INCREDIBLENTALITY

This strange term is key to setting realistic goals and standards for CED practice

by Mark Cabaj

If you’re a Canadian CED practitioner, you’ve heard of the Self Employment Benefits program. Sometimes called “Self Employment Assistance,” it’s a national project to realize local delivery of entrepreneurial training and income support to recipients of Employment Insurance.

Everybody’s doing it. There’s SEB providers right across the country, many of them self-conscious practitioners of community economic development. In the last seven years these folks have helped thousands of unemployed people to start businesses.

So along comes this study of a large number of these SEB programs. The results indicate that about 40% of the program participants would have started a business even if a local SEB program had not been available! Sooner or later, evidently, all these people would have found a way to start a business anyway.

Frustrating. On the surface, capturing the results of our work seems so straightforward. If our program’s recipients get a job, or the local unemployment rate falls, we have accomplished something.

Then we get reminded that the intended beneficiaries of our work - individuals, institutions, and entire communities - are changing all the time. Many of these changes happen whether or not a CED initiative occurs.

The real change generated by an initiative is called incrementality (or at times, causality or attribution). It refers to the degree to which an “intervention” is responsible for an observed change in an individual, business, institution, or community.

Does this really matter? It does. Many policy analysts, funders, and (dare I say) practitioners are anxious about our field’s inability to tackle the issue of incrementality. They wonder if we truly generate the results we claim. The case for further support and involvement in CED is weakened for lack of this critical evidence.

NECTAR OF THE GODS

Before we explore the issue in more detail, it is important to state up front that estimating incrementality is not of critical concern to all CED initiatives. If a group of people lobbies hard to keep a bank branch open in a small prairie town, for instance, and the branch remains open, they can reasonably take credit. At the same time, many of the outcomes we desire are not so straightforward, intertwined as they are in all the complexities of local revitalization and economic justice.

The best strategy we have for estimating incrementality is called experimental design. It uses a scientific approach to indicate the degree to which our work has made a difference.

You may remember this from high school science. One group of subjects (let’s call them the “recipient group”) participates in a project. At the same time, another similar group (the “control group”) does not. The changes in both groups are tracked over time. The differences that arise between them are attributed to the project.

In the case of the aforementioned SEB program evaluation, researchers found that “X” number of people in the control group started businesses. In the recipient group,
two-and-a-half times that number also started a business within the same period of time.

Ideally, every single piece of work community groups undertake would be supported by this type of research. Imagine how much smarter, effective, and influential we would be with this type of information! Researchers call experimental design “Nectar of the Gods” because it is by far the most thorough research strategy for incrementality there exists.

Unfortunately, like the Nectar of Greek mythology, it is nearly as unattainable.

SIGH … THE REAL WORLD

While the logic underlying experimental design is sound, it is terribly difficult to use in the day-to-day world of CED. There are a number of reasons for this. Here are two of the most important.

The first is that the methodology requires a random selection of subjects from the target population. Once the number of subjects gets reasonably large (“statistically significant”), researchers are confident they can attribute any changes in the recipient group to the project, rather than some other factor.

These statistical requirements bear no relation to the capacity of the average community group, unfortunately. Say you are managing a restaurant that provides food services training to hard-to-employ youth. Your premises, staff, and budget may enable you to assist eight, 15, maybe even 25 people a year. Those numbers make sense for your organization, but they are hardly statistically significant. You will even be less inclined to “randomly” select program participants, but rather focus on those that need the service the most and motivated to succeed.

Could you partner with other groups across the country in order to increase your sample? It is conceivable, but it would only have scientific merit if your training project could be delivered in every location in exactly the same way - even by the same facilitators. The project has to be “replicable” so that any differences detected between the recipient and the control groups can be attributed to the project, and not to some other variable.

Again, what is scientifically sound is not practical for community groups. Most local initiatives emerge from a very organic, even messy process. Very different players get together to clarify problems, propose solutions, and design and package a project, using whatever local and external resources are available. The projects are therefore unique to each group and community.

Hardcore policy analysts find the lack of replicable CED projects frustrating. Because replication is near impossible, some analysts even go so far as to label CED efforts “amateur” and indicative of a “failure” of CED itself.

Quite frankly, those analysts are dead wrong. Sure, every community group in Canada could and should bone up on their project design. But the ability of local players to mobilize and respond to local issues is the value of the field.

A THIRD WAY?

There appears, therefore, to be an impasse between the essential requirements of experimental design research and the reality of the CED process, between the requirements of scientific rigour and the principles of CED. Neither side seems able to give much ground without losing the very essence of what makes it effective.

Thankfully, there does seem to be a way to bridge these two solitudes in a way that enables the field to get a better grasp of incrementality.

“Think” About Incrementality

First of all, let’s get everyone at least thinking about incrementality when they package their work. It can help us design better programs and gather better feedback.

I have seen it happen. Several years ago, I put just that challenge to a group providing employment services. I asked them to tell me what changes they were actually making in people’s employment situation.

They argued that their mandate was just to “Help People Find Work.” I then asked them to assume that people would find work eventually without their help. After much discussion and debate, they suggested that due to their job search workshops, people found a job quicker than they otherwise would have (i.e., acceleration). Moreover, thanks to the group’s career counselling, people sought and obtained jobs that better fit their preferences. That meant the clients kept the job longer (i.e., retention) and were more productive (i.e., earned a higher income).

From “helping people find work,” the group’s mission had quickly shifted to “helping people find the best job possible in the shortest amount of time.”

The real results on the ground were exciting. The group dropped services that did not help meet this mission. That reduced their costs, while their placement rates went up. Moreover, they began periodically to compare their service with that of other groups.

We, as practitioners, policy-makers, or funders, should all spend more time clarifying the type of change we seek to make. If we did, I think we all would see our projects and constituents benefit from the effort.

Using “Second Best” Strategies

Beggars can’t be choosers. So, why hold out for Nectar of the Gods if orange juice is available?

When experimental design is not practical, there are a number of “second best” strategies that groups can use to estimate the incrementality of their work. The options include surveys of project beneficiaries, quasi-experimental designs, and statistical modeling.

None of these are as demanding as experimental design. Each has its own advantages and disadvantages. Community groups, researchers, and funders nevertheless would be wise to hunker down and get a better grasp of what these methods can do and then gain some proficiency in them.

Books are written on this stuff. If you are new to the subject, a good place to start is New Approaches to Evaluating Community Initiatives: Theory, Measurement, and Analysis, edited by Karen Fulbright-Anderson (Aspen Institute, 1999).
ONE FINAL PLUG

That said, I remain convinced that we must endeavour to do experimental design when and where we can. The inordinate amount of effort it takes to get up and running is worth it. The results and learnings can be used by groups and communities across the country.

This will require give and take by everybody. Community groups must be ready to give up some autonomy in the design process. Policy-makers must realize the need of local groups to tailor initiatives to local circumstances. Funders should be willing to wait longer for results and provide the extra resources that inevitably will be required.

But it can happen. The national demonstration project for Individual Development Accounts (IDAs) is a good example. There, local groups, the Canadian federal government, and a research institute are all working on a multi-year experimental design study of the impact of IDAs on the savings and assets of low-income families. Appropriate compromises are being made by both sides in the project design phase, and it appears that it will likely represent a solid research-practitioner partnership.

We need to more of this. In fact, it sounds like a good job for the Policy Committee of the Canadian CED Network (CCEDNet), the emerging national umbrella organization for CED in Canada.

Central to the whole question of “scaling up” CED are issues of replicability and reliable measures of performance. We can’t expect to have a lot more impact until we can tell people much more precisely just what impact CED can have.

MARK CABAJ is the guest editor of this edition of Making Waves. For more information about the national demonstration project for Individual Development Accounts, contact the Self Employment Development Initiatives (SEDI) at (tel) 416-665-2828, (fax) 416-665-1661, (e-mail) oseda@sedii.org. (URL) www.sedi.org