

The Taking Stock Project: Supporting Child and Youth Agencies in an Economic Downturn

Introduction

Collaboration, service delivery efficiencies and more effective knowledge transfer methods, have become a major focus of the not-for-profit (NPO) sector over the last few years. Sparked by the 2001 *Accord Between the Government of Canada and the Voluntary Sector*, and the 2002 *Code of Good Practice on Funding*, shared collaboration, particularly as a method of improving governance and accountability has been touted as both a best practice, and a “magic bullet” for what ails the NPO sector.

As part of the Taking Stock project, we have been speaking with organizations across Canada to ask about innovations they have seen, both locally and on a national basis, that highlight best practices across an area of issues that are relevant to the sector. Emerging from these conversations has emerged a series of findings around the resource gaps in the sector, the funding climate, policy needs and visioning around what needs to be done to increase the strengths of the sector.

The project explored several questions:

1. What are the current economic realities impacting our member agencies in the child and youth sector in the areas of: capacity building, knowledge acquisition/mentorship and sustainability?;
2. What are some of the best crisis management, models and/or approaches available or being practiced by agencies in the areas of collaboration, capacity building, service delivery efficiencies, and knowledge acquisition?

Methods

The project explored these questions using a multi-method approach. Interviews were conducted with key informants who have intimate knowledge of the going-ons within the sector. These included organizational founders, funders, NPO collaborators, and other sector experts. Case studies were employed in order to gain insight into the work being done by child and youth serving organizations across the sector. The case studies focused on a range of challenges as well as successes from across the country, from amalgamation of services, to capital campaign fundraising during an economic downturn. To date, three roundtables (“think tanks”) have been held with local capacity builders, experts, government officials and service providers. At the think tanks, participants responded to a series of questions focused on identifying what are the ongoing and pressing challenges facing the child and youth NPO sector, and how are those challenges affecting their work. Participants also highlighted some tools and strategies to respond to those needs.

Overall Findings

The project respondents were all well aware of the enthusiasm in the NPO sector for collaboration, service delivery innovation, and knowledge transfer as strategies to increase the child and youth NPO sector capacity and effectiveness. For these stakeholders, the question was not on whether these were important strategies, but rather on how these strategies should be encouraged and sustained. This perspective allowed us to focus the project on questions of process and how to create and sustain good practices.

Taking this view as a working hypothesis, the project's initial investigations aimed to clarify and substantiate what were the challenges facing the sector in these areas, particularly in the context of an economic downturn, and to identify process and policy strategies that would improve outcomes for clients, service delivery providers, and communities in Canada.

The first overall finding of the project, however, was that a clear case has yet to be made for collaboration as a strategy to build the capacity of NPO services to improve client and community outcomes. Specifically, the project found:

- a. A lack of a clear agreement about what collaboration is intended to achieve. The NPO sector depends heavily on government for the vast majority of their funding, with foundations, and other funders such as the United Way, contributing the other amounts. Service delivery providers and funders seem to be at cross-purposes when articulating their goals for collaboration – there is the perception that funders are using it to rationalize and reduce duplication (and therefore funding) for existing services; while community-based providers say they collaborate in order to leverage limited resources (in response to ever-changing and ever-complex community needs).

The second overall finding of the project is that there is a “bottom-up” approach to innovation. Innovation, as defined by the project stakeholders, was largely focused on responding to client needs at a service delivery level. Specifically the project found:

- a. Sustainable service delivery innovations and collaboration is typically “bottom-up”, originating from client needs as measured by service providers. Funder-mandated pushes for “innovation” in which agencies do not buy in to the value proposition are hard to create and sustain.
- b. Bottom-up collaboration emerges in response to community needs, rather than to increase efficiencies or effectiveness or rationalize services. This explains in part why most collaboration seen amongst agencies is informal, and is generally seen as an

information-sharing process, and less likely to be based on systems consolidation or to be a swapping of services with clients where two agencies are providing the same service. This issue of protecting revenue source then overrides an interest in collaboration.

- c. Innovation is often defined internally, on an ad-hoc basis according to agency needs. That is, organizations feel that they are responding to issues innovatively, but it is not part of an organization-wide strategy and is generally in the context of addressing client needs. It is rarely integrated into governance or even long-term sustainability approaches.
- d. There would be a greater impetus for innovation (and its subsequent outcomes), if agencies had more financial and other resources to build and fund innovative strategies for serving their clients. However, funders' intense focus on outcomes accountability (tied to funding), consumes the lion's share of agencies' resources when applying for and reporting on funding. Data-based information, such as client statistics, and administrative overhead breakdowns, is the major measurement required by funders, who are seen as pushing innovation and collaboration, but provide very little or no funding support for it. That is, while asking for innovation, funding and other requirements work against providing an environment that allows for innovation, creating an environment where there is no room to fail.
- e. Successful initiatives often emerge out of informal information-sharing networks, that are responding to a need that stakeholders identified as "professional development opportunities" for sector workers. Sector leaders and front-line staff identified an urgent need to participate in more opportunities focused on resource sharing, skills enhancement, and training (particularly in new technologies).

The third overall finding of the project is the need for a collaborative, unified "voice" on policy issues facing the NPO child and youth sector. Specifically the project found:

- a. Service providers are focused almost entirely on front-line delivery, leaving very little time to respond to changes or needs on a policy systems level. Organizational challenges are treated as "fires that have to be put out", and are generally dealt with as they arise. The majority of service providers described funding cuts as their most significant, ongoing challenge, and the majority of the senior leadership in most agencies are focused on ensuring the short-term sustainability of the organization, which is largely focused on personnel and program delivery processes (ie. meeting

payroll obligations, managing program delivery with reduced funding or increased costs, etc).

- b. Child and youth sector organizations recognize that there is a need to participate on policy and systems issues that have broader implications for the sector as a whole, but they struggle with allocating resources to participate in initiatives that are not based on front-line issues.
- c. Many NPOs feel that they are providing their clients with “band-aid” solutions to their problems, but don’t have the organizational commitment or knowledge in place to develop the capacity of their clients to deal with barriers in an empowering manner.
- d. Stakeholders identified (the need for) a national policy framework for children and youth as a key tool to support them in their work with children and youth and their families. There is a need for child and youth serving organizations to be developing and delivering their work around universally-recognized milestones that apply a global approach to child and youth development.

There is a pressing need for some overarching supports for the sector that are not tied to funder requirements but are instead focused on organic and strategic objectives that not only have an agency impact but have broader, policy and/or systems implications that strengthen NPO capacity to respond to crises *as well as* innovate on a broader scale. While it is clear that top-down imposed collaborations are not seen as successful or responsive to community needs, bottom-up initiatives must be aligned to organizational and sector-wide strategic goals for outcomes to be truly improved for clients and communities.