needed to address it; everyone in the community can contribute to poverty reduction; and working together can make a difference.

Building Momentum: Creating a Public Profile

By the spring of 1998, the foundations of the project were in place. Funds had been secured. Basic program infrastructure had been developed. Initial project partnerships were established. The Leadership Roundtable had been struck. It was now possible to give a more public profile to the project.

In May, a community launch was held. Local media joined 200 partners and friends of the project to hear what Paul Born, OP2000's Consulting Director, referred to as a "call to action" in the fight against poverty. In recognition of the positive response already received by the project, he described the event as a "celebration of the power of community." Confirming the community spirit behind the project, one Leadership Roundtable member told the gathering that: "Poverty is a struggle and we all own that struggle ... It's time to pick up a shovel, grab a sandbag, do whatever is necessary to shed this blight [Opportunities 2000 1998: 1]." In his keynote address, the Atkinson Foundation's Executive Director, Charles Pascal, placed the Opportunities 2000 initiative in a national context. He noted the growing gap between the rich and the poor throughout the country and the need for long-term, sustainable, community-based action as a supplement to government's role in the area of social policy. In an era of mounting social challenges, he identified OP2000's work in Waterloo Region as a "beacon of hope for Canada" [Opportunities 2000 1998: 4].

On the day of the launch, as a final testament to the significance of the project, Statistics Canada released data from the 1996 national census showing a dramatic increase in

poverty rates across Canada and in Waterloo Region. The new figures added weight to the Caledon Institute's earlier analysis of poverty in Waterloo Region. A paper discussing the local poverty situation observed that a growing number of people were struggling to meet their economic needs. The main "culprit," Caledon wrote, was an "increasingly insecure and unstable" labour market. During the 1990s, the economy of Waterloo Region had "seen strong growth in well-paid, high skill jobs in fields such as computer applications and financial services." At the same time, it was "creating an abundance of nonstandard jobs which are often part-time or unstable, in many cases pay low wages and offer few, if any benefits." In fact, Caledon noted: "Heads of half (50.3 percent) of low-income families worked but remained poor because they earned low wages and/or could find only seasonal or part-time work" [Torjman and Hodgson 1998].

At the launch, a second paper prepared by the Caledon Institute was released. *Can Communities Reduce Poverty?* provided a succinct overview of the OP2000 project and offered a conceptual framework for thinking about the concrete roles that communities can play in poverty reduction. It identified four key areas in which communities could direct their energy: meeting basic needs, removing barriers, building skills and promoting economic development. It also pointed out various subgroups among the economically disadvantaged and suggested how these groups might benefit from different types of community interventions [Torjman 1998].

The Caledon papers reinforced the message of the launch, helping to frame the work to be done by the project.

Encountering Challenges

Notwithstanding the enthusiasm engendered by the launch, it was the challenges facing the project that were uppermost in the minds of OP2000's staff when the summer began. Three main areas of concern were project development, the role of the Leadership Roundtable and participation of low-income residents.

Although some 15 nonprofit organizations had agreed to partner with OP2000, this number was considerably below OP2000's target of 30 project partners. Moreover, only a small number of these partners actually had developed projects as yet. If OP2000 were to reach its ambitious goal of helping 2,000 households exit poverty by the end of the year 2000, it would have to accelerate significantly the pace of project development. In fact, OP2000's staff was rapidly coming to the conclusion that the nonprofit sector alone would not be able to generate the desired scale of results. Many of the project partners faced a substantial learning curve in implementing income and employment-generating projects. It was unlikely that the sector would be able to reach a level of capacity sufficient to assist 2,000 households in the time frame required. Additional strategies would have to be employed to achieve the stated goal.

Further to these concerns, some members of the Leadership Roundtable were becoming anxious about their role in the project. After meeting for several months to discuss the mission of the project and explore various ideas about the nature of poverty, they were eager for a more focussed and proactive agenda. Having engaged Roundtable partners,

OP2000 staff now had to help them find effective ways to operationalize their participation. Most Roundtable members brought with them a bias for action. Their energy would have to find tangible expression or they would lose interest in the initiative.

Finally, it had become increasingly clear that the emerging network of partners was weak in one crucial respect: There were many fewer low-income residents participating in the overall governance of the project than had been intended. The original design of the Leadership Roundtable called for 40 percent of its membership to be made up by individuals living on low incomes. In the end, only one or two low-income residents had been recruited. Although a few members of the Roundtable previously had lived in poverty and brought this experience to the project, it was recognized that more voices were needed from this key stakeholder group.

Funding Support for Nonprofit Projects

Over the summer of 1998, OP2000's project development efforts received an unexpected boost. Earlier that year, OP2000 had begun working on a strategy to address the funding needs of nonprofit groups pursuing poverty reduction initiatives. The Local Investment Fund project was a major undertaking that demanded more time and energy than the small core staff could spare.

Aware of the need for project funding, the manager of the regional Human Resources Development office, who sat on the Leadership Roundtable, suggested that the federal Department of Human Resources Development could invest a block of funds in employment-generating poverty reduction projects. Discussions ensued and by the fall over a million dollars were allocated to the OP2000/HRDC Fund, a partnership initiative in which OP2000, HRDC and a series of local funding agencies, such as the United Way and the Community Foundation, would select projects to receive financial support.

The creation of the OP2000/HRDC Fund provided added encouragement for nonprofit organizations to consider pursuing poverty reduction projects. During the fall of 1998, a total of 30 nonprofit groups collaborated in submitting more than 20 proposals to the OP2000/HRDC Fund. In due course, 18 poverty reduction projects were funded and proceeded to implementation.

In addition to the support provided to nonprofit groups, the HRDC/OP2000 Fund created an extraordinary opportunity to stimulate the thinking of funders about the issue of poverty and their role in poverty reduction. Several months later, the full significance of this arrangement was realized when the United Way of Cambridge and North Dumfries agreed to become what OP2000 later called a 'cornerstone partner,' one that would share in the work of engaging other community members in specific poverty reduction activities.

Through his participation in the OP2000/HRDC Allocations Committee, the United Way's Executive Director, became convinced that poverty reduction was a way of addressing 'upstream' many of the problems that United Way member agencies normally confronted

‘downstream.’ He also recognized that the United Way was in the somewhat unusual position of having close working relationships with both nonprofit organizations and with businesses. With the support of his board, he pledged that his organization would work with its community and business partners to help 200 households move out of poverty. To accomplish this, the agency would second one full-time staff person to OP2000. This person would help to develop three projects with nonprofit organizations and foster business initiatives to create employment opportunities for more than 100 low-income residents.

Beyond the immediate significance of the HRDC and the United Way initiatives, these contributions suggested that OP2000’s organizing efforts were achieving a degree of critical mass. One venture was beginning to spin off other ventures in what showed signs of becoming a self-sustaining process.

Refocussing the Leadership Roundtable

In the fall, staff proposed two measures for enhancing the work of the Leadership Roundtable: working groups and a ‘search conference.’

Working groups for each of the sectors – voluntary, business, government and low-income – would allow Leadership Roundtable members to take a more active part in mobilizing their respective segments of the community. Members of the business community already had formed such a group. Given the close working relationship with nonprofit organizations, a voluntary sector working group was easily created. Greater effort was required to develop the government group and low-income group. The creation of a low-income working group was seen as particularly important. It was a practical step toward strengthening low-income voice on the Leadership Roundtable.

Besides responding to Leadership Roundtable members’ desire to play a more active role in the work of the project, the formation of the working groups served a broader goal. They were part of an intentional effort to shift ownership of the project from the small core staff to the wider network of community partners that had begun to take shape. Community ownership was critical if sustained community capacity for poverty reduction were to be achieved. Active participation was seen as the key to creating such ownership.

Staff also proposed a mechanism through which the Leadership Roundtable could simultaneously pursue several of its roles. The ‘search conference’ is a participatory planning process used to address a wide range of social problems. The conference format is designed to enable diverse participants to recognize their common stake in a complex issue. Participants begin by exploring the broad, long-term factors shaping their situation and gradually identify specific ways they can work

together to create the future they desire. A search conference would allow the Leadership Roundtable to bring together a broad cross-section of the local community, share information and insights related to poverty and begin to construct a long-term strategy for poverty reduction.

The Leadership Roundtable began planning for the search conference in the fall and the event was held in mid-January. Fifty people representing all four stakeholder groups participated. The conference generated a broad analysis of the factors contributing to poverty in Waterloo Region. It also identified a series of specific issues that needed to be addressed in order to improve the situation. Finally, it envisioned various ways that local stakeholders might collaborate in this endeavour.

In the period following the conference, OP2000 staff incorporated the issues and ideas it generated into the 'OP2000 matrix.' This matrix detailed the work to be done by OP2000's staff and working groups as the project evolved.

Mid-term Assessment

As OP2000 approached the end of its second year, work began on the project's mid-term evaluation. Early in the project, the Caledon Institute had contracted the School of Rural Planning and Development at the University of Guelph to undertake the evaluation. In preparing the mid-term assessment, Guelph received input from an Evaluation Advisory Committee that included representation from Caledon, OP2000's staff, the Leadership Roundtable and project partners, as well as several university professors with expertise in evaluation.

The purpose of the mid-term evaluation was to help the project take stock of its work and make any necessary adjustments as it entered the second half of its mandate. The evaluation team conducted interviews with OP2000's staff, members of the Leadership Roundtable and representatives from nonprofit organizations that had joined as project partners. Key project documents also were reviewed.

In its summary of the Guelph report, Caledon noted both the considerable successes of the project and a number of pressing concerns. OP2000 had experienced tremendous growth in a short period of time. In just two years, it had evolved from a concept shared by a small number of proponents into a complex, multipronged initiative involving hundreds of individuals. Not surprisingly, OP2000 was experiencing some 'growing pains.'

As the report observed, the overall success of the project to date was its ability to rally people and resources around the work of poverty reduction. Its major challenge in the period ahead was to coordinate its diverse elements and focus its energies on achieving commonly valued goals.

The report highlighted for special concern the limited progress that OP2000 had made toward achieving what many had come to see as the project's key indicator of success – moving 2,000 households out of poverty by the end of the year 2000. At the same time, the report raised questions about the appropriateness of this target as the primary means for assessing the value of the project.

Interviews conducted for the evaluation revealed that project partners consistently had a positive view of the work being done by OP2000. At the same time, most respondents indicated that they did not believe the '2,000 by 2000' goal was attainable and many felt that it embodied an inadequate view of poverty. Some respondents preferred to focus on more modest income and employment goals. Others felt that the income-based definition of poverty that OP2000 had adopted left out too many other dimensions of the poverty experience. They wanted to include factors such as reducing the cost of basic needs, improving access to services (e.g., counselling and basic education), building financial assets, strengthening personal support networks and restoring self-esteem, hope and confidence, as legitimate outcomes in themselves. Still others perceived that the approach taken by OP2000 was too reactive. They wanted more attention paid to prevention. Finally, some respondents felt that the '2,000 by 2000' goal focussed too much on individuals and households as opposed to community-level change and community capacity-building.

Paradoxically, the '2,000 by 2000' goal had proven to be one of the keys to OP2000's efforts at community mobilization as well as one of its most contentious issues. As a slogan, it was highly effective in summing up the project in a way that made it accessible and appealing to a broad audience. To many people, it simply signified OP2000's intention to achieve a substantial impact on the poverty situation in Waterloo Region. In this light, it constituted a lowest common denominator around which a varied group of participants could come together. On the other hand, such a broad interpretation of the '2,000 by 2000' goal left room for many different ideas about the precise nature of the work to be done and the results to be achieved. In the early stages of the project, organizers felt it was less important to work through possible areas of contention than to emphasize what could be done on the basis of broadly shared concerns. While this stance was helpful for engaging partners, it also contributed to OP2000's being pulled in a number of somewhat different

directions. The mid-term evaluation brought this issue to the surface and encouraged the project to wrestle with its implications.

The mid-term evaluation also focussed attention on a number of other concerns that required attention. It recommended that the project curtail expansion and concentrate its energy on current initiatives, that it direct additional resources toward the administrative support needed to maintain an efficient and effective operation, that more assistance be given to project partners in monitoring and assessing their work, that more opportunities be created for inter-sectoral relationship building and that the voice of low-income residents be strengthened in all aspects of the project. Many of these issues were familiar to the project organizers. The report provided the impetus needed to give them concerted attention.

Responding to the Mid-Term Evaluation

Over the summer, OP2000 staff reviewed the recommendations from the mid-term evaluation with members of its partnership network and prepared a series of responses for consideration by the Leadership Roundtable.

Many of the recommendations from the evaluation were readily accepted. It was recognized that the project's rapid expansion created pressures that needed to be addressed. It was agreed to hire a full-time administrative assistant and to allocate additional staff time to support the evaluation process. It also was recognized that there remained too little low-income participation in guiding OP2000. Efforts to involve low-income residents on the Leadership Roundtable and its various committees had to be intensified.

Other recommendations were accepted in part. The mid-term report advised that OP2000 stop adding new initiatives to its already large portfolio. Some Leadership Roundtable members felt that this would undermine the momentum OP2000 had started to build within the community. In the end, it was agreed that active efforts to recruit new nonprofit projects should be curtailed but that additional business and government initiatives should be sought. The Leadership Roundtable also was reluctant to accept the report's recommendation that OP2000's time frame be extended. OP2000 had been conceived as a four-year intervention to foster poverty reduction capacity within the community. Some Leadership Roundtable members wanted to maintain this time-limited focus. For the time being, the Roundtable decided to continue working with other organizations that could undertake poverty reduction for the long-term. The question of OP2000's future would be addressed nearer the end of the project.

Not surprisingly, the most important discussions engendered by the mid-term evaluation pertained to the '2,000 by 2000' goal and OP2000's definition of poverty. Although some Leadership Roundtable members were afraid that modifying the '2,000 by 2000' goal meant 'backing away' from the aims of the project, most felt that the project had a more complex set of objectives than was captured in this indicator. In the end, the Leadership Roundtable reformulated the project's goals in a way that gave them a longer-term orientation and recognized more explicitly the different aspects of the project's work. The Roundtable specified three levels of outcomes to be pursued by the project. At the individual level, the project would help 2,000 low-income residents make substantial progress toward achieving their social and economic goals by the end of the year 2000. In addition to income changes, it would promote other objectives such as gaining access to needed services, building social support networks and improving self-esteem. At the organizational level, it would increase the willingness and capacity of agencies to undertake poverty reduction work on a continuing basis. Finally, at the community level, it would build awareness of poverty issues and strengthen the linkages among key sectors in pursuit of poverty reduction strategies.

The response to the mid-term evaluation served to consolidate a number of important trends at work in the project. As more and more partners joined, they brought with them a variety of perspectives and priorities. These now were being incorporated into OP2000's goals and objectives. While Lutherwood CODA's initial focus on income and employment opportunities was still present, other factors were now also given explicit attention. Similarly, the initial emphasis on the role of nonprofit organizations in undertaking poverty reduction initiatives was now giving way to a more balanced, multisectoral approach. This change already had been evident for some time in the role being played by staff. As the network had grown and more emphasis was placed on finding ways that each sector could respond to poverty, staff had less time to devote specifically to providing technical assistance to nonprofit organizations. Increasingly, the role of staff was defined as animator and facilitator of a multistakeholder, multisectoral partnership. This shift in role also was evident in the transfer of ownership that gradually had taken place from the initial project proponents to the Leadership Roundtable and the broader partnership network. The consultation process conducted with project partners and the decisions made by the Leadership Roundtable on ways to adjust OP2000's goals and operations were important steps in the evolving community ownership of the project.

BUSINESS ACTION TEAM

One of the distinctive features of OP2000 is the extent to which it engaged the local business sector in the work of poverty reduction. Early in the project, business representatives on the Leadership Roundtable formed a working group to spearhead OP2000's outreach to the business community. The Business Action Team provided the principal forum within OP2000 for formulating the rationale behind business participation in the project and the specific strategies through which businesses might contribute to poverty reduction. With this audience in mind, a multimedia presentation was developed that explained the OP2000 initiative for a business audience. It also suggested specific ways that business people could contribute. Members of the Business Action Team used their connections within the business community to arrange meetings and joined OP2000 staff in making the case for business involvement. Two local Chambers of Commerce supported this effort and subsequently became 'cornerstone partners' sponsoring major events and promoting OP2000 among its members.

A second initiative undertaken by the Business Action Team also served to help OP2000 think through the tangible roles that business could play in poverty reduction and bring these ideas to the business community. One member of the Business Action Team proposed that a booklet of human resource policy 'best practices' be developed and used as a tool for encouraging desirable changes among local business. The human resource policy booklet became a major undertaking of the Business Action Team. Additional staff resources were required to research and write the booklet under the guidance of the business volunteers. When the booklet was complete a major media launch was held. In the following days, numerous requests for the booklet were received. Although only limited feedback was obtained about the impact of the booklet, these stories suggest that it raised readers' awareness about the poverty issue and how it was related to the wages, benefits and management practices of business. Awakened to the specific income levels associated with poverty, some employers reviewed their employees' wages and hours of work and made appropriate adjustments. Others were moved to participate in other facets of OP2000's work.

During the early stages of the project, the work of the Business Action Team was supported primarily by part-time consultants. Following the mid-term evaluation, two seconded staff, one from the United Way of Cambridge and North Dumfries and one from the Royal Bank, took on the work of promoting OP2000's business initiatives on a full-time basis. This change signified the larger role that business activities were playing in OP2000's expanded, multisectoral agenda. The presence of full-time staff made it possible to approach the work in the business sector in a more concerted way than had previously been the case. A database of business contacts was developed and the number of presentations to business groups increased. Staff was able to follow up on expressions of interest and contribute the practical assistance required to turn these interests into tangible actions. Just as OP2000 had provided significant infrastructure to support voluntary sector initiatives, it was now building the infrastructure needed to operationalize effectively a major engagement process in the business sector.

Government Working Group

On the business side, OP2000's main work was to engage the private sector in poverty reduction. On the government side, the challenge was quite different. Government, at all levels, was already actively involved in most, if not all, facets of the poverty issue. The task here was to help government find new and better ways of combating poverty.

There were numerous potential starting points. Various Caledon Institute papers identified a host of potential policy and program initiatives, above and beyond government support for community-based poverty reduction itself. Members of the Leadership Roundtable brought their own ideas, from tax reductions to guaranteed annual incomes, about the roles governments might play. Finally, the search conference generated a list of issues that community members felt required attention.

In addition to the question of which issues to tackle, the Government Working Group was confronted with different possible strategies for advancing its work. For some of its community members, the role of the group was primarily one of research and advocacy. For government members, advocacy was an awkward role at best. In this process, they might serve as resource persons but could not take lead positions. Others saw the working group more as a forum in which officials from various levels and agencies within government could explore with one another, and members of the community, new ways that government could act to reduce poverty. The combination of these approaches produced a mode of operation to which OP2000 later referred as 'action advocacy.' The focus was on working together to identify constructive initiatives around which government and community stakeholders could be mobilized.

Forging this way of thinking and acting took considerable time. Several efforts were made before successful initiatives were realized. For instance, a research paper discussing provincial government policies was felt to be too hard-hitting. Rather than being submitted to government, it was used to inform the working group about critical issues. Other efforts were made to engage the province in dialogue. In another instance, plans were developed to bring stakeholders together in a social housing and downtown renewal project but set aside when it seemed that the timing was not ripe for launching an initiative in this field.

In due course, several ventures did come to fruition. In a project called Experience Matters, the provincial Department of Community Services, the Region of Waterloo, nonprofit organizations and local businesses collaborated to provide training and workplace experience to social assistance recipients. In another project, the Region of Waterloo allocated staff time to identify and address issues of concern for nonprofit organizations dealing with existing social service policies and programs.

An important initiative undertaken through the Government Working Group built on some of its earlier activities and those of the Business Action Team. The

Caledon Institute had been asked to prepare a paper on the role of local government in poverty reduction. *Strategies for a Caring Society: The Role of Local Government* described the growing importance of municipal and regional government in addressing social and economic issues [Torjman 1999]. The paper identified a series of measures through which local governments could help combat poverty. Representatives of OP2000 arranged to make presentations to the three city councils in Waterloo Region where they shared the Caledon paper and the human resource policy booklet developed by the Business Action Team. Elected officials were asked to review their policies and practices against the ideas presented in these two resources. The presentations spurred activity in each of the municipal councils. The City of Kitchener conducted a major study of its operations in relation to the work of poverty reduction and identified a number of concrete ways it could improve or extend its policies.

Notwithstanding these positive developments, the Working Group continued to struggle with the best way to define its role and carry out its work. In the latter stages of the project, some members questioned whether the Working Group was serving a function that was not already being fulfilled by other structures or activities.

Community Action Team

The Community Action Team was formed to ensure that the perspective of low-income residents guided OP2000 in its work. After several unsuccessful efforts to add more low-income representatives to the Leadership Roundtable, it was agreed that a strong 'reference group' consisting of low-income residents and people who worked closely with them was a good indirect way to obtain necessary feedback. One or two members of the Community Action Team would carry information and ideas between the group and the Leadership Roundtable. Through involvement in the Community Action Team, participants would become more familiar with OP2000. In time, they might choose to become more involved and serve on the Leadership Roundtable directly.

A major challenge faced by staff in facilitating the development of the Community Action Team was the constantly changing composition of the group. Reasons for the intermittent attendance varied from one participant to another. Given the stresses and pressures resulting from living on low incomes, it is not surprising that committee meetings were not always top priority. Practical matters, such as the availability of transportation, also affected attendance. In addition, both participants and staff found it difficult to define a satisfying role for the group to play in advancing the goal of poverty reduction.

The major ongoing role played by the Community Action Team was to provide feedback to other stakeholders about issues related to poverty, poverty reduction and the work of OP2000. Leadership Roundtable members and each of the other working

groups met with the Community Action Team to obtain input on their current and proposed initiatives. In addition, the Evaluation Advisory Committee sought advice from the group about the evaluation process and specific research tools being considered.

The Community Action Team undertook two major projects of its own. It prepared a resource booklet identifying a wide range of community services and resources of value to people living on low incomes. It organized the Step Ahead Symposium, a day-long series of workshops and activities for people with limited incomes. Sessions at the symposium allowed participants to share ideas on topics such as child care, budgeting, housing and education. Organizers also encouraged personal development activities like yoga and pottery. In addition to the opportunities these initiatives provided others in the community, they helped to focus the energy and interest of the working group itself.

In the final months of OP2000's first phase, the Community Action Team arranged a series of training sessions to help participants develop the knowledge and skills needed to serve on the boards and committees of nonprofit organizations and other agencies. This initiative was a practical way to address the basic purpose of the Community Action Team – to ensure that low-income residents are able to participate in the development and implementation of programs and services meant to assist them.

Voluntary Sector Working Group

At the time of the mid-term evaluation, OP2000 was working with more than 30 nonprofit partners engaged in 20 poverty reduction projects. Approximately half of these projects received intensive technical assistance from OP2000 staff as these were being designed and developed. However, as the number of nonprofit projects grew, and as OP2000's agenda broadened, staff was unable to continue providing such extensive support. In an effort to meet the needs for technical assistance, the project developed alternative strategies. For instance, rather than conduct in-depth workshops with partners, on a one-on-one basis, it invited organizations to participate in group sessions – 'brown bag lunches – addressing similar topics. More focussed follow-up consultations could then be used to help individual organizations work through specific issues.

A second strategy developed by staff was to recruit the aid of other organizations and individuals capable of providing technical assistance. In some cases, this simply meant arranging a guest presenter for a brown bag lunch – e.g., a United Way staff person who led a workshop on media relations. In other cases, it meant fostering a new project geared to providing technical assistance. This was the case with the MBA Service Corps undertaken by the School of Business at Wilfrid Laurier University. Students in this program had completed placements with nonprofit organizations as part of their course work. A partnership was created between Wilfrid Laurier and OP2000 to expand this facet of the program. OP2000 would help orient students to the

needs of the voluntary sector and work with its nonprofit partners to design appropriate placements. MBA students then would use their skills to help strengthen the technical capacity of organizations to pursue poverty reduction work.

Following the mid-term evaluation, the primary focus of work in the voluntary sector was on project support and sustainability. Mid-way through the funding cycle, project partners were encouraged to develop strategies for making their initiatives sustainable. Brown bag lunches were arranged to help partners consider the challenge of sustainability and develop necessary plans.

In its role as administrator of the OP2000/HRDC Fund, OP2000 also had responsibilities for monitoring the progress of projects and ensuring their accountability. To some extent, this administrative role altered the relationship between OP2000 and its partners. Staff had to make special efforts to maintain its supportive stance as a partner alongside its oversight role as project funder. In addition, the sheer time and energy demanded by the administrative duties associated with the OP2000/HRDC Fund drew resources away from the work of project development.

During interviews conducted for the mid-term evaluation, some nonprofit partners indicated a desire to have more direct contact with the Leadership Roundtable. Some also sought opportunities for closer collaboration with other stakeholder groups, especially the business sector.

Through the Voluntary Sector Working Group, nonprofit partners were asked to submit a 'wish list' identifying the project supports they required. This list was shared with the Leadership Roundtable. In some cases, nonprofit partners attended the Leadership Roundtable meetings to discuss their needs and seek assistance. Leadership Roundtable members were often able to point out worthwhile avenues for groups to explore. In some cases, they were able to open doors that led directly to the required solutions.

In terms of linking the voluntary sector and the business sector, two initiatives in particular addressed this goal. The first was a job posting arrangement in which employers could inform low-income residents about job opportunities by advertising available positions through OP2000's nonprofit partners. While 20 individuals secured employment through the job posting mechanism, approximately 100 other positions were not filled by members of OP2000's network. Unfortunately, many of the low-income residents who applied for these positions lacked the skills required for those jobs. Limited administrative capacity for vetting applications also weakened the effectiveness of this intersectoral partnership.

A second initiative brought business and nonprofit partners together to consider developing 'customized training' programs. In customized training, businesses and nonprofit organizations collaborate in designing and delivering training that prepares individuals for existing employment opportunities. Such initiatives specifically address the skills gap identified as a problem in the job posting process. A full-day workshop

was organized by OP2000's business sector staff to enable business and nonprofit partners to explore the strategy of customized training and identify mutually attractive opportunities. Sixty individuals representing both business and nonprofit organizations participated in the session. At least six proposals for training programs emerged from the workshop.

Beyond 2000

As it entered its final year, Opportunities 2000 had a heavy slate of activities in the four primary areas of its work. At the same time, it began turning its attention to its longer-term future. In the spring of 2000, discussions began among staff and Leadership Roundtable members about the measures that were required to sustain the organizing work and concrete initiatives begun during the previous three years.

In May, OP2000 held its annual 'Partners Forum' to reflect on the network's activities over the past year and consider the year ahead. At the forum, partners were asked to assess OP2000's work to date and whether it should extend its operations into a second phase. Partners identified many gains that had been made through the broad-based community response to poverty developed through the OP2000 process. The capacity of the community to counter poverty was growing and desirable outcomes were being achieved for low-income households. At the same time, partners recognized that there were limits to the accomplishments realized to date. On the whole, the network had gained a greater appreciation of the complexity of the poverty issue and the need for a long-term, sustained effort to combat it effectively. In the words of a report summarizing the consultation: "partners overwhelmingly stated that poverty reduction is not a 'project' that can be completed in a four-year timeframe, but an ongoing commitment that our community must make on an on-going basis" [Opportunities 2000 2000: 1].

Following the Partners Forum, OP2000 entered into a more detailed process of community consultation to help it develop a plan of action for OP2000's operations 'beyond 2000.' Survey forms, working group discussions and a second partners' meeting provided direction for redefining Opportunities 2000's vision, mandate, objectives and structure. While many aspects of the approach that OP2000 had developed in Phase One were affirmed, the consultation process also identified some adjustments that were desired. While it was generally felt that OP2000 should maintain a "high," "lofty" or "challenging" goal, it also was believed that its short-term focus should be to strengthen the effective initiatives started in Phase One and increase its impact by undertaking a more limited number of strategically chosen projects. Similarly, while it was felt that OP2000's emphasis should continue to be placed on action, it

also proposed that advocacy be given more explicit attention in its work. Finally, while the ‘consultative leadership’ style that OP2000 had developed during Phase One was endorsed, partners also desired more opportunities for direct discussion and joint action among people from the different sectors participating in the initiative [Opportunities 2000 2000].

Based on the results of its community consultation, and drawing from the preliminary results of the evaluation process for Phase One, OP2000 began preparing funding proposals to meet its needs for the period ahead. At the same time, it proceeded to confirm the support of existing partners and to enrich the network by reaching out to new ones.

Part Two: Outcomes

Introduction

Part One of this report related the story of OP2000 as a process of multisectoral collaboration for poverty reduction. It described the evolution of the project from its origins with a small group of people with a vision to an extensive network of nonprofit organizations, businesses, government and low-income residents.

Part Two of the report turns its attention to the specific outcomes achieved through this broad-reaching development process. In keeping with the goals articulated by OP2000 following the mid-term evaluation, it tracks the changes on three levels: individuals, organizations and community. Findings are summarized both in terms of specific outcomes achieved and in terms of the strengths and weaknesses of the practices used to accomplish the project's goals.

The overall finding is that Opportunities 2000 has made substantial progress in pursuit of an ambitious and multifaceted agenda. In the course of four years, OP2000 has:

- Raised the profile of poverty as an issue of concern in Waterloo Region.
- Mobilized a diverse set of stakeholders around the goal of poverty reduction.
- Explored the strengths and limitations of a variety of poverty reduction strategies.
- Assisted more than 1,600 individuals in their efforts to exit poverty.
- Improved the capacity of individual organizations to engage in poverty reduction work.
- Built a community better able to work together to combat poverty on an ongoing basis.
- Laid the foundation for a more concerted and strategic community response to poverty.

At the same time, OP2000 did not achieve the degree of impact on poverty that its proponents desired. While low-income participants in OP2000 projects improved their circumstances in a variety of ways, only a minority could be said to have made sufficient gains, especially in terms of their incomes, to have 'exited' poverty. Continued capacity-building and greater progress on certain critical issues, such as access to skill training and better paying jobs, are necessary if stronger outcomes are to be realized in terms of poverty reduction.

i. Experience of Individual Participants

As of December 31, 2000, 1636 low-income residents had participated in projects undertaken through OP2000 and its partners. Since many of these projects continue to operate, the number of individuals assisted through the OP2000 initiative continues to grow. OP2000 staff estimate that an additional 500 individuals received assistance in the first three months of 2001.

The largest proportion of participants (62 percent) were involved in a series of projects sponsored by nonprofit organizations and financed through the OP2000/HRDC Fund. An initial household survey was administered to 560 participants in these projects. Responses were received from 330 individuals (approximately 60 percent of the overall sample). Tables summarizing the survey findings are provided in Appendix G.

In general, the demographic data collected by the survey reveals that poverty is experienced by people from many different backgrounds and circumstances. It also identifies certain features that are particularly associated with the experience of poverty.

The following figures provide the basic demographic profile of survey respondents:

Gender

- 72 percent of respondents were female.

Age

- The average age of respondents was 34; nearly 70 percent were in the core working years of 25 to 54; 27 percent were aged 15 to 24.

Marital Status

- More than 60 percent of respondents identified themselves as 'single' or 'separated/divorced'; 40 percent of respondents were married or lived in common law relationships.

Household Type

- Children were present in a strong majority of respondent households (68 percent); 39 percent of all households were led by single parents; 29 percent of all households were led by two parents.

Employment Status

- 40 percent of respondents were unemployed; an additional 31 percent were employed either full- or part-time.

Education

- 55 percent of respondents had some level of secondary school education; 40 percent had education beyond the high school level (e.g., community college, trade school, university).

Immigrant Experience

- 8 percent of respondents were recent immigrants (i.e., had lived in Canada for five years or less).

Personal Income

- 76 percent of respondents indicated annual personal incomes of \$15,000 or less; the average annual personal income was \$14,786.

Household Income

- 52 percent of respondents indicated annual household incomes of \$15,000 or less; the average annual household income was \$21,462.

Average Depth of Poverty

- The average depth of poverty (extent to which a household's income is below Statistics Canada's low-income cut-off line) was \$9,440.

Several observations can be made based on this profile. First, it is evident that OP2000 projects reached a broad cross-section of the low-income population in Waterloo Region. The profile of project participants is similar, though not identical, to the profile given by 1996 census data for the Kitchener Census Metropolitan Area. For this reason, the experience of participants may be useful in assessing the value of the strategies and practices employed within OP2000 for the region's low-income population more generally.

Second, both the profile of OP2000 participants and that of the wider low-income population indicate certain tendencies in the experience of poverty. For instance, the incidence of low income is greater for women, people with lower levels of education, households with children (especially single-parent households), the unemployed and recent immigrants. At the same time, both indicate that significant numbers of people who fall outside of these categories also experience poverty, for instance, individuals with higher levels of education and people with full- or part-time employment. One

strength of the OP2000 initiative was that it generated a wide variety of projects able to address the different needs of the various sub-groups among the low-income population.

Third, notwithstanding the value of OP2000's diverse range of initiatives, the household survey data suggests that the situation of certain groups warrants focussed attention. Most of all, it highlights the issue of women and poverty. As indicated, a remarkably high proportion of participants in OP2000 projects were women. At 72 percent, the rate is substantially higher than in the low-income population as a whole. Data for the Kitchener Census Metropolitan Area indicates that women make up 54 percent of the area's low-income population.

In part, the 72 percent figure may reflect the fact that one OP2000 project was disproportionately represented among respondents to the initial household survey. CAPACITY for Growth was the single largest of all OP2000 partner projects. It was a collaborative venture in which nine agencies delivered personal and employment counselling through six neighbourhood centre locations. One rationale behind the decentralized model used by the project was that it would facilitate access to needed services. As it turned out, a high proportion of program participants (74 percent) were women.

Although the extensive participation of women in the CAPACITY for Growth project may have given added weight to the presence of women in the overall survey, it is clear that it was not the only factor. A high percentage of female participation was evident in most projects. At least three projects were composed solely of women. Moreover, of the single-parent households participating in OP2000 projects, 70 percent were led by women. In addition, among the 20 percent of all respondents who identified themselves as 'homemakers,' all were women. Given the responsibilities that women continue to bear for the care of children, coupled with the lower levels of pay that women tend to earn in the labour market, it is not surprising that a high proportion of OP2000's participants were female. Services such as CAPACITY for Growth support women in meeting their child care and financial challenges. In the case of CAPACITY for Growth, the proximity of the neighbourhood centre, and the availability of child care services, made it easier for women with young children to access the counselling services they required. Given the high percentage of women taking part in OP2000 projects, the issue of women and poverty deserves more concerted attention. It is a topic that warrants examination in OP2000's second phase.

Two other aspects of the demographic data deserve to be highlighted. It is noteworthy that more than 30 percent of survey respondents already were working on a full- or part-time basis. In itself, this figure supports the observation that employment is not a guarantee against poverty. A significant number of people in Waterloo Region are among the working poor. In fact, data for the Kitchener Census Metropolitan Area indicates that 54 percent of the local low-income population had some form of employment in the previous year. OP2000 has appropriately recognized the need to increase the availability of well-paying jobs and to provide people with the skills needed

to secure those jobs. This focus should be maintained in the next period of OP2000's work.

Finally, the income circumstances of survey respondents should be noted. Although many respondents declined to respond to questions about personal and household income, and some had difficulty providing the detailed information requested, the data gathered indicates that most participants were living substantially below Statistics Canada's low income cut-off lines. Importantly, the average depth of poverty calculated from the household survey data (\$9,440) is strikingly similar to the figure for the Kitchener Census Metropolitan Area (\$9,990). It is clear that many participants in OP2000 projects were facing a substantial challenge in raising their incomes above the poverty line when they entered their projects.

Pathways In and Out of Poverty

In-depth interviews conducted with 26 participants in OP2000 projects reinforce the view that there are many different experiences of poverty. Even within this small sample of the low-income population, numerous paths into poverty were evident.

Some respondents had left school early and had difficulty securing well-paying jobs. One, however, had a lower level of education but had worked for nearly 20 years in the same well-paid position. Unfortunately, as the economy underwent transition during the 1980s and 1990s, his employer's business declined until it eventually closed. The respondent lost his employment and found that his lack of formal education was a major barrier to obtaining a good job in the current labour market. Unable to regain his footing, this individual gradually fell into dire economic circumstances from which he is still trying to recover.

Other individuals identified dramatic events in their childhoods as key factors leading to their current difficulties. In some cases, it was the death of a parent or the breakdown of a family through divorce. For others, it was an experience of emotional or physical abuse. Often such events and experiences had reverberating effects in people's lives. Some left school early and then found themselves struggling to secure employment. Others faced the additional dilemma of fleeing difficult family circumstances and enduring a period of homelessness. In some instances, problematic childhood relations appeared to be reenacted in difficult adult relationships. Several women who were interviewed told of their struggles to leave abusive partners, often assuming the responsibilities of single parenthood in the process.

Although the stories told by some respondents had deep roots and tangled vines, for others the factors leading to poverty were either much more discrete or immediate. For some respondents, chronic health problems or those of other family members, particularly children, limited their ability to work on a regular or full-time basis. Regrettably, social programs are often not designed in such a way that people with health-related disabilities can combine social assistance payments with paid employment.

Other respondents had immigrated to Canada arriving with high hopes for lives in a peaceful, tolerant and prosperous country. Unfortunately, their positive expectations were not born out in full. Even those who arrived with a university education found that they faced an uphill battle making their lives in their new country. There were fewer supports than they anticipated to help them make the cultural, social and economic transition. Some struggled to develop the language skills they needed. There also were problems with discrimination in the labour market and in the workplace. Anticipated improvements in their lives sometimes turned into frustration and thoughts about returning to their original homelands.

Such stories serve to illustrate the variety of factors that define the diverse circumstances of individuals living on low incomes.

Hopes and Expectations

Notwithstanding their different paths into poverty, the respondents were consistent in the observations they shared about the difficult experience of living in poverty. Lack of economic means had more than economic consequences. Respondents expressed directly and indirectly the toll that poverty took on them spiritually and emotionally. Loss of self-confidence and self-esteem was the common denominator in stories participants told about their lives.

Interestingly, this theme also was present in the responses to the Initial Household Survey conducted with a much larger number of participants. The survey asked respondents how they expected to benefit from their participation. Not surprisingly, 50 percent of participants identified financial and employment goals, including new or better jobs, increased income, and additional education and training. Importantly, a further 40 percent of respondents identified a variety of other personal development goals, including the desire to enhance self-esteem, build social contacts, experience opportunities for learning and receive personal counselling.

Benefits for Individuals

Overall

In interviews conducted for the Follow-up Household Survey, respondents indicated that the benefits they received from their projects corresponded with the aims with which they had entered.

Asked how they benefited from participating in their projects, nearly 50 percent said they either had obtained employment or started a self-employment venture. A further 27

percent indicated that they had experienced some form of personal development such as increased self-esteem/self-confidence, improved personal relationships and a better understanding of personal strengths. The two other major responses to this question had both employment-related and personal development dimensions. Twelve percent of respondents said they benefited by gaining access to computers and computer skills that helped in achieving both employment and educational goals. A smaller number of respondents who had participated in two projects focussed on financial asset building identified the creation of these assets as the specific benefit they received. Some of these respondents commented that the money management skills they acquired through the project, as well as the financial asset itself, gave them a renewed self-confidence and sense of hope.

Specific Outcomes

a. Income and employment

The primary focus of OP2000 partner projects was on improving participants' income and employment circumstances.

On the basis of End of Project Reports prepared by sponsors of OP2000/HRDC funded projects, plus information gathered from other project partners, it is clear that the OP2000 initiative made substantial progress in meeting its income and employment goals. As of December 31, 2000:

- 486 participants obtained new or improved employment
- 79 individuals started or expanded small business ventures
- 151 individuals proceeded to further training or education
- 24 individuals built financial assets to be used for major poverty reduction investments
- More than 60 individuals stabilized their housing as one step in the process of improving their social and economic circumstances.

The figures provided by project partners are supported by the data collected through the Follow-up Household Survey. Among respondents to the survey, 44 percent reported having obtained new or improved employment. This figure is actually higher than the percentage obtained through data provided by project partners. The reason for the difference is not clear. Imprecision in the survey sample, however, is a possible cause since some projects were more strongly represented in the survey than others. Despite this inconsistency, the survey verifies that a substantial portion of project participants were able to achieve desirable employment outcomes.

b. Full- and part-time employment

Analyzing the data in terms of full- and part-time employment raises important questions about the quality of the employment opportunities secured by project

participants. Among survey respondents who secured new or improved employment, 47 percent obtained full-time jobs but 49 percent obtained part-time positions and another 4 percent casual employment. While it is possible that some individuals prefer part-time employment and others see such employment as a helpful stepping-stone to full-time work, many workers are unable to meet their financial needs through part-time jobs. Indeed, the increased prevalence of jobs with nonstandard hours (e.g., part-time and contract work) is generally cited as one of the causes of the growing incidence of poverty.

c. Job retention

Similarly, figures pertaining to job retention also raise questions. In this case, the data is less clear in describing the experience of project participants. At the time the survey was administered, 46 percent of respondents who had obtained new or improved employment had held their jobs for 12 weeks or less, a further 16 percent had been employed from 13 to 26 weeks, 11 percent from 27 to 36 weeks and 27 percent for 37 weeks or more. While it is encouraging to see that more than a quarter of respondents had retained their employment for more than nine months, it remains to be seen if participants who are newer in their jobs will also maintain their positions for that length of time.

d. Self-employment

On the whole, the results related to self-employment were considerably weaker than for employment. It is not surprising that only 14 percent of survey respondents reported having received assistance developing a self-employment opportunity, since fewer participants were involved in projects focussed on self-employment. On the other hand, among respondents engaged in self-employment ventures, 60 percent were operating their businesses on a part-time basis and only 15 percent were continuing to work on their self-employment venture at the time that the survey was conducted. These figures reflect findings discussed later in the report which indicate that the self-employment route is suited to a relatively small portion of the low-income population, has added hurdles for both project sponsors and participants, and tends to be a longer-term process for meeting income needs.

e. Training and education

Among respondents to the Follow-up Household Survey, 43 percent indicated that the project had enabled them to pursue further training and education. Again, this figure is higher than that provided by the project organizers themselves. While the difference may reflect the nature of the survey sample, it also appears that respondents identified a broader range of training and education opportunities than project

organizers tracked. Most projects relied on the Follow-up Household Survey to identify the full range of outcomes experienced by participants.

f. Personal income

Tracking income changes experienced by project participants proved to be a difficult research challenge. Many respondents were reluctant to share this personal information. Others found it difficult to provide the detailed breakdown of income sources requested by the Initial Household Survey. The income questions on the Follow-up Household Survey were modified to take into account these concerns. Rather than request specific income levels, the Follow-up Household Survey asked for somewhat more general indications of income change. As a result, higher response rates were registered than in the initial survey.

A substantial number of survey respondents indicated that they had experienced improvements in both their personal and household incomes. Forty-four percent of respondents said that they had seen an increase in their personal income since entering the project. Another 44 percent indicated that their personal income had not changed. Ten percent of respondents noted that their personal income had decreased. Among those respondents who reported an increase in personal income, nearly 60 percent indicated an increase of more than \$200 a month. While this was the highest point on the scale used by the survey, we know from data collected independently by one partner project that some participants experienced improvements in personal income much greater than \$200 per month. Consequently, it is reasonable to conclude that these figures are conservative indications of the income improvements realized by project participants.

g. Household income

The survey asked respondents how they would describe their household income situations since they began participating in their projects. Forty-seven percent indicated that their household incomes were either much or somewhat improved. Forty-two percent reported that their household incomes had not changed. Approximately nine percent said that their household incomes had become somewhat worse.

Since household incomes may change for many reasons unrelated to the respondent's participation in OP2000 (e.g., loss or gain of employment by another household member, changes in family support payments), the survey asked respondents if the increase in their household income was a result of their participation in the project. Approximately 60 percent of respondents attributed their improved household income to the project or the project plus other factors. This appears to be a conservative estimation of the role that the projects played in helping to improve household incomes. A significant number of respondents indicated receiving benefits from their project participation that likely helped them to secure employment (e.g., help with résumé preparation or with interview skills), but did not attribute their resulting improved income to the project. In some of these cases, at least, participants likely were asserting

ownership over their own success even though the projects were contributors to the outcomes achieved.

h. composition of income

The Follow-up Household Survey also collected data to determine whether respondents had experienced improved composition of income (i.e., whether they had supplemented or replaced government income assistance with employment income). Twenty-three percent of respondents did experience an improved income in these terms. Again, this figure is probably somewhat understated since one project which provided training and employment opportunities specifically for social assistance recipients was not included in the household survey sample.

Participants' Views of Their OP2000 Projects

Through the Follow-up Household Survey and a series of focus groups, the views of participants were obtained about the strengths and weaknesses of the projects in which they were involved.

When asked what they liked about their projects, 72 percent pointed to tangible factors such as the assistance projects provided or the outcomes they enabled. Among these respondents, 58 percent identified helpful employment services, including résumé preparation, development of job search skills, employment counselling and access to equipment, such as photocopiers and faxes. A further 20 percent identified opportunities for learning, particularly in the areas of computer skills and money management. Practical benefits were clearly a primary interest of project participants.

Twenty-six percent of all respondents commented favourably on specific aspects of the way projects were designed or delivered. Approximately half of these respondents identified supportive staff and informative instructors as keys to their positive experience. Others appreciated the atmosphere of acceptance and respect they discovered in their project settings, the accessibility of the services and the way projects geared their programs to address individual needs, especially the pace of learning appropriate to different participants. As much as concrete benefits and resources are important to participants, the manner in which they were treated was crucial to participants' positive experiences.

Further attesting to participants' favourable project experience, nearly half indicated that there was nothing that they disliked about their projects. The top area of concern for those who did identify some area of dissatisfaction pertained to issues of timing. Among the 16 percent of respondents who expressed this concern, fully three-quarters commented that the duration of projects was too short or that there was insufficient follow-up once the initial assistance was provided. For a substantial number of participants, projects represent a stage in an ongoing effort to improve their circumstances. The relationships they developed with

project staff and other participants, and the various resources and supports they received through the project, may well be needed for a period beyond the arbitrary time frames of project funding. For some participants, these supports came to an end just as the benefits they were meant to provide began to be realized. The result can be the loss of gains made and a return to an earlier stage in the development process.

Two other areas of concern were identified by project participants. Fourteen percent of respondents indicated that there were limitations in the service or resources provided. Specifically mentioned were job banks that include too few good job opportunities, the limited access to computers in one project focussed on computer training and insufficient supports for new entrepreneurs, especially in terms of financing and business mentoring. Twelve percent of respondents identified weaknesses in project management and organization, particularly lack of planning that led to frequent changes in program logistics and scheduling.

The changes recommended by project participants flowed directly from these areas of concern. Twenty-eight percent felt that improvements could be made in the substance of their projects, e.g., generating more and better employment opportunities, expanding computer training, adding support for new entrepreneurs such as more business mentoring and more substantial financial assistance. A further 17 percent of respondents sought adjustments in timing, including extending the duration of projects, but also adjusting the hours of operation to be more accessible to people who are already working and providing more one-on-one time with certain project staff such as employment counsellors.

Focus groups conducted with 30 participants representing six projects added other important dimensions to participants' observations about the projects undertaken through OP2000. Overall, participants expressed a balanced and realistic assessment of their projects. While noting problems and limitations in all programs, they indicated that learning had occurred for each of them and that their involvement had been beneficial.

While many of the benefits realized by participants were those explicitly promoted by the projects, there also were surprises. For example, many focus group participants noted that they had experienced significant improvements in self-esteem, even when this was not a specific goal of the project or something they had consciously sought through their involvement. Participation in constructive activity, the acquisition of new knowledge and skills, and contact with others facing similar challenges was encouraging in itself. In particular, focus group members observed that their interaction with other participants was both rewarding and validating. This was evident in projects that made extensive use of group activities as part of the project design and in cases where individual work was more pronounced, such as computer training. Relationships formed with other project participants were helpful both in realizing the explicit goals of the project, such as, mutual aid in developing computer skills, and as ends in themselves. Participants commented that as much as project staff were supportive and empathetic, peers tended to understand their concerns more fully. This feedback suggests that OP2000 and its partners may wish to expand the use

of ‘peer workers’ in the next phase of activity. More generally, the personal and social benefits generated through project participation was an unanticipated outcome.

An important criticism expressed by focus group members concerned the high expectations raised by projects. In general, participants perceived that project sponsors tended to promise more than they could deliver. These participants felt that the projects were not measures that could lift people out of poverty in and of themselves. While these projects could and did help, the notion that they could enable participants to exit from poverty was seen as unrealistic. Participants who placed too much hope in such promises felt disappointed and misled when these were not realized.

Focus group participants understood that project organizers often were forced to make strong claims for the outcomes they would produce in order to secure funding for their initiatives. However, participants noted that it was they themselves who pay the biggest price for this funding game since they often make a major emotional investment in these initiatives. A better approach in their view would be to make realistic promises and provide sustained assistance to participants as they make gradual progress toward their goals.

Focus group participants also raised a number of other issues to be considered by nonprofit organizations in the way they conduct their work and with respect to specific poverty reduction strategies:

- Don’t assume that participants need to be improved or fixed. Recognize that the problem often lies elsewhere and join with participants in seeking to create more just and supportive economic and social conditions.
- Be careful not to take advantage of people who are vulnerable and who perceive that staff are in a position of power. Be aware that a request from staff is often difficult for people to refuse due to perceived differences in power.
- Guard against the possibility of putting organizational and staff interests ahead of the needs of the people the organization intends to serve.
- Don’t bother consulting with service users if you aren’t going to use their ideas or if you have already established a plan.
- Provide services to everyone in need; don’t just follow available funding.
- Offer programs on a continuing rather than a time-limited basis – people’s needs do not necessarily end when project funding expires.
- Deliver more services through decentralized sites to improve access for people who do not have the time and resources to travel to centralized sites.
- Develop more programs to serve the working poor so that people can improve their situations while working.
- Link skill development programs to formal accreditation so that participants can realize the maximum benefits for their efforts.
- Provide more in-depth business mentoring and financial backing to low-income people pursuing self-employment ventures.
- Expand the ‘individual development account’ model to help people acquire assets in addition to computers (see OP2000 Series story on “Opportunity Development Accounts” [Rail 2001]).

Participants also expressed strong views about the ways that government and business could help people living on low incomes improve their situations. In relation to government they advised:

- Stop condemning people and start helping them, particularly with making the transition from welfare to self-sufficiency.
- Increase investment in social programs, including child care, housing and education.
- Change welfare rules so that people are not prevented from improving their life circumstances, particularly rules pertaining to earned income exemptions, liquidation of assets and access to medical supports and drug plans. Such rules should be adjusted so that people have a sense of security as they work toward self-sufficiency.
- Provide welfare to people who are enrolled in education programs.
- Fulfill the promises made to prospective immigrants by: recognizing credentials and providing programs which facilitate the transition to employment in their fields in Canada; reinstating funding for English as a Second Language courses; educating the private sector about the advantages of employing immigrants; and addressing the problem of discrimination, possibly by establishing hiring quotas.

With respect to business, focus group participants made the following recommendations:

- Don't employ people part time to avoid paying benefits.
- Don't pay some people to work overtime instead of employing more people.
- Join with government and nonprofit organizations to develop training programs geared to specific employment opportunities.
- Don't discriminate against immigrants.

The strong feelings and thoughtful input provided by project participants about the strengths and weaknesses of programs meant to assist them confirm the importance of ensuring that low-income residents assume a central role in guiding OP2000 in the next phase of its development.

ii. Organizations and Poverty Reduction Strategies

Opportunities 2000 mobilized a broad and diverse network of organizations, businesses and governments around the goal of poverty reduction. In total, 41 nonprofit organizations, 43 businesses, and agencies from all four levels of government (local, regional, provincial and federal) affiliated themselves with the project and made some tangible effort to help reduce poverty in Waterloo Region. Acting independently or in partnerships, the members of this network launched and/or renewed 49 projects embodying at least 15 different poverty reduction strategies.

Project Selection

Several resources were developed to support the project identification process. The Caledon Institute's *Can Communities Reduce Poverty?* provided OP2000 with a framework for conceptualizing the diverse facets of its work. It identified four broad interventions that could be pursued in the effort to reduce poverty: meeting basic needs, removing barriers, building skills and promoting economic development. The *Local Action to Fight Poverty* booklet prepared by OP2000 staff and the Centre for Community Enterprise was designed to present the notion of poverty reduction to nonprofit organizations and to facilitate selection of projects suited to their respective strengths and interests. A presentation designed for use with members of the business community described the poverty profile in Waterloo Region, the aims of OP2000 and six ways that businesses might participate: hire from OP2000 partners; develop human resource best practices; undertake customized training; share expertise; adopt a project and "surprise us!". Finally, the Caledon Institute's paper *Strategies for a Caring Society: The Role of Local Government* identified a range of actions that local governments might take to help reduce poverty. The paper was used to stimulate discussion among government officials about their current and potential work in this area. Together, these resources demarcated the basic idea of poverty reduction and suggested a range of options for specific projects.

Although the understanding of what constituted a 'poverty reduction project' was fairly broad and changed somewhat over the course of OP2000's work, it generally was accepted that projects were intended to assist low-income residents in their efforts to increase their incomes through employment. Within this understanding, project identification occurred through a process of 'give and take' between OP2000 and its partners. In many cases, partners brought forward ideas for the projects they wanted to pursue. In other cases, partners took up ideas proposed by OP2000. In some instances, OP2000 staff provided in-depth support to partners, conducting workshops to help them refine their thinking about the initiatives they might undertake.

In the end, the slate of projects pursued through the OP2000 process was somewhat eclectic. It reflected the perspectives and priorities of OP2000's various

partners. It also reflected OP2000's focus in the early stages of the project to meet its targeted number of project partners as a way of generating energy and momentum in the initiative. Once this goal was attained, more focus was given to selecting projects on a strategic basis.

At the same time, attention was paid throughout the initiative to achieving a 'balanced portfolio' of projects in several respects. Efforts were made to address the needs of different subgroups among the low-income population (e.g., youth, seniors, immigrants and persons with disabilities) and to fill apparent gaps in the range of programs and services already available in the community.

Effective Strategies and Techniques

The projects undertaken through OP2000 can be grouped according to four basic headings. Each of these strategies, and the techniques used to implement them, proved to have merit in assisting various groups within the low-income population in addressing their economic and social goals:

1. Basic Needs Strategies

These projects enabled low-income residents to meet primary personal, social and material needs, such as restoring self-esteem, strengthening support networks and obtaining good quality, stable housing. Importantly, such projects did not regard the realization of basic needs as final ends in themselves. These interventions were seen as stepping-stones in a developmental process leading ultimately to improved capacity to meet income and employment goals. In this respect, the rationale behind such projects was different from traditional programs geared to distributing goods and services of various kinds to people in need. The projects aimed to enhance self-sufficiency. They related to people as active participants in a capacity-building process. Basic needs strategies were seen as providing foundations from which participants could focus their energies more effectively on other challenges more directly related to employment.

TECHNIQUES USED TO PUT THIS STRATEGY INTO OPERATION INCLUDED:

- **Outreach services to connect isolated people to existing programs and resources**

People living in poverty for an extended period of time often become isolated from mainstream institutions, including the various structures and services meant to assist them. In some jurisdictions, such as the United Kingdom, the term 'social exclusion' is being used increasingly as another way of describing poverty [Jackson 2001]. One project undertaken through the OP2000 process used outreach workers to help connect residents with available programs and services.

The overall purpose of CAPACITY for Growth was to test the efficacy of delivering personal and employment counselling on a decentralized basis. It was sponsored by five neighbourhood centres and the Cambridge Self-help Food Bank in partnership with two agencies providing youth and adult employment counselling and one agency providing personal counselling. Outreach workers were hired to inform residents that these services were being offered through their neighbourhood centres.

In the original project proposal, outreach workers were considered to be needed only during the start-up phase of the project to ensure that neighbourhood residents were aware of the initiative. Through the project, it became clear that the role of outreach workers was more elaborate than simply spreading word about the new program. The key to successful outreach efforts was the ability of the workers to develop trusting relationships with residents such that they became open to using the services that could be accessed through these facilities. By the project's end, it was recognized that the connecting role played by outreach workers was an integral part of the work done by neighbourhood centres. During the CAPACITY for Growth initiative, the neighbourhood centres reported increased enrollment in their full range of programs and services, not only personal and employment counselling. The project supports the argument that neighbourhood centres are valuable sites through which to link people at the grassroots to a variety of community services. It also attests to the need for having outreach workers in place on an ongoing basis to actively connect people to existing resources.

- **Friendly, nonjudgmental community resource centres**

Community resource centres also play a crucial role in enabling people to escape the social isolation that prevents them from taking advantage of existing programs and services. The key to the effectiveness of such resource centres is the relaxed, welcoming social environments they present.

A particularly strong example of this approach is the drop-in centre run by the nonprofit organization, Welcome Aboard. Members of the drop-in centre identify its accepting, nonjudgmental atmosphere as a key reason that it has been successful in assisting people who have fallen on particularly hard times. For many participants, the informal environment allows them to develop relationships with other members and the small core group of staff and organizers before considering what, if any, practical assistance they might want to access through the centre. The sense of belonging, self-worth and trust fostered by these relationships is the groundwork that encourages people to take additional steps to address needs in areas such as health, housing and employment.

Similar observations were made by participants in CAPACITY for Growth's personal and employment counselling project and in the Chandler Mowat Community

Centre's computer training program. Low-income residents sometimes are uncomfortable with the more structured settings of some social service agencies. The relaxed environments found at community centres make it possible for people to develop a connection with the organization and eventually access a variety of programs and services.

- **Linking social and employment services**

Several partner projects focussed explicitly on making a stronger link between services geared to meeting basic needs and those designed to improve income and employment opportunities.

The primary focus of the Lutherwood Youth Employment Centre project was to assist youth with their housing needs. However, it saw the purpose of this project as stabilizing participants' housing arrangements so that they could address more effectively other challenges, such as meeting their employment goals. Through the project, Lutherwood took steps to integrate its housing services and employment counselling activities, referring participants in either service to the other program where appropriate. The result was a more holistic and concerted response to individuals' needs in which progress in one area of concern reenforced efforts made in another.

The pre-employment program, Small Steps to Success, similarly placed emphasis on personal development as a stepping-stone toward income and employment goals. The initial phases of the program focussed on issues of self-awareness, self-esteem and interpersonal relations. The 12 women participating in the course gradually gained self-confidence and built strong relations of mutual support. The latter stages of the program turned attention specifically to employment issues. Organizers of the project concluded that personal and interpersonal development were foundations that needed continuing support as participants pursued employment and other goals. Coordinators encouraged contact among participants after formal completion of the project and advised that future projects should include longer-term follow-up arrangements so that gains in personal development were maintained as participants encountered other challenges en route to improved self-sufficiency.

Other projects also sought to integrate basic needs with employment development. A training business established by Ray of Hope was conceived as a year-long program which would provide participants with secure housing, life skills counselling, employment training and work experience. Likewise, CAPACITY for Growth made personal counselling available to participants facing difficult emotional and relationship issues. For a significant number of people accessing the employment counselling services, referrals to personal counselling were appropriate. In order to make progress on employment goals, important personal needs first had to be met.

2. Strategies for Linking to the Mainstream Economy

Projects in this category enabled participants to secure adequate employment in the mainstream economy. Given the strength of the region's private sector economy, it is clear that important opportunities exist for reducing poverty by improving labour market participation. Significantly, the challenge tends to be more than matching existing skills to available jobs. There is a need to enhance employability, increase the number of jobs that pay adequate wages and benefits, and provide necessary employment supports (e.g., transportation and child care).

Many partner projects modelled the following effective techniques for addressing these goals:

- **Employment counselling and job search assistance**

Employment counselling and job search assistance are recognized as particularly cost-effective strategies for linking prospective workers to employment. Many people living on low incomes possess adequate training and education to qualify for available employment. The difficulty may simply be in connecting to a specific employment opportunity. Employment counselling can help individuals make the link between their capabilities and existing employment openings. Job search assistance can heighten workers' effectiveness in finding opportunities and in presenting themselves as attractive candidates.

A number of OP2000's partner projects provided employment counselling and job search assistance. The largest of these was the CAPACITY for Growth initiative. Importantly, the CAPACITY for Growth project was delivered through neighbourhood centres and was intended, in part, to reach 'harder to serve' individuals, including people facing multiple barriers to employment. The 'action planning' approach to counselling that was used in the project helped participants to determine their employment readiness. It enabled participants to identify their goals and steps to achieving them. In some cases, this meant accessing other services such as personal counselling or basic education prior to entering a job search process. Among participants in the job search process, most had highly favourable impressions of the assistance received. In addition to assisting with résumé preparation and development of interview skills, participants indicated that the personal support and encouragement provided by counsellors was important to their job search success. Contact with counsellors provided participants with the motivation and confidence needed to sustain their efforts during the emotionally taxing experience of looking for work.

- **Carefully managed job-posting and referral system**

A concern expressed by some participants in employment counselling initiatives was that they had difficulty identifying good work opportunities and that there were relatively few good job leads registered with existing job banks. One difficulty facing the unemployed, particularly those who have been out of work for an extended period of time, is that they tend to lose contact with the networks through which information

about job opportunities circulates. The job posting mechanism developed through OP2000's business initiative was a practical response to this problem. Local employers were encouraged to post their job opportunities with OP2000's network of nonprofit partners. In this way, more than 100 job opportunities were publicized in locations frequented by job seekers. As a result, numerous applications were submitted by low-income residents participating in OP2000's network. Through this mechanism, 23 individuals secured employment and a number of important lessons were learned about the challenges of connecting people to job opportunities. While it became apparent that good jobs paying substantially more than the minimum wage do exist in the local economy, it also was recognized that a skills gap makes it impossible for many low-income residents to secure these jobs. Training opportunities are needed in order for the employment connection to be made. Furthermore, an efficient job posting and referral process requires committed resources and careful management. Project organizers recommend that a nonprofit organization take on the work of distributing information about job opportunities and vetting applications before they are forwarded to employers.

- Training in tangible job skills linked to specific employment opportunities – e.g., customized training

The vital importance of job skill development is evidenced by a number of projects undertaken through OP2000. In some cases, employment training was not the primary focus of a project but skill acquisition still proved to be highly valuable in enabling participants to secure employment. For instance, Focus for Ethnic Women conducted a project to help build the organization's capacity for nonprofit enterprise development. As one facet of this project, six immigrant women received training and work experience in an embryonic commercial sewing business. In due course, all six women were hired by local companies interested in their sewing skills. Similarly, as part of their effort to develop food-related microenterprises, participants in the Community Food Enterprises project were trained in various aspects of food care and handling. Although many of the participants encountered difficulties developing their personal businesses, a number obtained employment in the food sector due, in part, to the training obtained during the project.

These experiences mirror the positive results achieved by 'customized training' projects pursued in other communities. In customized training, nonprofit organizations, training institutions and employers collaborate to design and implement short-term training to fill specific job openings [Torjman 1999]. Drawing on these models, OP2000 pursued two customized training initiatives. Sponsored by Waterloo Region's Department of Social Services, Experience Matters brought together social assistance recipients, training agencies, nonprofit organizations and businesses in an integrated job readiness, skill training and work experience program. The Experience Matters initiative proved successful in preparing prospective workers for employment. Twenty-nine of the programs first 47 graduates secured employment in the field for which they were trained. Although most of these positions were entry-level jobs paying minimum

wages, the job preparation strategy itself proved effective. Additional rounds of focussed training could be used to facilitate job advancement. Alternatively, customized training initiatives could be geared toward work demanding higher skills and offering better pay.

The latter goal was pursued through the second customized training initiative. This effort was organized by OP2000's business team which arranged a workshop to introduce the concept of customized training to a broader set of businesses and nonprofit organizations. Sixty businesses and nonprofit organizations participated. In the end, six new customized training projects were earmarked for development. The interest expressed in this approach attests to its attractiveness for businesses seeking appropriately trained employees and for nonprofit organizations wishing to assist people in need of good-paying jobs. It represents a key strategy for ensuring that the opportunities of a strong economy are accessible to all members of the community.

- **Access to computer technology and training**

In today's economy, computer literacy is fast becoming a component of basic education. Unfortunately, people living on low incomes often lack access to computer equipment and cannot afford the significant fees charged for computer training. The Chandler Mowat Computer Training program satisfied the strong desire of project participants to develop computer skills they perceived to be critical for participating in the job market. Seventy-two individuals received training through the project. Of these, 11 obtained employment, five returned to school and three started self-employment ventures. Many of the participants also used their training to advance their own educational goals and to assist children with both educational and employment objectives.

Confirming the prevalence of computer skills among workers, some project participants observed that the level of training received through the program was not sufficiently advanced to assure them success in the labour market. While it did put them on more of a par with other job applicants, they urged that the project be continued and expanded so as to offer higher levels of training.

- **Job brokering for the working poor**

Given the growing ranks of the working poor, post-employment services designed to help people improve their current jobs are emerging as critical strategies for combating poverty. The Job Enhancement Program developed by Working for Work is an example of this new wave of project. Working for Work recognized that people can become trapped in part-time work, or work outside of the field for which they were trained, simply because they lack the time to search for another job. In response, it proposed a job brokering service in which its staff would seek out employment opportunities to match the interests and skills of clients. By arranging service hours in

the evenings and weekends, Working for Work made it possible for clients to participate in the process while maintaining their current employment.

Although the project encountered a variety of administrative problems that limited the number of clients it served, the results achieved for many clients were remarkable. In terms of income improvement, the Working for Work project showed the greatest impact of all OP2000 partner projects. Among 21 clients for whom data was provided by the project, 19 indicated they experienced an increase in income of more than \$500 per month. The average increase in monthly income was, in fact, \$956 or just over \$11,000 per year. Such increases are more than sufficient to overcome the depth of poverty (\$9,990) experienced by the average low-income resident in Waterloo Region.

The results of this project reinforce the importance attributed to skill training. In combination with the higher skill levels of participants, the efforts of job brokers made it possible for clients to obtain significantly improved employment opportunities.

- **Active promotion of human resource best practices**

In a society in which income is derived primarily from the labour market, it is not possible to counter poverty without ensuring that adequate compensation is available through employment. Jobs involving part-time hours and minimum wages make it difficult for households to earn enough money to move out of poverty. Improvements in the wages and benefits offered by employers is a vital starting point for creating sustainable livelihoods.

The OP2000 business initiative made an important contribution to raising the awareness of employers about the poverty issue and the role played by human resource policies. The booklet on human resource best practices identified a variety of ways through which businesses could improve circumstances for employees without jeopardizing, and perhaps even enhancing, the interests of the business. In addition to compensation policy, businesses can, for instance, adjust recruitment and hiring practices to ensure low-income residents are considered in the hiring process, help employees address transportation needs, allow for flexible work hours that better suit the combined demands of work and family life, and create learning opportunities that can lead to job advancement.

Although only limited feedback has been received about employer responses to the booklet, these stories indicate that it is possible to make the types of changes encouraged by OP2000's business team. Several employers, for instance, compared their wage scales against the low income cut-off lines presented in the booklet and made adjustments in wage levels in order to create more viable financial circumstances for specific employees. In some cases, improved wages were associated with enriched job descriptions. In other cases, employers enhanced incomes by increasing the work hours of individual employees.

In addition to closer tracking of employer reaction to the ideas presented in the booklet, it appears that more active promotion of human resource best practices is both necessary and warranted.

- **Adequate participant supports such as child care and transportation**

In order for people to participate effectively in poverty reduction projects or in the workplace, certain basic supports are required.

Several partner projects revealed the importance of ensuring affordable child care and transportation. The two Opportunity Development Account projects conducted by Lutherwood CODA indicated the critical difference that the absence or presence of these arrangements makes in terms of consistent and sustained participation. In Lutherwood CODA's initial project, a broken car created a transportation barrier for one participant; for others, the loss of family support around child care made it difficult to meet parenting responsibilities and attend project meetings. Sporadic participation by some disrupted the experience of the project for all. Adjustments in the project design, especially the addition of child care support at the community centre where meetings were held, stabilized participation and made it possible for the project to regain its momentum.

The second Opportunity Development Account project built on lessons from the first. From the outset, child care services were made available on-site through the project's community centre partner. In addition, the project served residents in the community centre's immediate neighbourhood, thus reducing transportation problems.

While these are only two ways of responding to the need for participant supports, they highlight the importance of attending to these issues. Some participants in OP2000 projects pointed out that the supports made available during projects are lost once people enter the workplace. Research on transition to employment also has shown that these supports are necessary.

3. CREATING ALTERNATIVE SOURCES OF EMPLOYMENT

These projects created new employment opportunities suited to the particular needs, abilities and interests of participants. Sometimes referred to as 'parallel strategies' because they are distinct from and operate alongside the mainstream competitive economy, micro- and community enterprises are particularly attuned to the social circumstances and needs of participants. In some instances, they allow for more flexible work schedules that take into account the health requirements of participants, family obligations or other factors. In other cases, they provide an extended period of counselling, training and work experience that enable participants to make a gradual transition to the mainstream economy. In

either arrangement, these initiatives fill a niche in the continuum of employment opportunities, one that is oriented specifically to providing employment that suits the personal and developmental needs of the people involved.

Three main techniques proved useful in this area:

- **Development of *community enterprises* by well-prepared and well-supported nonprofit organizations**

One way to think about the role played by nonprofit or community enterprises is that they help create a socially viable market economy. Such enterprises are focussed on achieving multiple bottom lines. Attentive to generating an adequate financial return to sustain their operations, they also allocate resources to other ends such as the personal and social development of their employees. In effect, community enterprises create a space midway between the social services sector and the market economy. In some instances, they provide long-term employment for individuals who have been excluded from the for-profit economy; in others, they serve as a bridge to employment in the for-profit economy.

A number of OP2000's nonprofit partners pursued community enterprises. Given the challenges associated with starting a business of any kind, these ventures proved to be remarkably successful, at least in the initial stages of development encountered thus far. Based on these experiences, several basic lessons can be learned about the opportunities and challenges of such initiatives. First, it is clear that undertaking these projects, like developing any business, is a complicated and demanding process. Organizational readiness is a key factor in determining whether such ventures are ultimately successful. Among OP2000 partners, organizations pursuing enterprise development fared best when they had been considering this approach for some time, had built a strong consensus around the proposed project within their organizations, took the time required for careful project planning and were building on a sound, well-resourced organizational base. Although these factors do not guarantee success, they heighten the prospects that the organizations will be able to weather the inevitable challenges and setbacks encountered during the effort to launch a successful community enterprise.

Among OP2000 partners, projects undertaken by Ray of Hope, Focus for Ethnic Women and Achievement in Motion all exemplify these considerations in their own ways.

Achievement in Motion (AIM) began its G.R.O.W. market garden project several years prior to the development of OP2000. The project was valuable in providing the mental health consumers served by AIM with a positive social, recreational and learning experience. It also generated a small amount of revenue which was divided among project participants. On

this foundation, AIM decided to further develop G.R.O.W. as a business venture. With financial support from the OP2000/HRDC Fund, it hired a consultant to help it prepare a business plan. The plan subsequently was used to make a funding request to the Ontario Trillium Foundation that resulted in a five-year grant to support the project's ongoing development. Although the G.R.O.W. initiative is experiencing challenges meeting its demanding business targets and finding the best ways to balance its business and social agendas, long-term funding is providing the stability it requires to work through these important issues.

Focus for Ethnic Women (F.E.W.) also entered its enterprise development initiative through a gradual and deliberate process. With financial and technical assistance obtained through OP2000, the organization undertook a six-month pilot project to explore the idea of establishing a commercial sewing business. The project built on the organization's earlier work providing training to immigrant women in the sewing trades. Six women received training and completed small sewing contracts. At the same time, the organization's board examined the pros and cons of developing a full-scale nonprofit enterprise and made necessary adjustments in its structure and mandate. Through these efforts, the foundations were laid for the multi-year enterprise development project which F.E.W. subsequently pursued. Again, the challenges faced in achieving business success and in balancing economic and social objectives have turned out to be significant. The groundwork laid in the planning period is providing F.E.W. with the perspective and commitment needed to address these practical issues.

In many ways, the Ray of Hope project was among the most complicated and ambitious of all the ventures pursued through OP2000. Ray of Hope set out to develop an integrated operation that would provide participants with affordable housing, job training, work experience and counselling during a year-long program leading to sustainable livelihoods in the mainstream economy. The project involved renovating a downtown building to create a number of apartment units and a bakery/café to be developed as a training business. The thought and planning behind the project were particularly strong; the challenge came in the implementation process. A series of setbacks during building renovation greatly delayed the project's progress and added substantially to its development costs. If it had not been for the strong sense of organizational commitment to the project and for the organization's solid base of support within the community, the initiative might well have collapsed in the face of these difficulties. As it turned out, Ray of Hope was able to maintain its focus on the goal it had set and mobilized donations of labour, money and in-kind resources in order to surmount this hurdle. For Ray of Hope, the challenges associated with the project actually have been a boon for organizational development. It provided

an attractive venture which many people in Ray of Hope's broad network were willing to support through active contributions.

Other community enterprise projects pursued through OP2000 struggled to move their initiatives forward. In one case, a fragile organizational base meant that resources were too limited to effectively take on the demanding work of enterprise development. In another, limited organizational commitment to the project exacerbated by the loss of key staff members undermined the enterprise development initiative.

Organizational readiness, careful project planning and use of necessary technical assistance are all important ingredients for ensuring that community enterprise projects are able to realize their potential.

- ***Microenterprise development for individuals on a selective basis and undertaken by organizations offering a well-integrated set of support services***

In a major, multi-year study of microenterprise initiatives, the American-based Aspen Institute explored the possibilities and limitations of microenterprise as a poverty reduction strategy. It concluded that microenterprise initiatives are of value in combating poverty, especially under circumstances in which it is difficult for people to obtain other well-paying employment. However, it also determined that such initiatives are appropriate only for some individuals and often need to be 'patched' together with other forms of income-generation, such as part-time employment, in order to provide the total incomes people require. Furthermore, substantial, long-term supports are needed to help microentrepreneurs start and expand their enterprises. Without such supports, the prospects of success are greatly reduced.

These observations fit well with the experience of OP2000's microenterprise development projects. As challenging as it is to develop community enterprises, it appears to be even more difficult to conduct successful microenterprise initiatives. Individuals seeking to develop small businesses face a series of obstacles that further complicate the already difficult task organizations confront in trying to provide appropriate supports.

The Community Food Enterprises project undertaken by the Food Bank of Waterloo Region exemplifies the strengths and weaknesses of this poverty reduction strategy. While a few participants were enthusiastic about the start they had made in developing a specialty food enterprise, and many appreciated the training provided both in food service work and enterprise development, most participants were unable to launch successful enterprises.

Project organizers identified a range of factors contributing to the limited success of the initiative. They observed that entrepreneurship requires a distinctive set of attitudes and skills possessed by only a fraction of the overall population. Like the rest of the population, many people living on low incomes may not be well suited to this endeavour. In addition, low-income residents often face a variety of obstacles beyond those associated with entrepreneurship itself. For instance, some participants in the project were hampered by low levels of literacy. Others were struggling with emotional problems, often exacerbated by the

stress generated by their precarious financial circumstances. Still others were striving to balance the demands of developing an enterprise with their responsibilities as single parents.

Further problems existed for individuals receiving social assistance. According to Ontario Works regulations, individuals receiving social assistance and pursuing self-employment have a maximum of 60 weeks to replace their income benefits. At the end of 60 weeks, if they choose to continue their self-employment venture, their social assistance is terminated, whether or not the self-employment venture has met their income needs. Some individuals interested in self-employment chose not to participate in the project for fear of losing their benefits. Others faced the difficult choice of continuing to work at a self-employment venture that was generating a minimum income or refocussing their efforts on finding traditional employment.

Organizers also observed that most participants eventually encountered a 'threshold' point at which they had to choose between how they allocated their time and energy. At this point, the business demanded an increased personal investment if it were to reach the next plateau in its development. Participants had to decide whether to leave their existing part- or full-time employment in order to give more time to building their businesses. Naturally, there was no guarantee that income from the business would, in fact, grow. For many individuals, choosing the self-employment route was simply too risky. In the Community Food Enterprises project, as in many other microenterprise programs, participants were encouraged to pursue relatively low-risk ventures. Unfortunately, the returns generated by such ventures are often limited. They can generate adequate levels of income only by increasing the number of hours worked.

Other difficulties encountered by the project pertained more to the role the organization sought to play in supporting participants. From the outset, it was intended that the Food Bank would act as a 'broker' bringing together services and resources already available in the community. For instance, it sought to access kitchen facilities from churches and other agencies in the community. While some organizations generously made their facilities available to the project, these arrangements never proved adequate for the project's needs. In many cases, the hours of available kitchen time did not suit the requirements of the fledgling businesses. In addition, cupboard and freezer space were not usually available, forcing participants to find other solutions for their storage needs and constantly move equipment from one location to another. It was concluded that a dedicated incubator kitchen facility was required in order for an initiative of this kind to operate effectively.

Similarly, when it came to accessing business training and other supports, the Food Bank sought to engage the resources of existing services. While worthwhile connections were made with other agencies, it also was discovered that participants needed ongoing support and guidance as they sought to work through the various issues they encountered. Again, a single site where the physical infrastructure and the technical supports were consistently available would have significantly enhanced participants' prospects of success.

Notwithstanding these difficulties, some project participants have moved forward with their projects. Their progress attests to the potential of microenterprise initiatives as a viable option for some individuals. At the same time, the experience of the project highlights the substantial challenges associated with this strategy both for individuals and for organizations. Such initiatives should not be entered into lightly. They are likely to be rewarding only if undertaken with a long-term plan to develop well-resourced and well-integrated services.

- **Fostering *employment opportunities within social service programs***

The programs delivered by social service agencies not only meet the needs of the people they serve, but can be seen as sources of employment themselves. In some US jurisdictions, efforts are being made to employ low-income residents in the social services sector. Doing so has the advantage of providing employment opportunities for people in need of work while also drawing on the insights of people living on low incomes.

The Kitchener-Waterloo Multicultural Centre took this approach to its cultural interpreter service. For years, it had been hiring new Canadians to provide interpretation services for immigrants and others in the community. While interpreters were paid for their work, the incomes generated for participants were limited. Due to the large number of interpreters associated with the service and the modest demand for the service, few interpreters received assignments on a regular basis.

Administrators with the Kitchener-Waterloo Multicultural Centre recognized that they had an opportunity to improve the efficiency and effectiveness of their service while also serving more effectively the income and employment goals of their interpreters. With assistance from OP2000, they took steps to operate the service on a more business-like basis. They identified participants in the current interpreter pool who were interested in pursuing employment or self-employment options in the interpretation field and involved them in a training program to raise their skill levels and help them acquire training credentials. The administrators also undertook a marketing campaign to raise the profile of the service and increase the number of contracts flowing through the program. Although only a modest increase in the demand for the service has occurred as yet, significant gains were made in terms of the professional development of the interpreter corps. The added attention to employment resulted in 13 interpreters moving to full-time work, nine to part-time employment and another nine to freelance work. Many are

using their interpretation skills as part of their other employment responsibilities.

Although the gains have been modest, the approach itself merits attention from other social service agencies whose programs might be developed to provide employment opportunities for low-income residents in addition to the services themselves.

4. BUILDING FINANCIAL ASSETS

These projects enabled participants to accumulate financial assets they could invest in potentially life-changing initiatives such as training and education, starting a business or purchasing a computer. The projects recognize that the key to sustained self-sufficiency is having a storehouse of assets that can be used to generate a flow of income on a regular basis. In this view, poverty occurs when either prolonged or sudden difficulties, such as poor health, broken relationships or loss of employment, force people to deplete their asset base to the point that they no longer are able to generate adequate income to meet ongoing needs. Under these circumstances, many people become financially dependent upon others. The asset-based approach to poverty recognizes different kinds of 'capital' in addition to financial: personal (spiritual and emotional resources), human (skills and knowledge), social (relationships) and physical (food, clothing, shelter, transportation and technologies) [Ferguson and Murray 2001]. Efforts to ensure that people have a critical mass of assets in these various areas can prevent poverty; programs and policies that enable people to rebuild their asset bases allow many households to exit poverty.

While many of the OP2000 projects can be thought of in terms of this asset-based framework, one technique in particular used this perspective:

- **Asset building through *money management training and the provision of matching funds***

Individual development accounts are used widely in the United States as a way to support financial asset building among people with low incomes. As part of the OP2000 initiative, Lutherwood CODA experimented with this technique in its two Opportunity Development Account projects [Rail 2001].

In these projects, participants received money-management training to help them in their efforts to accumulate savings. The savings then were matched by the project on a three-to-one ratio. The first of these projects was conducted with sole-support mothers. Over the course of one year, participants saved \$250. With the addition of matching funds in the amount of \$750, each participant accumulated a financial asset of \$1,000. With counselling from the project, participants determined how they would invest these assets to create a lasting improvement in their lives. Some chose to use the money to further their education. Others made plans to invest in developing their own businesses. Still others decided to put their money into Guaranteed Investment Certificates until the time was right for them to use these resources most effectively, perhaps after young children entered school on a full-time basis.

The second Opportunity Development Account project operated in the same manner but was focussed specifically upon enabling participants to accumulate sufficient funds to purchase a computer. It was conducted in conjunction with the Chandler Mowat Computer Training project. Ultimately, 16 participants in that project bought personal computers through this program.

Project organizers learned a number of lessons from their initial experiments with the Individual Development Account tool. They gained a better understanding of the financial circumstances and practices of people living on very low incomes. For instance, a number of participants in the project for sole-support mothers entered the project with debt loads that made difficult or impossible the accumulation of assets. Under these circumstances, 'budgeting' meant juggling debt payments more than managing financial resources so that some could be set aside for future investment. Before asset building could proceed effectively, these participants needed help paying their debts.

Organizers also discovered that the value of the project was as much the development of money management skills as the accumulation of the asset itself. Training in money management had to be adjusted to suit the pace and learning styles of participants. Once this was accomplished, however, this component of the program proved to be particularly rewarding and beneficial. Participants gained a sense of power in their own lives as they gained greater control over their financial affairs. Improved money management skills enhanced the self-confidence of participants and generated ongoing capacity for saving and investment.

While organizers learned other valuable lessons about how best to design and operate projects of this type, the overall conclusion expressed by participants was that the technique was a valuable one. They favoured expansion of the program so that more people could benefit. They also felt that the tool could be applied to other possible goals, including housing.

Ingredients of Success

Although each of these basic strategies had merit, certain projects fared better than others. Project success depended upon a number of factors other than the poverty reduction strategy employed. Among the factors contributing to project success were the overall capacity of the sponsoring organization(s), their access to technical assistance and specific design features of the projects themselves. A review of the projects and the input received from interviews with project organizers revealed a series of 'good practices' that should be incorporated into the development of future initiatives.

- Deliberative project identification processes

Organizations that invested time and energy in selecting projects that matched their organizational strengths and interests had more focussed project goals and experienced fewer problems during implementation.

In some cases, OP2000 staff facilitated project identification processes in which organizations systematically examined their current work as the basis for determining future directions. For example, a series of workshops were held with staff and board members from Working for Work. The result was a recognition that the organization could extend its work in the area of employment counselling with a project geared specifically to enhancing the employment circumstances of the working poor. In other cases, the OP2000 initiative created an opportunity for organizations to pursue initiatives that they had been contemplating for some time or with which they had experimented on a limited basis. For instance, the Chandler Mowat Neighbourhood Centre had long been interested in making computers and computer training available to neighbourhood residents. OP2000 provided the impetus for it to transform its ideas into an actual project. Similarly, the CAPACITY for Growth project built on earlier collaborative efforts to deliver personal and employment counselling through neighbourhood centres. It involved an expanded and more systematic initiative along the same lines.

In several instances, organizations developed their project proposals in short order to meet program deadlines or simply lacked the staff time needed to properly research and plan the initiatives they put forward. In one such case, it turned out that there was too little interest among prospective participants for the initiative to move forward. The project eventually was cancelled and the funds returned. In another instance, a project ran into difficulties due, in part, to a mismatch in the scale of the project it proposed and the limited resources of the organization.

While nonprofit organizations generally lack sufficient resources for research and planning, those that were able to focus energy on the project selection

process, or build on insights gained through earlier work, were more successful in undertaking their projects.

- **Consultation with participants before, during and after the project**

Projects also fared better when they consulted with participants before, during and after the project. Most partner organizations developed their projects on the basis of previous formal or informal consultations with prospective participants. For instance, the organizations involved in CAPACITY for Growth had undertaken a survey with neighbourhood residents in which personal and employment counselling had been identified as priority interests. The Chandler Mowat Computer Training project made it a practice to seek feedback from project participants on a regular basis and to apply the input received. Not only did such consultation result in project improvements, it also created a sense of ownership among participants both for the project and for the neighbourhood centre. Participants felt respected and involved.

- **Asset-building perspective**

Although projects consistently treated participants with respect, some were explicit in taking an asset-building approach to their work. The asset-building approach builds on people's strengths and abilities rather than keying on their deficiencies. The Small Steps for Success project exemplified the spirit of this approach. As a pre-employment program for women who had been out of the workforce for an extended period of time, it focussed initially on building self-esteem and self-confidence by helping participants identify their strengths and their aspirations. Combined with a supportive group process and one-on-one counselling, the project was highly successful in generating a sense of hope and possibility among participants which enabled them to explore employment possibilities and secure initial employment opportunities.

- **Dedicated, capable, respectful and responsive staff**

Both project administrators and participants highlighted the crucial role played by front-line staff in making projects succeed. In many cases, it was the sensitivity of staff to the concerns of participants as much as their technical competence in delivering the program that was affirmed by participants. The willingness of staff to take actions beyond the bounds of their basic work requirements also was appreciated. While the technical proficiency of projects was undeniably important, the technical

benefits were accessible only so long as sound interpersonal relationships existed first.

- **Opportunities for participants to form relationships with one another**

In addition to relationships between participants and staff, many projects identified benefits in the peer relationships formed among participants. One of the strengths of the Welcome Aboard drop-in centre was the positive social atmosphere created among members. For some individuals, the drop-in centre allowed them to escape isolation because it provided a nonjudgmental environment in which people felt accepted in ways they did not elsewhere. For many, the centre became the focal point of an informal peer support network. In the Chandler Mowat Computer Training project, participants developed friendships with one another and others involved in the neighbourhood centre, thus strengthening their connections to the neighbourhood. In Small Steps to Success, participants formed an ongoing support group that continued to meet after the project ended.

- **Time for effective partnering**

Partnering enabled projects to assemble the combination of skills and resources needed to carry out initiatives that individual organizations could not accomplish on their own. While partnering was undeniably beneficial in this respect, it also placed demands on the participating organizations. As one project partner observed, developing a shared vision of the work being done, coordinating the different contributions of partners and managing the ongoing working relationships requires a great deal of time and energy. The more elaborate the partnership, the greater the investment required. In the CAPACITY for Growth initiative, nine agencies were working together to deliver personal and employment counselling services on a decentralized basis. Frequent formal and informal communication was needed to maintain the smooth operation of the project and to build relationships among the agencies. In this case, partnership building was seen as a long-term investment that would pay off in the increased capacity of all involved to sustain the current initiative and generate new ones.

While organizations in the OP2000 initiative consistently valued the partnerships they formed with other agencies, businesses and governments, many also noted that the time required to develop successful partnerships tended not to be recognized by funders. They favoured the allocation of funding to support the planning, coordination and communication activities required to make partnerships work.

- **Access to technical assistance**

Project partners highly valued the technical assistance that was provided by OP2000 staff both during the design and start-up phases of project development and at critical points during project implementation. While collective learning sessions were valued, one-on-one consultations were especially appreciated. Not surprisingly, such sessions were seen as particularly helpful in addressing the specific challenges projects were encountering. Although project partners recognized that OP2000 staff were ‘spread too thin’ to provide this assistance on a regular basis, it was ranked as an important ingredient in enabling the success of projects, especially for organizations who were venturing into new areas of activity.

- **Opportunity to climb the learning curve**

Whether organizations were undertaking altogether new projects or variations on their earlier work, there was a need to learn how best to implement the ideas presented in their project proposals. Several projects reported that the patient support provided by OP2000 staff gave them the time they required to resolve initial difficulties and set their projects on a more positive course. This was the case with CIRCA Development’s efforts to adapt its expertise in developing housing co-ops to the development of businesses structured as worker co-operatives. Although the project ran into a number of difficulties that greatly delayed formation of its initial co-op, it eventually did involve five individuals in a fledgling enterprise. It remains to be seen whether this enterprise will flourish and whether the initial lessons gained by CIRCA will develop into long-term capacity. However, in this case, the learning process was allowed to proceed to a point where significant gains were made.

For projects such as CIRCA in which the learning curve was steep, year-long funding was barely adequate to put initiatives into operation, identify difficulties, make adjustments, complete final evaluations and prepare proposals for a subsequent round of funding.

- **Accessibility**

A number of project design features make the services and resources provided by the programs available to participants. The CAPACITY for Growth and Chandler Mowat projects overcame transportation barriers by providing services through community centres serving low-income neighbourhoods. These projects and the Welcome Aboard drop-in centre offered welcoming, friendly social environments which participants often found more comfortable than more formally structured settings. The Working for Work job enhancement project adjusted its hours of service to accommodate the schedules of people already working in part- or full-time jobs. A number of projects, including Lutherwood CODA’s Opportunity Development Account initiative,

made on-site child care services available to project participants. The Chandler Mowat Computer Training project made computer training affordable to low-income residents. On average, fees for introductory computer training are \$150 per course, putting them beyond the reach of many people living on low incomes. The Chandler Mowat project enabled participants to obtain these important skills by offering the training without fees. Chandler Mowat also overcame language barriers to participation by providing multilingual instructors. Organizers were pleased to report that for the first time in the centre's history, it was attracting participation from neighbourhood residents who were recent immigrants.

- **Personalized learning and counselling services**

It was important that projects offered highly personalized services, particularly in the areas of learning and counselling. Learning processes were most effective when geared to the pace and interests of the individuals involved. The initial Opportunity Development Account project discovered this. Its money-management training sessions proved to be much more effective when the content of sessions was cut in half, allowing participants more time to absorb and apply what they were learning. The Chandler Mowat Computer Training program used small classes of four or five people. It also allowed participants to work at their own speed and adjust the content of the training to suit their different needs. Participants in employment counselling projects valued the one-on-one attention they received from counsellors.

- **Follow-up support**

For many participants, the movement out of poverty is slow and gradual. Many obstacles, and even reverses, may be encountered along the way. Research strongly supports the contention that sustained support, even after a period of formal involvement in counselling, training or other programs, is important for ensuring long-term gains.

While none of the OP2000 projects received funding to deliver follow-up support on a prolonged basis, some did provide this assistance over the course of a year. At least one project generated an informal process in which participants maintained contact with one another and with project organizers.

The most systematic follow-up arrangements were those provided by CAPACITY for Growth's employment counselling services. Clients were contacted every two weeks while looking for work and every three months once finding employment. In some instances, this follow-up contact enabled counsellors to make interventions that helped clients maintain their

employment. In other cases, it allowed clients to receive assistance again if a particular employment opportunity did not prove successful.

As mentioned above, the Small Steps to Success project built strong bonds among the 12 women involved. These women maintained informal contact with one another and with staff members. Organizers concluded that pre-employment initiatives ought to run for at least a full year and that former participants ought to be involved on an ongoing basis as peer counsellors.

- **Effective linking among services (e.g., multi-service sites and careful collaboration with other agencies)**

It is well recognized that complex problems, such as poverty, generally involve a number of interdependent factors. Effective responses therefore often require multifaceted, integrated strategies.

Many of the projects undertaken through the OP2000 initiative combined more than one service or strategy in support of participants. In some cases, a single organization offered multiple services itself. The Ray of Hope project, for instance, combined housing, counselling, training and work experience. Similarly, the Lutherwood Youth Employment Centre sought to connect its housing and employment services.

Other projects made links among diverse services by forming partnerships among agencies with distinctive areas of expertise. The CAPACITY for Growth project not only brought different agencies together to provide personal and employment counselling but also tested the notion of developing neighbourhood centres into community multiservice sites offering a wide range of programs in low-income neighbourhoods. It was found that residents appreciated the opportunity to obtain multiple services in a single, easy-to-access location and that residents who became involved in one program tended to use other services of interest to them. It also was found that it was easier to make referrals from one service to another when the services were present in the same physical location. Staff members could then introduce residents to other service providers enabling personal contact and improving the likelihood that residents would make use of the available programs.

Major Impediments to Success

When projects encountered serious difficulties, it was often because they had not employed the effective practices that have been discussed. The most serious repercussions were felt when projects had not engaged in adequate research and planning or had failed to consult sufficiently with project participants.

Interviews with project organizers identified a number of other important impediments to project success:

- **Lack of organizational resources**

Among nonprofit partners, a general lack of resources seriously curtailed the effectiveness of organizations to design, implement and sustain their projects. As one organizer put it, she and her staff already were operating at maximum capacity to maintain their existing programs and services. There were no uncommitted resources for starting new initiatives. The time and energy required to design and develop new projects was time and energy that had to be diverted from other top priorities. Although funding provided through sources such as the OP2000/HRDC Fund usually was adequate to support the basic operations of projects, it did not cover the extensive design and development costs born by organizations. Nor did it cover the work required to seek additional rounds of funding in order to sustain the project beyond the initial phase. In short, these crucial design, development and renewal functions had to be covered by organizations' already overstretched operating funds.

The limitations of core operating funds also were evident in the remarkably high incidence of staff turnover experienced by projects. At least six of the 18 projects started with assistance from the OP2000/HRDC Fund lost key staff members at some point. In the case of two projects, the Community Justice Initiative's artisan's co-op and the YWCA's Lincoln Road microenterprise marketing co-op, the loss of staff members who had been driving forces in designing the projects created disruptions from which the projects never fully recovered. Activity in the Working for Work project was set back for more than a month while new staff was being recruited. One project had three different coordinators in the space of a year. Clearly, no initiative can operate efficiently and effectively under such circumstances.

According to project organizers, two key factors contributed to the high rate of turnovers among staff of nonprofit organizations. First, due to budget constraints, nonprofit organizations often are unable to pay adequate wages and benefits to the highly trained personnel required for the positions. Many workers move to better-paying positions with government departments, for instance, when they have the opportunity. Second, many workers in the nonprofit sector experience burnout after a few years of service. In the absence of adequate core funding, workers often are called upon to do more and more with the same resources, including their own time and energy. Eventually, these demands become unsustainable and workers seek respite by moving to what they hope will be less taxing positions, pursuing further training and education, or taking a period of leave from work or school altogether.

- **Counterproductive government policies**

A series of counterproductive government policies were regarded by both participants and organizers as another important obstacle to the efforts of projects to help participants achieve a higher degree of economic self-sufficiency. In general, government policies were not seen as supporting an asset-building approach to reducing poverty. This was particularly the case for individuals receiving social assistance. In order to qualify for Ontario Works, it is first necessary to liquidate substantial material assets. Once in receipt of social assistance, it becomes difficult to rebuild either the human capital (i.e., knowledge and skills) or the financial capital (i.e., income and savings) that allow for sustained self-sufficiency. Access to training and education is limited by the Ontario Works requirement that people on social assistance move to employment by the shortest route possible. The need to take on the debt of a student loan to pursue postsecondary education further discourages this route to a better future [Torjman 2000].

With limited training and education, it becomes difficult, if not impossible, to obtain work that pays sufficient income to be able to build assets through savings. Furthermore, social assistance recipients with health concerns face the prospect of losing drug and health plans that cover the costs of expensive medical supports. Even under circumstances in which the transition from social assistance to employment may be viable, recipients face the psychological hurdle of an abrupt loss of benefits and supports as they move into employment.

Several other jurisdictions have redesigned their social assistance programs to enable a more gradual transition to employment. Earned income exemptions are raised to provide a greater incentive to move to employment and to allow for greater financial stability during the transition period. Eligibility for drug plans and other health benefits may be retained for a longer period. Such changes are needed to make welfare-to-work programs development-ally sound.

- **Skills gap**

The employment counselling and job posting projects particularly identified the skills gap as a barrier to success. Without appropriate training programs to enable participants to acquire the skills needed for better paying jobs, these initiatives could only hope to move participants into jobs that paid too little to significantly improve their current income levels.

- **Unrealistic targets and/or funder expectations**

Some project organizers also expressed concerns about unrealistic expectations on the part of funders. This was particularly the case with enterprise development projects in which funders expected that nonprofit

enterprises would become financially self-sufficient or realize self-sufficiency in a relatively short period of time. The pressures to achieve business targets were felt, in some cases, to undermine the social purposes of the projects. Some organizers also contended that it was not possible for these enterprises to invest in the social aspects of their mandates, allow for the job accommodations appropriate to the health, education or other circumstances of their employees, and be competitive with other enterprises that do not face these additional costs.

Building Organizational Capacity and Commitment

One of OP2000's primary objectives was to enhance the capacity and commitment of partner organizations for undertaking poverty reduction work.

During end-of-project interviews, project organizers were asked whether their organizations had experienced any of the following changes as a result of their participation in the OP2000 initiative:

- developed a new understanding of the nature of its work
- modified its mission/mandate
- altered its policies or standard operating practices
- made changes to its organizational structure
- obtained access to a new (or ongoing) source of resources (e.g., human, financial, real estate, equipment)
- developed new partnerships with other community members (i.e., individuals, businesses, nonprofit organizations, government agencies)
- acquired new skills or expertise
- developed a deeper understanding of poverty and the work of poverty reduction
- realized a new capacity to influence public policy
- improved participation of people in poverty in the organization's decision-making process
- other changes that built the organization's capacity to combat poverty.

On average, the 13 project partners interviewed introduced changes in five of the above areas. All project partners made improvements in at least one aspect of their capacity to reduce poverty. (See Appendix J).

Twelve organizations noted that they had gained access to new resources. In many cases, the resources obtained were financial. These included not only the financing received through the OP2000/HRDC Fund but also funding required to sustain or renew the project once the initial financing was completed.

OP2000 strongly encouraged project partners to develop sustainability strategies and provided them with the required support and guidance. The majority

were successful in securing additional funds, most on a short-term basis but some for longer periods of time. For example, the CAPACITY for Growth project expanded the client base of Lutherwood CODA's employment counselling service so that it was able to obtain increased funding from Ontario's Ministry of Training, Colleges and Universities. This funding will be retained so long as Lutherwood CODA maintains the increase in the number of clients it is serving. Two community enterprise projects, Achievement in Motion's market garden project and Focus for Ethnic Women's commercial sewing business, received multi-year funding from the Ontario Trillium Foundation to support the ongoing development of these projects.

Ten organizations indicated that they had established new partnerships as a result of their participation in the OP2000 initiative. The OP2000/HRDC Fund specifically favoured partnership projects. Virtually all projects involved partnerships between two or more nonprofit agencies. A few involved partnerships between nonprofit organizations and business. For example, The Co-operators joined with Lutherwood CODA to undertake the Opportunities Development Account project. A number of businesses provided work placement opportunities for participants in the Small Steps to Success pre-employment program. Businesses and nonprofit organizations also collaborated in the job posting initiative. Experience Matters joined government, nonprofit organizations and businesses in a coordinated program of customized training and work experience leading to employment.

Eight organizations registered improvements in their technical skills and expertise with respect to poverty reduction work. Many of the organizations that cited gains in this area were involved in enterprise development projects. CIRCA Development adapted its know-how in co-op housing to the development of worker co-operatives. Focus for Ethnic Women, Ray of Hope and Achievement in Motion all were learning to create nonprofit enterprises. For each of these nonprofit organizations, business development was unfamiliar territory. To varying degrees, they drew upon technical assistance from OP2000 or business expertise from within their own networks to help them address the challenges they encountered.

In addition to enterprise development skills, abilities were gained in other areas. The John Howard Society conducted research into prospective employment opportunities for youth. The organization's coordinator observed that the project had served to raise the agency's appreciation for the role that research could play in their work. The Welcome Aboard drop-in centre developed a number of new techniques for assisting its members, including a system for helping the homeless obtain personal identification required for such purposes as opening bank accounts and

arranging with a local community health centre for on-site medical services.

Six project partners indicated that they had gained a deeper understanding of poverty and new views on the role that their organizations could play in poverty reduction. Several commented that the OP2000 initiative had enabled them to see their work as one facet of a larger effort to combat poverty. In this light, their work was not simply about improving housing, providing personal counselling or helping people secure employment. Rather, they were part of a loosely integrated system of services and resources that low-income residents could use in their efforts to exit poverty on a sustained basis.

Various organizations identified specific adjustments they made in the way they conducted their work, either focussing more directly on poverty reduction than they had in the past or pursuing poverty reduction goals through some new means. For example, Working for Work identified the working poor as a target group for its employment services and created the job enhancement project to suit the needs of this group. The Lutherwood Youth Employment Centre forged a stronger link between its housing and employment services, thus creating a more integrated development path for the youth being served. The Chandler Mowat Neighbourhood Centre experimented with a new approach to its work altogether. According to its director, the centre previously had focussed most of its efforts on alleviating the hardships of living in poverty. Its OP2000 initiative was the centre's first attempt to tackle the economic development dimension of poverty.

Other aspects of organizational capacity building were undertaken by a smaller number of the agencies interviewed. A few made changes in their organizational mandates, policies and structures. Organizations such as Focus for Ethnic Women and Achievement in Motion needed to modify their structures and by-laws to support the development of nonprofit enterprises. Welcome Aboard not only formalized its organizational structure but also established strong member participation in guiding the work of the organization. Some members took seats on the organization's board; others were canvassed informally for their input on all manner of the drop-in centre's activities. Two organizations perceived that they had improved their ability to influence public policy as a result of participating in OP2000. In both cases, organizers felt that involvement in a wider network amplified their voices when they sought support for their poverty reduction work.

Finally, it should be noted that the vast majority of the nonprofit organizations that undertook projects through the OP2000 initiative are continuing their

work in this field. Thirteen of the 18 projects funded through the OP2000/HRDC Fund have secured resources to sustain their operations into an additional phase. One other, the Chandler Mowat Computer Training project, is continuing to seek funding support for its work. In general, it can be concluded that a strong commitment to poverty reduction work was fostered among partner organizations. These projects were sufficiently successful in carrying out their mandates to warrant funding assistance from the government agencies and charitable foundations that agreed to support the ongoing work.

Strengths of OP2000

When asked what they valued about the OP2000 initiative, project organizers highlighted five key areas:

- **Focus on poverty**

It generally was agreed that the OP2000 initiative substantially raised the profile of poverty as an issue of community concern in Waterloo Region. This awareness was considered to be especially significant given the cuts in social programs that had been made by provincial and federal governments in the years preceding OP2000's development. OP2000 helped make the case that growing levels of poverty were unacceptable. By mobilizing support from all sectors of the community, it managed to win back at least some resources to support low-income members of the community.

- **Challenge and stimulation (e.g., to do more or try something different)**

Many project organizers praised OP2000 for pushing them to think outside of their familiar ways of doing things. This applied equally to organizations that tended to provide services meant to alleviate the hardships of living on low incomes and to organizations that tended to focus on creating economic opportunities. Both were challenged to experiment with new strategies and move their programs to higher levels of effectiveness. Besides issuing a challenge, OP2000 stimulated thinking through the ideas it shared with project partners by circulating research papers, arranging presentations and engaging in informal discussions. In the end, partners affirmed the way OP2000 brought a breath of fresh air to their efforts to provide assistance to low-income households.

- **Moral support and active listening**

Project partners also appreciated the support OP2000 staff provided in the course of project development. Most partners encountered at least some difficulties while implementing their initiatives. Besides the technical challenges involved in these difficulties, there also were emotional ones. OP2000 staff provided moral support that helped partners to stay focussed. In addition to the input they provided, their willingness to listen and join in the effort to resolve problems was found to be an important contribution to the development process. For example, the board and staff of Focus for Ethnic Women were anxious about the implications starting a nonprofit enterprise might have for their organization. Access to experienced advisors provided reassurance as the organization began to explore this new terrain and consider the practical issues that needed to be addressed. Similar support was required by CIRCA Development. Unable to close a real estate deal critical to its project, CIRCA Development might have chosen not to proceed with its worker coop venture. Patient encouragement from OP2000 enabled the organization to persevere when it might have given up hope.

- **Technical assistance and research**

The counterpart to moral support was the technical assistance that project partners received from OP2000. As noted, project organizers consistently spoke highly of the technical guidance offered by OP2000 staff on a range of issues related to poverty reduction. The ability of staff to adapt advice to the specific circumstances of individual projects was especially valued. In this respect, one-on-one assistance was seen as an important part of the technical support provided. While workshop sessions on various topics related to project and organizational development were valued, they did not serve the same purpose as one-on-one consultations. In addition to technical assistance, several project organizers affirmed the value of research materials made available through OP2000. In some cases, this material pertained to poverty reduction strategies being pursued by partner organizations. In others, it related to information about the nature of poverty in Waterloo Region. For example, some projects used the Caledon Institute profiles on poverty in Waterloo Region as part of their own efforts to explain the importance of their work to community members and funding agencies.

- **Help accessing resources (e.g., funds, volunteers, new partners)**

Project partners also valued their participation in OP2000 because of the resources the initiative helped them to access. In addition to assistance with funding,

project organizers highlighted the role that OP2000 played in helping them to find project partners. Opportunities for networking and collaboration were seen as one of the major strengths of the OP2000 process. While most partnerships were formed among nonprofit agencies, there were also direct or indirect partnerships established with businesses and with government, such as the Experience Matters training initiative. Some projects also benefited by receiving assistance from volunteers recruited through OP2000.

ASPECTS OF OP2000 REQUIRING ATTENTION

Project partners also noted several aspects of the OP2000 initiative which they felt required attention. Two main issues were raised:

- **Connecting with OP2000**

Project partners expressed a number of concerns related to their interaction with OP2000. Several commented on the ‘communication overflow’ they had experienced during the first few years of OP2000’s operation. The use of a weekly bulletin during the last year of the project as a way to consolidate communication was appreciated by these partners. In a similar vein, some partners felt they had received too many requests to participate in and contribute to the OP2000 initiative. They were happy to be involved through the project they were undertaking as part of OP2000 but did not have the time or energy to do more than they were already doing. They felt awkward about having to turn down repeated invitations for them to become more involved. Finally, some partners indicated they were uncertain about how to work within the OP2000 process. They simply were not clear about the structures and processes through which OP2000 operated. For some partners, the lack of contact with members of the Leadership Roundtable contributed to a sense of uncertainty about the direction of the overall initiative and the roles played by the different participants and structures.

- **Overextended staff not always able to provide the required technical assistance**

After commenting on how valuable they found the technical assistance provided by OP2000 staff, several project organizers observed that overextended staff members simply were unable to give the time that partners would have found valuable. Efforts to reallocate staff time to make available

more technical assistance, especially in the form of one-on-one consultations, were advocated by these project partners.

iii. Community Level Changes

The OP2000 initiative achieved important outcomes at the wider community level, in addition to individual and organizational changes. For purposes of the OP2000 evaluation, 'community' was defined as the network of poverty reduction stakeholders – i.e., low-income residents, nonprofit organizations, businesses and government agencies.

Although community capacity building has emerged as a significant social policy objective during the 1990s, the term continues to defy precise definition. Drawing on the experience of comprehensive community initiatives, one analyst has presented capacity building in the following terms:

Community capacity is the interaction of human, organizational and social capital existing within a given community that can be leveraged to solve collective problems and improve or maintain the collective well-being of a given community. It may operate through informal social processes and/or organized efforts by individuals, organizations and the networks of association among them, and between them and the broader systems of which the community is a part [Chaskin 1999: 4].

In other words, community capacity refers to the ability of individuals, organizations and institutions to work together to overcome problems and realize opportunities.

OP2000 as an Intermediary Organization

Perhaps the most basic contribution the OP2000 initiative made to community capacity building was in establishing an intermediary body capable of facilitating multistakeholder collaboration for poverty reduction. Such a body constitutes the infrastructure which enables the disparate elements of a community to weave a new pattern of responses to the challenge of poverty.

Originally envisioned as a four-year intervention which would bring about self-sustaining changes in the community, it is now clear that elements of OP2000's structure are important ongoing components of the poverty reduction process. Together, the partnership network, the Leadership Roundtable and the core staff unit comprise a mechanism capable of generating new responses to poverty. Staff provide the extensive logistical support required by such a large-scale community initiative. They also play the critical role of animating the community process and facilitating relations among the various participants. The Leadership Roundtable embodies the multisectoral commitment to poverty reduction and enacts community leadership in relation to poverty

reduction. The partnership network provides the link to the many potential contributors to the poverty reduction process. Ultimately, it is the array of community partners that put specific poverty reduction initiatives into action.

As a local intermediary, OP2000 made two major interventions: It challenged all stakeholders to step outside of their familiar ways of thinking and acting with respect to poverty and it opened the door to a new range of options for how local stakeholders might link their resources to achieve mutually desired outcomes. The combined effect of these two measures was to unleash creative energy in the community's response to poverty.

Mobilizing Resources

Over the course of four years, the potential impact of a poverty reduction intermediary was illustrated in a number of ways. Clearly, the OP2000 initiative was remarkably successful in its ability to mobilize resources around the goal of poverty reduction. This was particularly evident in the extensive network of partners that was formed, including participants from the business, government, voluntary and low-income sectors. It also was apparent in the financial resources assembled, first of all from funders of the OP2000 initiative itself and then from other sources that assisted specific dimensions of the project. OP2000 secured \$1.2 million to support its operating costs over four years. These funds effectively leveraged an additional \$2.4 million in support of poverty reduction projects and related research.

Two points should be mentioned in relation to the mobilization of resources. First, it is important to recognize that these commitments were secured at a time when important institutions, particularly the federal and provincial governments, were cutting their spending on social programs. Moreover, they were obtained in a climate of at least some public skepticism about the effectiveness of programs designed to assist people living on low incomes. OP2000's success in mobilizing resources suggests the attractiveness of its basic approach: broad-based community collaboration in support of individuals seeking to move out of poverty on a sustained basis.

Second, it should be noted that OP2000 did not focus exclusively on obtaining new resources to support community efforts at poverty reduction. Rather, to a large extent, it sought to redirect the flow of existing community resources into practices and strategies that would be particularly effective in reducing poverty. It called on individuals, organizations, businesses and governments to re-examine their current activities and consider if there were changes they could make to help counter poverty. In addition to the individual and organizational changes already

discussed, several key community institutions also became active supporters of the OP2000 effort. Contributions of these ‘cornerstone partners’ signify important developments in the community’s basic infrastructure for combating poverty.

The United Way of Cambridge and North Dumfries made poverty reduction a priority concern. It not only seconded a staff person to work with OP2000 but made poverty reduction one of the focal points of its future fundraising efforts. Over the course of 18 months, the United Way contributed directly to assisting 128 low-income residents in their efforts to exit poverty.

Two local Chambers of Commerce also added their weight to the community response to poverty. They promoted poverty reduction among their members, sponsored OP2000 events involving the business community and made business social responsibility an ongoing element of their mandates and structures.

Finally, local and regional governments focussed attention on their policies and programs related to poverty reduction. The City of Kitchener prepared an extensive report on its current work and on future initiatives it pledged to undertake. It identified a series of changes to human resource policies to help ensure that its employees had adequate wages and benefits. For instance, it recommended waiving the fees and waiting periods previously required before part-time employees could receive health insurance and pension coverage. It also proposed to give special attention to financial need when hiring students for summer jobs. Furthermore, it was suggested that City employees join with the nonprofit housing organization, Habitat for Humanity, in an affordable housing project. Employees would volunteer their time to plan and build a single family home or duplex unit to help meet the housing needs of local residents.

The Region of Waterloo also deepened its involvement in poverty reduction through the course of the OP2000 project. One staff member was seconded to identify concerns related to existing social service policies and practices and facilitate solutions. The Region also sponsored the Experience Matters project that provided job readiness and skills training through collaboration with nonprofit and business partners. Senior staff with the Region participated on the Leadership Roundtable and in its working groups. Attesting to its commitment to the work of poverty reduction, the Region agreed to second two staff members and provide multi-year financial assistance to support the second phase of OP2000’s work.

Awareness and Understanding of Poverty

A vital component of the OP2000 initiative was its effort to raise awareness and understanding about the local poverty problem. This was accomplished through media coverage, presentations made to various audiences, and publications produced and distributed through the initiative itself.

OP2000 was featured in numerous newspaper and magazine articles, including a multi-part series in the major local paper highlighting both the problems experienced by people living on low incomes and the efforts being made to help them realize new economic opportunities. Special media events also were held to publicize OP2000's launch and several of its specific initiatives, such as the human resource best practice booklet. The project also took advantage of media interest in several awards it received for its work, including the Canadian Centre for Philanthropy's 'New Spirit of Community' Partnership Award for its collaboration with the Royal Bank and recognition of its work as a United Nations 'best practice,' to tell its story to the community.

Still other efforts were made to generate community interest in the cause of poverty reduction. The chair of the Leadership Roundtable, other volunteers and staff members with OP2000 made presentations to a wide range of local audiences, including municipal and regional councils, business groups, clergy, service clubs and representatives from community colleges and universities. Papers prepared by the Caledon Institute profiling the poverty situation in Waterloo Region, discussing the dynamics of poverty and identifying possible poverty reduction strategies were distributed widely throughout the community. OP2000's quarterly newsletter not only served to update community members about the various facets of OP2000's work but also discussed the challenges and opportunities associated with poverty reduction. Interested individuals locally and across the country were directed to the OP2000 website which profiled many facets of the project, provided resource material on community-based poverty reduction and offered links to related websites. A video prepared by the Royal Bank discussing its partnership with OP2000 also was used to convey the project's message to local and non-local audiences.

According to various nonprofit partners, the overall impact of these efforts was a community environment more sensitive to issues related to poverty and more supportive of poverty reduction work. This general perception is supported by comments made by some local business people who were surprised to learn about the extent of poverty in such a prosperous region. Data presented about the region's growing poverty rate caught their attention and secured their support for the project.

Strategies for communicating with the general public and with key stakeholder groups were complemented by more narrowly focussed efforts to help individual project partners think about poverty reduction and how they might contribute to this process. While insights varied from partner to partner, the overall effect was to strengthen the focus on poverty reduction as opposed to alleviation.

Direct and indirect exchanges among OP2000's partners also contributed to the development of a collective understanding of the nature of poverty. The search conference and other consultations provided opportunities for members of different sectors to share their perspectives on poverty. The mid-term evaluation also facilitated an exchange of views on these issues, especially on the strength and limitations of using Statistics Canada's low income cut-offs as OP2000's basic definition of poverty. Many partners felt that the use of the low income cut-offs tended to reduce poverty to a matter of income level and exclude consideration of a wide range of other factors that contribute to poverty.

Following the mid-term evaluation, a more multidimensional perspective was adopted. Although a fully integrated, multifaceted view of poverty had not been fully articulated by the conclusion of OP2000's first phase, the elements for such an approach had become familiar to all involved. There was general recognition that a sound understanding of poverty would include personal, social and economic factors, would consider the assets people required to achieve and maintain self-sufficiency and would recognize the role played by institutional processes as much as by the attributes of individuals.

Social Capital and Rejuvenated Civic Culture

Social capital has been defined as the networks, norms and trust that facilitate coordination and cooperation for mutual benefit [Putnam 2000]. The OP2000 process built social capital by gradually developing the awareness, structures, relationships and practices through which diverse stakeholders could work together to reduce the level of poverty in their community.

While each of these elements is crucial to making this broad-based community process viable, one other factor appears to be critical to its continuing success. Emerging from these various elements and giving them life is a culture that developed within the community network. At the core of this culture is a determination to make tangible progress in combating poverty. For a task in which gains are measured in inches not miles, this is a crucial component of success.

But the culture that supports multisectoral collaboration for poverty reduction requires more than determination. It also involves a distinctive ability to find ways of reconciling the

diverse and sometimes divergent views of the various participants. Creative community problem-solving is not something that occurs naturally or automatically. It involves norms and skills that develop over time.

In OP2000, stakeholders from very different backgrounds were asked to suspend their disbeliefs about the possibility of working together to counter poverty. They were each encouraged to enter into the practical work of poverty reduction in ways appropriate to their understandings and abilities.

At the same time, opportunities were created for communication and shared learning about the challenges encountered and the insights gained. Strong leaders who believed in the vision of community-based poverty reduction fostered confidence in the collaborative process. Trust and understanding grew among stakeholders. The network of partners assumed greater responsibility for guiding the process and working through the sometimes difficult questions about the network's priorities and the means to achieve them. Gradually, ways of collaborating evolved that allowed for deliberative consideration of important issues with an eye to bringing diverse concerns together in new and productive ways. The culture of 'creative compromise' that evolved within OP2000 is probably necessary for any multistakeholder process that hopes to sustain its efforts for a prolonged period of time.

At a time when efforts are being made to strengthen citizen engagement in addressing complex social issues and to build partnerships that bring diverse resources and abilities to bear on these challenges, a civic culture that embraces diversity is essential. In OP2000, such a culture emerged gradually as partners focussed on achieving tangible outcomes related to their shared interest in poverty reduction.

Conclusion: Lessons and Recommendations

How can one sum up in a few words such a wide-ranging and complex initiative as Opportunities 2000? The story of stone soup may provide a useful comparison.

A traveller without food came across a village. As he met one villager after another, he asked if any of them had some food they might share with him that evening. Person after person commented on the poor weather, the bad harvest... . "My meagre supplies won't do you much good," each said walking away downhearted.

The traveller settled himself in the village square and built a small fire. He took a soup pot from his bag, filled it with water from the village well and put it on to boil. Then, with some villagers looking on, he gathered some stones, dropping them one at a time into the pot.

"What are you doing?" they asked.

“Making stone soup,” he replied.

“Stone soup,” they laughed, “You can’t make soup out of stones.”

“Indeed you can,” responded the traveller. “And it’s delicious. Stay with me and we will share it when it’s ready.”

So the small group sat and waited and talked while the water boiled. Eventually, the traveller recalled another time that he enjoyed stone soup with some friends. One of his companions happened to have some carrots that they added to the pot. Oh, how it sweetened the broth!

“I have a few carrots,” remembered one of the villagers. “Let me get them and add them in.”

And so he did and the group settled again and talked some more, until the traveller began dreaming aloud about other stone soups he had heard of in his travels. “Some people put potatoes in their stone soup, others season their stone soup with thyme... .” Soon others in the circle also began recalling their favourite soups, and as they did, the few items they had in their cupboards at home came to mind. One after another they went off and returned with a turnip or a tomato or some parsley to add to the soup. Some brought back their friends and family who had grown curious about the gathering they could see in the square and the sweet aroma that was now blowing in the breeze. In time, these newcomers joined in the dreaming and added their own favourite ingredients into the mix.

By evening’s end, the traveller’s pot was overflowing. Everyone ate well and all agreed that the stone soup they shared that night was the most remarkable soup they had ever tasted [Grubbels and Koss 2000: 7].

OP2000: the challenges of leadership and the possibilities of community

Like the story of stone soup, Opportunities 2000 is a story about the challenges of leadership and the possibilities of community. In both cases, someone took the risk that if they held out a vision of what could be others would respond and make it so. Among the challenges of leadership, the first, and perhaps the greatest, is faith in the willingness of others to contribute to a worthy cause. Among the possibilities of community, the discovery that there can be a whole greater than the sum of its parts seems always to be a genuine surprise.

Although Opportunities 2000 became identified early on with the goal of moving 2,000 households out of poverty by the end of the year 2000, its originators entered the process with other goals as well. They wanted to raise the profile of poverty as an issue of concern in Waterloo Region. They wanted to create a community excited by the realization that it could create adequate opportunities for all its members. They wanted to bring people from diverse sectors together in a collective effort to counter poverty. They wanted to foster specific partnerships through which concrete initiatives could be undertaken. They wanted to re-focus energy and imagination from delivering services and resources that would alleviate

the hardships of poverty to creating economic opportunities that would allow people to exit poverty altogether. They wanted to experiment with techniques and strategies for poverty reduction and build organizational capacity to engage in this work. They wanted to enable low-income residents to make consistent progress in their journeys out of poverty by providing them with sustained community support.

As we have seen, in the course of four years, Opportunities 2000 has made substantial progress on each of these aspirations. Along the way, it also brought to life the process which led to these results.

Like stones dropped in a pot of boiling water, the '2,000 by 2000' goal engaged people's attention sufficiently to allow this complex and ambitious project to unfold. However, it was not 'the stones' – the '2,000 by 2000' goal – which produced the results but the process that developed around them. People gathered, built relationships, opened their imaginations to new possibilities, saw their own gifts in new ways and combined them with those of others to produce something none could have created on their own. Not only was there more substance to stone soup than stones, there was also a way of doing things that turned the potential of community life into substantial results.

Poverty reduction and multisectoral collaboration

In Opportunities 2000, it was not only a tangible and attractive goal that helped galvanize the creative community process. Two key aspects of the project's overall approach were also critical: its distinctive focus on poverty reduction and its use of multisectoral collaboration as the basic tool for countering poverty. Ultimately, the focus on poverty reduction provided a conceptual basis for linking the work of various stakeholders. It raised the possibility that their respective activities and concerns were not isolated ends in themselves but parts of a larger effort: creating adequate economic and social opportunities for all members of the community. In turn, the focus on multisectoral collaboration generated practical opportunities to explore how diverse stakeholders might combine their resources to achieve mutually desired outcomes. In effect, the OP2000 approach triggered a process of social entrepreneurship in which stakeholders sought to combine existing resources in new, more productive ways.

A balancing act

In the end, there is no neat and simple formula for tapping the creative potential of community life. Undertaking such initiatives requires strong leaders who both believe in the process and bring to it the knowledge and skills required to make innumerable judgments crucial to its successful development. Opportunities 2000 was fortunate to have a team of such leaders among its staff and volunteers. Together they possessed the experience and sensitivities needed to determine how to foster and sustain a wide-reaching community response to a complex social challenge.

The work of this group is best understood as a balancing act. It required ongoing assessments and judgments about how best to address both sides of a series of important tensions. The success of OP2000 is not attributable so much to any one single idea or strategy as to the ability of its leaders to continuously balance:

- long-term vision with short-term goals
- comprehensive perspective with specific, concrete initiatives
- a focus on outcomes with a focus on process
- challenge and stimulation with support and encouragement
- a bias for action with a bias for learning
- eclectic experimentation with a search for root causes and solutions
- a desire for unity and consensus with an openness to diversity and debate.

As Opportunities 2000 looks to the future, one critical factor for its long-term success will be its ability to sustain and renew its leadership. Like other comprehensive community initiatives, it requires a continuous injection of energy from its organizers. Current leaders need opportunities for renewal; emerging leaders need opportunities to further develop their skills and experience. An initiative such as this provides many opportunities for young people to gain firsthand experience in the ways of community action. As it proceeds into its second phase, Opportunities 2000 should consider how it can use its ongoing work as a way to continue building the leadership capacity within the community.

A long-term process

The community-building strategy that OP2000 is using to combat poverty is not a short-term process. This observation was confirmed by the partnership network when it affirmed OP2000's accomplishments to date and determined that a second phase was both justified and necessary [Opportunities 2000 2000]. As others experienced in building community capacity attest, this type of process should be seen as moving from initiation to maturity over a period of at least ten years [Canadian Community Economic Development Network 2001]. After four years, Opportunities 2000 has accomplished a great deal. Not only did it mobilize a diverse set of stakeholders and undertake a wide range of worthwhile initiatives to reduce poverty, but it also created the key insights, relationships and organizational infrastructure needed to carry the process into the future. The key challenge facing OP2000 in the next phase of its activities will be to consolidate the gains it has made and strengthen the capacity of the network to be fully effective in achieving desired results.

No one cause; no one solution

One observation that should be made based on the Opportunities 2000 experience is that there is no one cause of poverty nor one single solution. The discussion and debate that occurred within OP2000 about the appropriate way to define poverty led to a recognition that there are multiple factors that contribute to poverty and that these factors are present in different combinations in the lives of low-income residents. One great strength of a broad-

reaching community process, such as Opportunities 2000, is that it can mobilize a wide range of resources and generate a variety of responses. Appropriate assistance can then be offered on a flexible basis to individuals facing different circumstances.

As it proceeds into its second phase, OP2000 should resist the temptation to reduce and simplify its view of poverty or the variety of strategies it draws upon to help combat it. An important reason for mobilizing broad-based community responses to social problems, such as poverty, is that it re-engages citizens with these issues and enables them to develop a more complex appreciation of the factors involved. Such an understanding not only enables citizens to undertake effective community action but also to seek and support practical and creative public policies.

A complex but coherent view of poverty

Building on the learning that occurred during its first phase, OP2000 should articulate a more fully integrated conception of poverty that makes it easier for all involved to think about the issue in complex terms. Several models were identified in the course of the project's development which resonate well with the approach favoured by the partnership network. These models conceive poverty as a lack of self-sufficiency. They identify a series of factors – e.g., income, housing, personal support networks, health, knowledge and skills – that contribute to self-sufficiency. A critical mass of strengths in these various areas is required to achieve this goal on a sustained basis. These models also point to institutional and systemic factors, as opposed to the attributes of individuals, that need to be addressed if sustained improvements are to be realized in terms of poverty reduction [Ferguson and Murray 2001; Emerson 1996; UK Department for International Development].

A flexible system of community responses

In its first phase, Opportunities 2000 tended to focus attention on the challenges and opportunities associated with individual projects and strategies. Now having undertaken a variety of initiatives, it is in a better position to think about poverty reduction in more systematic terms: How can different strategies be coordinated so that they form a set of stepping-stones geared to the needs of specific individuals? How can the good practices illustrated by one project be fostered in others? What resources and arrangements are needed to strengthen the poverty reduction system as a whole? Again the emphasis should be on creating a diverse, flexible and responsive system that enables low-income residents to design action plans appropriate to their circumstances and acquire the skills and resources required for them to meet their needs on a sustained basis.

A system change intermediary

Based on the first phase of OP2000's work, it is now evident that one element vital to enhancing a community's ability to reduce poverty is a local intermediary body. Although it

was always envisioned that OP2000 would play this role to some extent, both the nature of that role and its centrality to OP2000's mission became increasingly clear as the project evolved. Local intermediaries are crucial to enacting community-based poverty reduction because they serve two highly specialized functions. On the one hand, they are animators who challenge stakeholders to re-think their roles in relation to poverty. On the other, they are facilitators helping stakeholders identify new ways of doing things and forge the relationships needed to put these strategies into action. In its first phase, OP2000 played these and other roles. While functions such as delivering technical assistance or allocating and administering funding are important and necessary in themselves, they also can divert energy from the distinctive roles of the intermediary. In its second phase, OP2000 should focus its energy on its work as animator and facilitator, enlisting other structures to take on additional roles important to community-based poverty reduction.

Infrastructure for community-based poverty reduction

Five other aspects of poverty reduction infrastructure appear to warrant attention as Opportunities 2000 enters its second phase:

6. *Technical assistance* was highly valued by OP2000's project partners during Phase One. Access to this assistance appeared to contribute to project success. Additional resources are required to meet the demand, especially for project specific consultation.
7. *Research support* also proved helpful to projects both as an aid in designing their own initiatives and as the basis for seeking support from funders and the general public. In some cases, however, additional research would have been desirable. Staff in some nonprofit organizations indicated that they lacked the time to undertake research directly on strategies of current interest to their organizations. Access to research support to address their needs would reinforce their willingness to innovate. Linkages with local universities interested in supporting community initiatives through collaborative ventures in applied research could be explored.
8. Lack of stable *funding for nonprofit organizations* undermined the effectiveness of some agencies and the projects they undertook. Lack of adequate funding was one cause of the high rate of staff turnover that disrupted a number of partner projects. Overburdened staff were less effective than they might otherwise have been in carrying out their responsibilities. In addition, financially strapped organizations were less able to engage in the research and development work needed to organize new and innovative projects or undertake the planning needed to launch them as effectively as desired. Furthermore, short-term project funding raised the risk that valuable services were provided on an inconsistent basis. It also meant that gains made by organizations that learned how to deliver programs and services effectively would be lost if additional project funding were not identified. Ultimately, short-term project funding tends to be shortsighted. It undermines the development of capacity both for organizations and the individuals they serve.

9. *Building low-income voice* has been an ongoing focus of attention for Opportunities 2000 since midway through the first phase. While constructive steps have been taken, continued attention is needed. Input received from low-income participants in OP2000 projects indicates the important insights that low-income residents can bring to the issues they are encountering. Their views should be given a more central place in OP2000's work in the period ahead. As much as with any other aspect of OP2000's activities, an investment in research and technical assistance to identify and apply innovative strategies is warranted in this area.
10. The scale, complexity and dynamism of OP2000 in its first phase posed challenges for the *monitoring and evaluation* of its work. The evaluation strategy grew and evolved as part of OP2000's own process of growth and development. Certain foundations have now been laid that can be built upon in the second phase. The focus on learning is well-founded and should be taken up as a continuing theme in the next phase of evaluation. Project partners could be integrated more fully into the ongoing identification and sharing of lessons learned. Such a strategy also could address OP2000's needs for more frequent feedback on progress in the conduct of its work. Substantial resources are required to carry out such an extensive learning and assessment process. Engaging local agencies to conduct this work should allow the close, ongoing contact needed between the assessment team and the project itself while also having the added benefit of investing in the further development of local capacity.

Strategies upon which to build

Part Two of this report identified specific strategies that proved effective in helping low-income residents in their efforts to move out of poverty. Such strategies should be maintained and augmented as OP2000 continues building the poverty reduction capacity of the community. The following approaches deserve special consideration for future development:

- *INTENTIONAL DEVELOPMENT OF NEIGHBOURHOOD MULTI-SERVICE CENTRES*

Delivery of services through neighbourhood centres significantly enhanced access for low-income residents. The availability of multiple services in a single location heightens the possibility that low-income households will obtain the combination and sequence of services they require to make sustained progress in their efforts to exit poverty. The informal, friendly social environments offered by these centres also increases the likelihood that low-income residents will acquire the interpersonal supports needed as they make use of various technical services.

- *sustained outreach services*

Such services are required to reach individuals and households disconnected from community resources and to build the relationships that enable them to link to these resources.

- *increased access to personal counselling*

There appears to be a high demand for accessible and affordable personal counselling services. Without such services individuals may reach an impasse that prevents them from taking additional steps toward improving their economic and social circumstances.

- *targeted pre-employment programs*

With governments moving increasingly from ‘passive’ income assistance programs to ‘active’ employment measures, some groups need additional support in their efforts to secure and maintain jobs. Well-designed pre-employment programs are required to provide the personal and social support some people need to participate in the labour market.

- *expanded access to computers and computer training*

Computer skills and equipment have become near necessities for participating in current social and economic life. Computer literacy is required for many employment opportunities. Computers and computer skills are often crucial for continued education as well. The impacts of the one project focussed on this issue were significant, not only in terms of enhancing employability but also with respect to the educational opportunities created both for project participants, their children and other family members.

- *extensive development of customized training*

The skills gap is a key obstacle preventing low-income residents from obtaining better-paying employment. Customized training has been proven to be effective in preparing individuals for available employment opportunities.

- *active promotion of good human resource practices*

Employers can make a direct contribution to the reduction of poverty. Socially responsible businesses are critical components of a socially viable economy. By paying adequate wages and benefits, adopting hiring practices that make employment opportunities available to low-income residents, and instituting management practices that address employees' needs for affordable child care, transportation and drug plans, employers of all kinds are able to support poverty reduction efforts. An important start has been made in this area but its potential has not yet been fully tapped.

- *post-employment programs dealing with job retention and career advancement*

Given the concerns among OP2000 partners about job retention and the quality of employment some individuals are able to obtain, it is clear why post-employment programs have been growing in importance. In recent years, the continuum of employment services has expanded to include follow-up support required to increase the prospects of job retention and to enable employees to advance from entry level to better jobs. Post-employment programs include job enhancement strategies that assist the working poor. Increased collaboration among employers, nonprofit agencies and governments is needed in this area.

- *community enterprise development*

Community enterprises occupy a particular niche in the labour market. They provide employment opportunities particularly adapted to the needs of workers. They also may serve as stepping-stones to mainstream employment. While enterprise development is a highly demanding process and should be pursued only by well-prepared organizations with adequate resources to meet the various challenges that arise, OP2000 projects in this area suggest there is great potential for further development of this strategy. It is an area in which the business and nonprofit sectors can merge their respective knowledge and skills. Undertaken in a concerted fashion, community enterprise development could create substantial employment opportunities while also preparing people for jobs in mainstream enterprises.

- *individual development accounts*

Experiments with individual development accounts during Phase One provided valuable lessons about the ingredients for project success. They also revealed their potential for adaptation in support of a variety of long-term goals that low-income residents might pursue from business development, further training and education, computer purchase and asset-building for their children's education, and possibly for use in securing improved housing. These possibilities should be explored in the next phase as the national initiative on individual development accounts proceeds. Human Resources Development Canada is funding a national demonstration project to further test the usefulness of the individual development account model. Lutherwood CODA will be participating as one of the case study sites.

Enhancing impact

In addition to the further development of the above strategies, several areas warrant explicit attention.

- *reforming welfare to work policies*

Although some efforts have been made within OP2000 to improve the operations of the province's welfare-to-work program, a number of policy barriers remain. In addition to perceiving Ontario Works as punitive and stigmatizing, many project participants pointed out a variety of ways in which the program was not developmentally sound. For instance, they pointed to the limited earnings exemptions it allows, its restrictions on the building of financial assets, the abrupt loss of benefits that occurs as one moves into paid employment, including loss of drug plans crucial to the health and well-being of some individuals, and difficulties accessing training and education while receiving social assistance. Efforts are needed to redesign these regulations so that they support strategies for building financial and human capital, and so that they facilitate rather than inhibit the transition to well-paying jobs.

- *housing*

Poverty not only occurs when income is too low but also when the costs of basic needs are too high. The lack of affordable housing has emerged as a vital concern in communities across Ontario and other parts of the country. While this issue has been given some attention within OP2000, no specific initiative was generated to address it. It is a major area of work that could be tackled in the next phase.

- *gender and poverty*

As noted in Part Two of this report, many more women than men were participants in OP2000 partner projects. Women are also disproportionately represented among the low-income population of Waterloo Region. Indeed, the face of poverty is typically female. Gender issues have not received focussed attention within OP2000. While many of the issues pertaining to poverty are common to women and men, there are clearly factors specific to the realities of women's lives which ought to be addressed.

- *community/school relations*

In many jurisdictions, schools are becoming focal points for community activities. In the process, young people are linked into an array of programs, services and activities that help them deal with personal and family challenges that may cause them to exit school early

and enter a pathway leading to poverty. Community/school connections also integrate young people into civic life enabling them to develop leadership skills and the habits of active citizenship. Fostering closer ties with the public school system could add an important facet to OP2000's work both in terms of poverty prevention and long-term community capacity-building.

A continuing process of citizen participation

While the above items merit particular attention as OP2000 proceeds, the keys to its success lie in the active engagement of community members with the challenge of poverty reduction. Such participation has been OP2000's greatest accomplishment thus far. Active community involvement in forming and revising an ongoing plan of action will ensure the commitment exists to put that plan into action.

References:

Brown, Prudence. (1995). "The Role of the Evaluator in Comprehensive Community Initiatives." In *New Approaches to Evaluating Community Initiatives* edited by James P. Connell, Anne C. Kubisch, Lisbeth B. Schorr, and Carol H. Weiss. Washington DC: Aspen Institute.

Canadian Community Economic Development Network. (2001). "Investing in Canada's Communities: The CCEDNet Policy Agenda." Canadian Community Economic Development Network. June.

Chaskin, Robert J. (1999). *Defining Community Capacity Building: A Framework and Implications from a Comprehensive Community Initiative*. Chicago: The Chapin Hall Center for Children at the University of Chicago.

Community Opportunities Development Association. (1997). "Opportunities 2000: A Proposal to Assist Local Communities Create Economic Opportunities that Reduce Poverty." Cambridge: Community Opportunities Development Association. February.

Emerson, Jed and Fay Twersky (ed.). (1996). *New Social Entrepreneurs: The Success, Challenge and Lessons of Non-Profit Enterprise Creations*. San Francisco: The Roberts Foundation.

Ferguson, Mary and Janet Murray. (2001). *Women in Transition Out of Poverty*. Toronto: Canadian Women's Foundation. January.

Grubbels, Peter and Catheryn Koss. (2000). *From the Roots Up: Strengthening Organizational Capacity through Guided Self-Assessment*. Oklahoma City: World Neighbours.

Hodgson, Dwayne. (1999). *Poverty in Waterloo Region: An Update*. Ottawa: Caledon Institute of Social Policy. January

Jackson, Andrew. (2001). *Social Inclusion/Exclusion of Children: Conceptual Framework and Indicators*. Ottawa: Canadian Council on Social Development. January.

Kubisch, Anne C. et al. (1995). "Introduction." In *New Approaches to Evaluating Community Initiatives* edited by James P. Connell, Anne C. Kubisch, Lisbeth B. Schorr, and Carol H. Weiss. Washington DC: Aspen Institute.

Opportunities 2000. (2000). "Opportunities 2000 Partner Consultation: Executive Summary." Kitchener: Opportunities 2000. October.

Opportunities 2000. (1998). "A Call To Action." *Opportunities 2000 Update: Special Edition*. Cambridge, Ontario: Opportunities 2000. June.

Putnam, Robert. (2000). *Bowling Alone: The Collapse and Revival of American Community*. New York: Simon and Schuster.

Rail, De. (2001). *Opportunity Development Accounts*. Ottawa: Caledon Institute of Social Policy. March.

Torjman, Sherri. (2000). *Survival-of-the-Fittest Employment Policy*. Ottawa: Caledon Institute of Social Policy. April.

Torjman, Sherri. (1999). *Strategies for a Caring Society: The Role of Local Government*. Ottawa: Caledon Institute of Social Policy. September.

Torjman, Sherri. (1998). *Can Communities Reduce Poverty?*. Ottawa: Caledon Institute of Social Policy. April.

Torjman, Sherri and Dwayne Hodgson. (1998). *Poverty in Waterloo Region*. Ottawa: Caledon Institute of Social Policy. May.

UK Department for International Development (DFID). (nd.). *Sustainable Livelihoods Guidance Sheets*. (URL: http://www.livelihoods.org/info/info_guidanceSheets.html).

Appendices

Appendix A: Opportunities 2000 Evaluation Framework

Appendix B: Household Survey Guides (Initial and Follow-up)

Appendix C: Guide to Participant Focus Groups

Appendix D: Guide for Participant In-Depth Interviews

Appendix E: OP2000 Partner End of Project Interview Guide

Appendix F: Opportunities 2000 Project and Participant Results
(December 31, 2000)

Appendix G: Opportunities 2000 Initial Household Survey, Selected Tables

Appendix H: Opportunities 2000 Follow-up Survey, Selected Charts and Tables

Appendix I: Opportunities 2000 Follow-up Survey, Overview of Findings for Open-Ended Questions

Appendix J: Organizational Capacity-building: Selected Charts

Appendix K: "The Three Levels of Outcomes: A Framework for Evaluating Multidimensional CED," by Eric Leviten. (2000. *Making Waves*, Vol. 11, No. 2: 6-9.)

Appendix L: *Are Outcomes the Best Outcome?* by Sherri Torjman. (1999. Ottawa: Caledon Institute of Social Policy. November.)