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Canada Economic Development for Quebec Regions

Evaluation of the Capacity Building Component of the Social Economy Support Initiative for Quebec

Final report

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Johnson & Roy s.e.n.c.
Expertise et services en évaluation

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EXECUTIVE SUMMARY

This report sets out the evaluation results of the Capacity Building component of the Social Economy Support Initiative for Quebec (the Measure).

The evaluation of the Measure addresses three issues and components: relevance, implementation and results. The evaluation methodology is based on an analysis of quantitative data gathered from the Hermès information management system, collection and analysis of data from interviews with Agency staff (8) and proponents (20), as well as a review of internal documents and secondary data. The data obtained was representative of all projects for most of the issues covered by the evaluation. However, the Measure's relatively short duration (approximately 18 months) was insufficient to adequately measure outcomes.

Relevance of the Measure

Following the federal government's announcement of support for the social economy, the Economic Development Agency of Canada for the Regions of Quebec (the Agency) designed the Measure, which was intended to last 24 months, by consulting with social economy stakeholders to ensure that the Measure would indeed suit their needs, and did its utmost to translate the objectives into concrete action.

The Agency took every precaution to encourage the creation of new growth-generating projects and avoid any overlap or duplication with other programs or initiatives. The Measure has proven consistent.

In our view, it is still relevant to support social economy (SE) enterprises in their work to improve management capacity. Solutions include making regular federal government programs more responsive to their capacity building needs, entering into federal-provincial agreements in this area and forming strategic partnerships with the most influential players in the social economy or even in the private sector.

Implementation performance

Management tools (including the results-based management and accountability framework, continuous performance measurement and information management system) were available and appropriate to ensure sound management. The staff involved in delivering the Measure was properly trained to implement the program and manage proponents' requests. Communications between the core team and champions through conference calls and other means proceeded smoothly.

One of the lessons learned in the course of the Measure was to appoint business office champions to co-ordinate the Measure's implementation with SE enterprises and liaise with the core team. This value-added approach helped ensure sound management.

All in all, the results of using champions to ensure program delivery confirm that they got the job done and that all stakeholders were pleased with their work. However, the processing of project applications took a bit longer than planned, which in turn hindered the project cycle.

The following recommendation and suggestion were made:

I. Given the time needed to process applications during implementation of the Measure—six months on average—the Agency should do all it can and take all appropriate steps to shorten the time needed to approve projects.

Suggestion I: The Agency should encourage the appointment of champions, ie, persons within the organization who are assigned very specific responsibilities, especially when those responsibilities involve dealing directly with clients.

Measure effectiveness

Each region hosted at least one project, except for Nord-du-Québec, and all of them benefited from projects with a province-wide reach. The Agency invested $4.5 million on projects, compared to the $4.9 million that had initially been projected, a difference of 7%. The major social economy players received approximately 72% of available funding, including 27% for community groups, 26% for Community Futures Development Corporations and 19% for Community Economic Development Corporations. Community groups generated the greatest amount of leverage.

All major intermediary organizations in the regions were reached. The external communications strategy gave results, and eligibility criteria were standard. The Hermès information management system was accessible, and performance measurement requirements were properly formulated, but there was a lack of data concerning activities and outcomes to ensure proper follow-up. Resources were sufficient to ensure effective implementation and carry out most of the planned project activities.

Proponents of projects that focussed on various areas of intervention identified many examples of positive effects that were produced, which suggests that there was an increase in the capacity to develop and strengthen the social economy.

Three recommendations were made:

II. Agency staff in the regions should be better informed and trained to properly enter the actual and projected data concerning project activities and outcomes for which they are responsible. If need be, Hermès should be simplified to facilitate data collection.

III. Future deployment of a measure like the one intended to build capacity through increased strategic planning and networking, the development of tools and support should focus on the objectives that are most likely to help achieve results.

IV. Given that concrete results on the status of projects could not be obtained from the Hermès information management system, a careful review of proponents' final reports could provide additional information to demonstrate the importance and usefulness of the program to build the capacity of SE enterprises and strengthen and develop the social economy.

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1. Introduction

This report presents the evaluation results of the Capacity Building component of the Social Economy Support Initiative for Quebec.

1.1 Evaluation Mandate

Pursuant to its commitment under the Horizontal Results-Based Management and Accountability Framework (H-RMAF), Canada Economic Development for the Regions of Quebec (the Agency) agreed to undertake an evaluation of the Capacity Building component of the Social Economy Support Initiative for Quebec (the Measure) and entrusted the mandate to the consulting firm of Johnson & Roy.

The evaluation covers the duration of the Measure, ie, from April 1, 2005 to March 31, 2007. The evaluation work was done between December 20, 2007 and March 7, 2008.

1.2 Description of the Measure

In 2004, the federal government recognized the social economy's potential for creating collective wealth by producing goods and services, creating jobs and strengthening social cohesiveness through community involvement. As part of that recognition, it announced a new initiative to increase assistance for community economic development and the social economy. In the short term, the government had to develop expertise in implementing and then funding capacity building initiatives. In the medium term, it had to make small business programs available to SE enterprises. In the long term, the strategy would have to serve as the basis for a policy framework.

The Agency is the only department to have implemented the first stage, ie, capacity building. The general objective of the Social Economy Support Initiative for Quebec was to increase the cohesiveness and broaden the scope of the social economy movement in Quebec so it could continue to contribute to the sustainable development of communities on both an economic and social level.

With regard to the Measure, the Agency decided to focus on three areas of intervention: strategic planning, networking and the development of tools. It defined objectives for each area of intervention: promoting the growth of SE enterprises; increasing co-operation among social economy players and with other development agencies; and building managerial capacity to increase the competitiveness of SE enterprises.

The total budget set aside for the Measure was approximately $5.1 million for fiscal years 2005–2006 and 2006–2007. The Agency's total operating budget for the present component (including professional fees, evaluation, auditing and office rental costs) was $678,000 for the same two fiscal years.

1.3 The social economy context in Quebec

In the past four years, the social economy[1] has experienced extraordinary growth in Quebec. A great number of projects have been launched and the impact they have had on our communities is impressive. Projects include: daycare centres, funeral, forestry and solidarity co-operatives, community housing, waste sorting and recovery centres, community media outlets, sheltered work centres, cultural activities, recreational and social tourism organizations and housekeeping enterprises.

Overall, the social economy sector in Quebec accounts for:

- 6,254 enterprises (2,313 co-operatives and 3,941 NPOs);
- 65,028 jobs (19,948 in co-operatives and 45,080 in NPOs);
- $4.3 billion in revenue ($3 billion for co-operatives and $1.3 billion for NPOs)

[1] *Chantier de l'économie sociale*, www.chantier.qc.ca, *Portrait statistique.* [in French only]

Conceptually, the term “social economy” combines two words that are occasionally considered at odds: "economy" refers to the concrete production of goods or services by an enterprise, contributing to a net increase in collective wealth, and "social" refers to the social, and not strictly economic, cost-effectiveness of activities. This cost-effectiveness is assessed against such principles as democratic development, the promotion of active citizenship and values, and individual and collective empowerment. Social cost-effectiveness helps improve people’s quality of life and well-being, especially through the provision of a greater number of services. As in the public and private sectors, cost-effectiveness in the social economy can be assessed against the number of jobs created.

2. METHODOLOGY

The methodology used for this evaluation is based on an analysis of internal documents, quantitative data provided by the Agency and qualitative data obtained through interviews.

2.1 Evaluation issues

The evaluation of the Measure focuses on three issues: relevance, implementation and results. First, the focus is on determining the relevance of the Measure, as well as identifying untapped development opportunities, the Agency’s contribution and potential overlap or duplication with other programs. Second, an assessment is made of the sound management practices used during implementation of the Measure. Third, the Measure’s effectiveness is analysed, and the major results and outcomes are highlighted.

2.2 Information gathering

At the outset of the project, the Agency provided advisors with the key program guides.

The quantitative data were gathered from the Agency’s Hermès information management system and project profiles.

The qualitative data were collected during 28 interviews conducted with Agency staff and the project proponents who benefited from the Measure, including:

- 3 people from Agency headquarters;
- 5 champions from the Agency’s regional offices;
- 20 project proponents (representing 13 of the 14 regions).

Interviews lasted approximately one hour and were conducted in person or by phone during the months of January and February 2008. (see Appendix 1)

2.3 Scope and limitations

The quantitative data in Hermès did not accurately reflect the output and effects generated. Consequently, they could not be used.

Moreover, with regard to qualitative data, the Agency was consulted in the choice of stakeholders to interview in order to identify the people who had good knowledge of the Measure and were actively involved in its implementation. However, a number of people had since changed positions and had difficulty recalling all the actions taken.

The project sample was established by including at least one project from each region, as well as major projects. The initial choice had to be modified because some project representatives were no longer available. That was not an issue for major projects, which could be replaced by projects of equal importance, except in the case of the Laval-Laurentides-Lanaudière region, which had to be excluded from the sample, because only one project had been carried out and no representative could be found. Notwithstanding those limitations, the sample was made up of 20 of the 34 projects implemented (59%), and was representative of the entire population.

Furthermore, rigorous standards were maintained to ensure qualitative data reliability. The following are some of the practices used by the advisors to achieve that goal:

- Semi-structured interviews were used to allow interviewees to express themselves as freely as possible and to allow consultants to have in-depth conversations with them on the Measure as a whole;
- The Agency produced and approved two interview guides (one for Agency staff and another for recipients);
- The interview guides (Appendix 2) were sent to interviewees ahead of time so that they could prepare themselves;
- All interviews were conducted by the same two consultants from the firm of Johnson and Roy and based on the interview guides;
- Interview records were then sent to all participants, allowing them to make corrections or additions if need be and give their consent to the use of their recorded comments.
- The comments were then incorporated into evaluation grids, which were prepared by the advisors to facilitate the processing of information and identification of convergent results.

The greatest limitation to the scope of the evaluation, at least in terms of outcomes, was the relatively short duration of the Measure (approximately 18 months), which was insufficient to ensure adequate measurement.

3. EVALUATION RESULTS

The following pages present the results obtained through data collection and analysis, as well as the interpretation of the data by evaluation issue.

3.1. Relevance

3.1.1 Priority of the Measure

In order to address the program's priority, it is important to recall the period when the social economy was a major public concern. The social economy had already been a thriving network in Quebec for many years when its key players decided to better organize and structure it, particularly through the creation and development of the Chantier de l'économie sociale, in the early 2000s. During that period, the Government of Quebec supported the efforts of the social economy with a number of measures, in which the federal government did not participate. However, pressures were building for it to recognize what had become a fact of life both in Quebec and Canada as a whole.

In the budget speech of March 23, 2004,[2] the federal government decided to take steps to encourage the development of the social economy, support its aims and strengthen support in three priority areas, including capacity building. The government recognized the social economy's potential for creating collective wealth by producing goods and services, creating jobs and strengthening social cohesiveness through community involvement.

With the government's support, the Agency was ready to move forward and implement a two-phase program. In line with the government's policy direction, the Measure was considered to be a pilot project, intended to last 24 months. In order to send a clear message that the program was a priority for the

[2] Ralph Goodale, *The Budget Speech, March 23, 2004*, from the Budget Plan, Chapter 4.

Agency, the Deputy Minister announced the new program to employees and spoke of her intention to closely monitor it.

During the interviews, Agency staff indicated that employees both at head office and in the regions were not familiar with the new clientele and area of activity, but they understood that this new concern had clearly been made a priority. Nevertheless, several Agency stakeholders in the regions said that the program was just “the latest fad” and that a number of managers at head office were sceptical about the Measure and doubted it would remain a priority.

Finding
In 2004, the federal government recognized capacity building within the social economy as a priority and committed to taking steps toward that end. With that support, the Agency endorsed the priority and designed the Measure, intended to last 24 months, by consulting with social economy stakeholders to ensure that it adequately met their needs. It gave the Measure the necessary priority to translate the objectives into concrete action.

In order to better identify the program issues to be addressed, three meetings were held with the major social economy players. The meetings helped Agency officials become aware of their concerns, pinpoint the capacity building requirements of SE enterprises and incorporate them into the program. Strategic planning, networking and knowledge sharing capacities were thus identified as primary concerns. Furthermore, the Agency quickly prepared the documents required to obtain government authorization, which would take eight months to receive.

Lesson learned
The participation of key stakeholders in program design helped reinforce the fundamentals, better address clients’ needs, and thus ensure success.

However, there was a change of government after the Measure was launched, and the pilot project was terminated, making it impossible to extend the Capacity Building component. The Agency’s current priorities do not specifically address the social economy, although SE enterprises are eligible for regular program funding.

3.1.2. Consistency

The assessment of the Measure’s consistency focussed on two aspects, ie, intrinsic value and duplication or overlap with other programs. Government documents were consulted, and Agency staff and recipients were asked for their views on the matter.

Agency staff was categorical about the important role played by the Measure to encourage intermediary organizations in the social economy to implement projects they believe in and which were likely to build the management capacity of SE enterprises.

As for recipient organizations, most of the interviewees (17 out of 20) said that they could not have launched their projects without outside help. A number of them had considered developing projects that had been identified to meet the needs of their members, but postponed them from one year to the next because they could not find the necessary financial, material and human resources. Three proponents said that their projects were so critical that they would have had to develop them despite their limited resources. However, they would have been reduced in scale and would not have benefited from the leverage provided by the Measure and the involvement of other players. It should be noted that those three organizations were already members of larger networks that invest additional funds in projects that receive government support.

With regard to the duplication of services, some people at the Agency mentioned that there was indeed a risk of overlap with the Agency's regular programs. A number of programs in other departments, including Canadian Heritage, Social Development Canada and Industry Canada, also had to be taken into account. Consultations were held with those departments, and measures were taken to avoid any duplication or overlap.

The same precautions were taken with the Government of Quebec, particularly with the Quebec Department of Economic Development, Innovation and Exports. Consultations helped identify and validate the complementarity of the proposed measures with Quebec's social economy initiatives and policies. The government of Quebec agreed to the development of the federal program.

> ***Finding***
> All necessary precautions were taken to foster the creation of new growth-generating projects and avoid duplication or overlap with other programs or initiatives. The Measure proved to be consistent.

None of the proponents could identify a similar government program intended for intermediary organizations in the social economy. There are a number of programs that are complementary, such as those offered by Emploi Québec to SE enterprises on a case-by-case basis, or that apply indirectly, such as tax incentives.

3.1.3. Opportunity

Keeping in mind that the pilot project ended March 31, 2007, stakeholders were asked whether capacity building could still be considered as an opportunity to strengthen and develop the social economy sector in Quebec.

According to Agency staff, SE enterprises, like any other type of enterprise, need to develop their management capacity in order to survive. The needs are still there and have not been entirely met through the pilot project. If another consultation were held today, the three areas of intervention (strategic planning, implementation and tools development) would again be identified as priorities. For many SE enterprises, priority would be given to technical assistance in order to address shortcomings that were identified in their basic skills. An interviewee had some reservations about making the Measure more permanent, because it might have been used to fund intermediary organizations rather than the SE enterprises for which it was intended. Another person at the regional level said that Community Futures Development Corporations (CFDCs) had the funds and the necessary leeway to continue providing SE enterprises with assistance.

It is worthwhile to support SE enterprises in order to reinforce their capacity. To do so, a number of solutions can be considered, such as increasing the flexibility of regular federal government programs, entering into federal-provincial agreements and seeking large-scale partnerships with community stakeholders.

> ***Finding***
> All but a few stakeholders agree that SE enterprises still need to build capacity, particularly in terms of the tools required to develop the social economy, ensure its continued vitality and increase community benefits.

Furthermore, support organizations were unanimous in saying that building the capacities of SE enterprises was essential to ensure their sustainability and increase the social and economic benefits to communities. The capacity building needs of SE enterprises are significant and pressing. Basically, there are three levels of need: the recurring need to reinforce skills, adapt knowledge and receive training from community stakeholders; the need to network, provide mutual assistance and foster interventions by network leaders; and the need to obtain technical coaching in order to refine solutions.

During the implementation of their projects, stakeholders became convinced of the soundness of the Measure and aware of the lack of government programs and other sources of funding to help them continue their work. To do so, some proponents said that regular programs should better address their needs, that the various orders of government should unite their efforts and that new partners should be found.

Finding
Our assessment suggests that support for SE enterprises to improve their management capacity remains relevant. A number of solutions can be considered, such as increasing the flexibility of regular federal government programs, entering into related federal-provincial agreements and forming large-scale partnerships with community as well as private sector leaders.

3.2. IMPLEMENTATION (ADMINISTRATIVE PERFORMANCE)

This section deals with performance implementation, ie, whether the Agency properly operationalized and administered the Measure. Four topics are addressed: management tools, communications strategy, training and program delivery by champions.

Concerning the delineation of roles among Agency staff involved in program implementation, it should be pointed out from the outset that a core team was responsible for designing the program, management tools, training and communications strategy, and that regional business advisors (champions) delivered the program to proponents.

3.2.1. Management tools

Management tools are among the most significant elements required to implement a program, because they generally include the guidelines and practices that govern the actions involved in delivering goods or services to recipients.

As soon as government authorities approved the Measure, the program's core development team, in co-operation with the other branches, developed all the management tools required for sound program implementation and management.

The draft version of the Measure's Results-based Management and Accountability Framework (RMAF)[3] (see Appendix 3 for the table of contents) contains information on the program, expected outcomes and evaluation and performance measurement plan, establishes the links with the program activity architecture and determines the risk management approach.

Appendix E[4] on continuous performance measurement (Appendix 4) presents the elements of continuous performance measurement and is specifically intended for regional advisors responsible for implementing the Measure. It contains performance expectations, the results indicators based on the areas of intervention (strategic planning, networking and tools development) and the type of results (outputs and effects). It also specifies the obligations of project proponents, who must provide information based on the indicators agreed upon with the Agency, on a quarterly or on-demand basis. They must also submit a copy of any analysis, study, measurement or evaluation of client satisfaction or services offered.

[3] Canada Economic Development, Results-based Management and Accountability Framework (RMAF) *of the Initiative to Support the Social Economy in Quebec: capacity building and financing*, draft version, August 2005.
[4] Canada Economic Development, Appendix E, Social Economy, Capacity Building Initiative, *Continuous Measurement*, August 29, 2005.

The Hermès[5] information management system was modified to capture information on the performance of social economy projects, and is set up to receive data at the launch, during implementation and at the completion of projects (Appendix 5).

Generally speaking, regional champions who had to use the tools said that they were clear and helpful, and that all the basic parameters of the program were at their disposal.

Finding
Management tools (results-based management and accountability framework and continous performance measurement) were available and adequate to ensure sound management. The Hermes information management system was modified and made available to take data from the new Measure into account.

3.2.2. Training

As soon as the core team completed the development of the management tools, the champions were called on to take training in order to ensure proper implementation.

The core team organized two days of training in Montreal. The goal was to bring the champions together to enable them to use the tools and become familiar with the areas of activity and projects planned by SE organizations, as well as the people, documents and materials available to them at head office.

Likewise, they received additional training in Quebec City from the Réseau d'investissement social du Québec (RISQ), a leader in the social economy, in order to better understand the various elements of an SE organization.

The champions had good things to say about the training sessions, which allowed them to get to know and understand the tools at their disposal and prepared them to apply the project implementation terms and conditions during the project selection and approval process. Both the champions and core team members who attended the training appreciated the contact with social economy stakeholders as well as the information tailored to this new area of activity.

Finding
After receiving training on the management tools at their disposal and having gained an understanding of the social economy, the staff involved in the Measure was well prepared to implement the program and manage proponents' requests.

3.2.3. Communications strategy

The communications strategy included a champions issue table as well as conference calls that, at first, were held weekly as project applications were being received. Thereafter, people could share their project experiences during bi-monthly calls. In time, as needs became less pressing, the conference calls were held once a month.

The 14 champions, representing all of the Agency's business offices, could collectively discuss the projects to which they were assigned, agree on which projects should be given priority, draw up terms and conditions and eligibility criteria and ensure their implementation through concrete projects. They could also determine whether the tools provided by head office were adequate and whether the documentation met their needs, plan the use of the funding envelope and compare projects in order to ensure consistent treatment.

[5] Canada Economic Development, Social Economy, Capacity Building Component, *Hermes dropdown list*, August 29, 2005.

Moreover, the champions could contact the core team by e-mail or telephone if they required additional information to deal with specific situations.

The conference calls were much appreciated by the champions and helped establish a participative management approach, whereby experiences could be shared and champions could better prepare their project management and monitoring work.

> ***Finding***
> Communications between the core team and champions via conference calls and other means greatly helped stakeholders gain experience with the new program and increased operational efficiency.

3.2.4. Delivery of program by champions

An assessment was made to determine whether implementation of the Measure by champions in the business offices had contributed to effective program management. All stakeholders were asked for their views on the matter.

The core team noted several advantages: the approach accelerated learning, helped foster productive debate and created a community of practice. Stakeholders were thus assured that all projects were dealt with consistently. However, the approach did not lead to a change in perception among all Agency advisors and managers, who were quite unfamiliar with this type of clientele at the outset.

The champions were proud of the fact that the Agency's managers entrusted them with the co-ordination of program management together with social economy players. Given the concrete nature of the pilot project and the priority given to the program, the champions tended to become more involved than with their regular projects. The ability to co-operate and collectively manage the program allowed them to pool their expertise, share their thoughts with people who had the same concerns as they did, align and improve actions as need be and acquire a new culture.

> ***Lesson learned***
> One of the lessons learned through the Measure was the usefulness of appointing champions in the business offices to co-ordinate implementation of the Measure with the organizations serving SE enterprises and liaise with the core team. This approach created value added that ensured sound management.

> ***Suggestion***
> **I.** The appointment of champions and the creation of a champions network were identified as best practices and should be encouraged.

Furthermore, proponents were asked to give their appreciation of the work done by their business advisors. They were asked for their views on how their applications for assistance had been processed. Most of them were pleased with how their advisors had guided them through their project application and acceptance processes. They also indicated that their advisors openly shared information and made useful suggestions. Some proponents spoke about their advisors' lack of experience in the social economy sector, but also of their willingness to broaden their knowledge.

With regard to application processing times, many proponents indicated that it took too long from the time they submitted their applications to when they received their final agreements and could begin project work. They also deplored the cumbersome bureaucracy of government. The wait time caused all sorts of problems during the course of their projects (implementation problems owing to the fact that the human resources they had called on were no longer available; shortened implementation period; loss of continuity with the clients who had already been informed of the project; etc).

Application processing times were calculated using the project profiles to verify the claims of bureaucratic delay. For the 34 projects that received funding, it took on average two months between the submission of project applications and completion of eligibility forms, and three and a half months between the completion of eligibility forms and signing of agreements with proponents, or a total of approximately six months to process a project, which is a significant period of time. It is therefore quite understandable that many proponents were anxious to receive their final project approvals.

Recommendation

I. Given the length of time—six months on average—to proces files during implementation of the Measure, the Agency should do all it can and take the necessary means to shorten the time required to approve projects.

During the course of the project, relationships between advisors and proponents were cemented while preparing expense claim forms and quarterly reports and conducting performance measurement. Most proponents said that they were satisfied with the performance measurement done by their business advisors. Some even indicated that they had enjoyed using the indicators to report on the status of their activities because they helped ensure accountability in a clear and accurate manner.

Finding

The results obtained through program delivery by champions suggest that the champions achieved their objectives and that everyone was pleased with their work. However, the bureaucratic system took too long to process project applications, and that had a negative impact on the project implementation cycle.

3.3. RESULTS (MEASURE EFFECTIVENESS)

This section addresses the scope of the Measure, ie, the number of recipients reached, the level of achievement and impact of project activities and the range of resources that were allocated compared to the level of achievement of intended effects.

3.3.1. Recipients reached

3.3.1.1 Distribution of projects by region

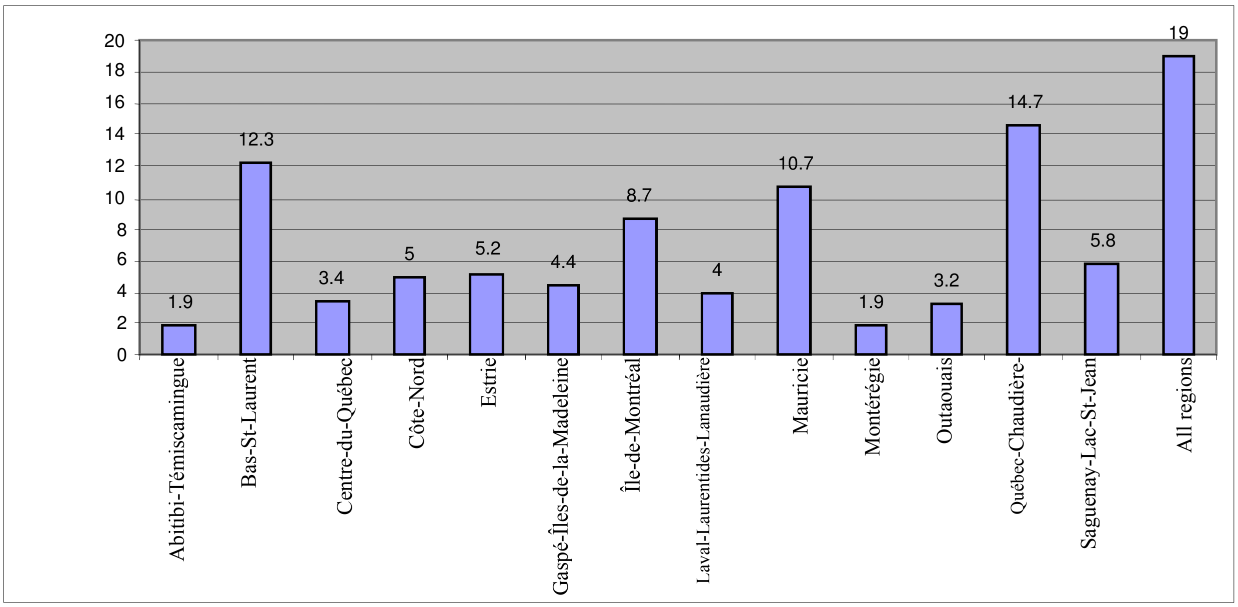
Table 1 (Appendix 6) contains key data on the distribution of projects by region. In all, each region benefited from at least one project. Actual contributions made by the Agency amounted to $4.5 million, instead of the $4.9 million projected (Table 2, Appendix 6). Furthermore, the total projected cost of projects was $6.4 million.

Diagram 1 (on the following page) shows the percentage of total contributions received by each region. Projects that served SE enterprises in all regions received 19.0% of actual contributions made by the Agency; followed by Québec–Chaudière-Appalaches with 14.7% and Bas-Saint-Laurent with 12.3%.

Finding
Each region, except for Nord-du-Québec, benefited from at least one project, as well as from projects that covered all regions. The Québec–Chaudière-Appalaches, Bas-Saint-Laurent and Mauricie regions each received more than 10% of all project contributions.

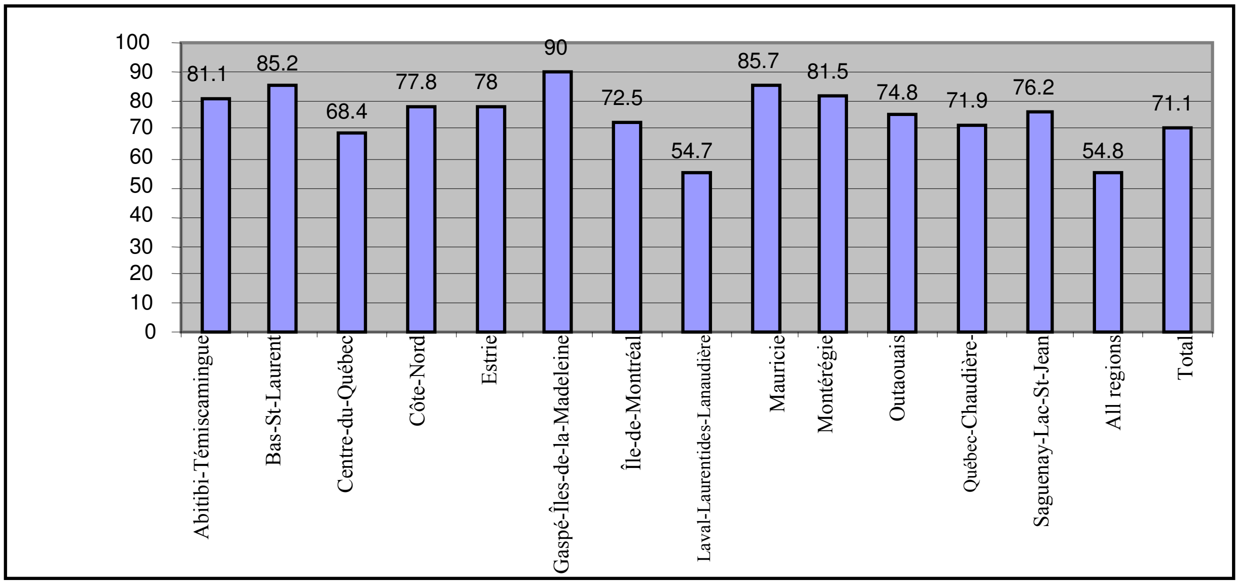
In terms of average contributions,Île-de-Montréal came out ahead with an average of $394,069. Bas-Saint-Laurent and its neighbouring region, Gaspésie–Iles-de-la Madeleine, received average contributions of $279,877 and $200,000 respectively for their projects (see Table 1).

Diagram 1 – Distribution of contributions by region



Source: Canada Economic Development, HERMÈS Information Management System.

Diagram 2 – Contributions as a percentage of cost by region



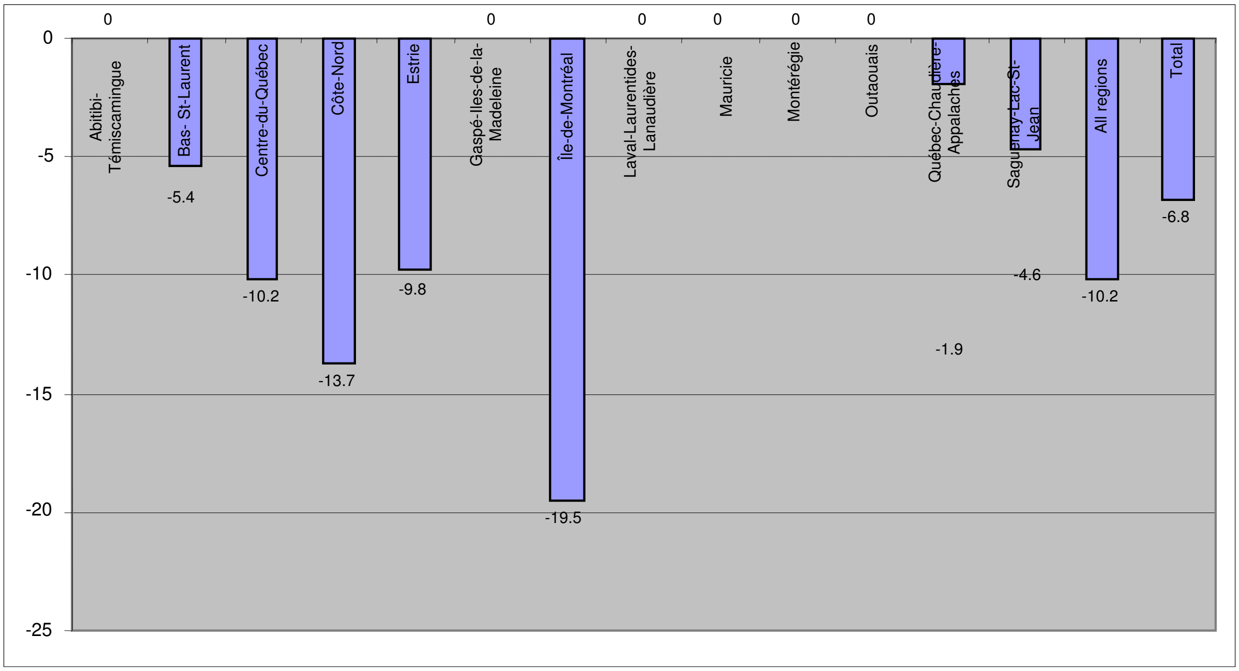
Source: Canada Economic Development, HERMÈS Information Management System.

Diagram 2 (on the previous page) is a regional distribution of project contributions made by the Agency as a percentage of total project cost. For all regions, contributions accounted for 71.1% of costs. Gaspésie–Iles-de-la-Madeleine received the maximum allowed, ie, 90.0%, and Bas-Saint-Laurent and Mauricie received approximately 85% each. Third-party leverage was the most significant in projects covering all regions and in Laval-Laurentides-Lanaudière, where the percentage of Agency contributions to total cost was only about 55% (only one project implemented).

> ***Finding***
> The percentage of total contribution to total project cost was 71%, and third-party leverage was most significant in projects covering all regions.

Finally, a comparison of actual versus projected contributions shows that, overall, projects received $331,012 less than the amount planned, or approximately 7%. There was no difference in the actual and projected contributions made to six regions, but another four received significantly smaller amounts (approximately 10% less on average), including the Île-de-Montréal (-19.5%) and Côte-Nord (-13.7%). (Diagram 3) Project approval delays were the main reason why contributions were smaller than planned.

Diagram 3 – Percentage of difference between actual and projected contributions by region



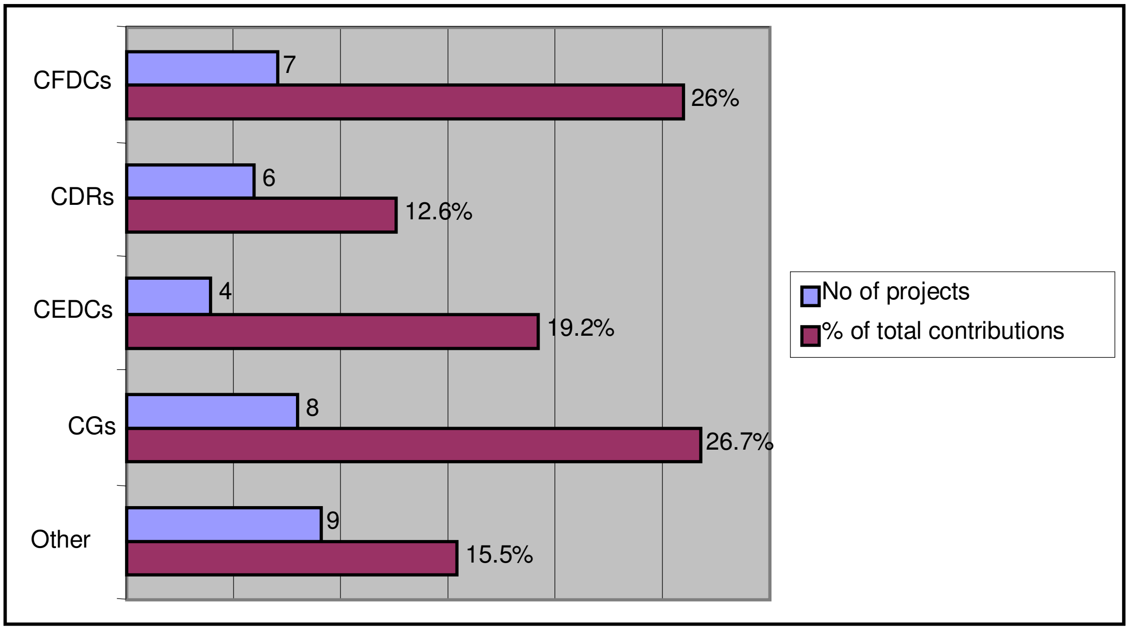
Source: Canada Economic Development, HERMÈS Information Management System.

3.3.1.2 Distribution of projects by type of recipient organization

Projects were often carried out by similar organizations in various regions, such as Community Futures Development Corporations (CFDCs), coopératives de développement régional (CDRs), Community Economic Development Corporations (CEDCs), as well as community groups (CGs) that operate across Quebec (eg, federations, networks and associations). Table 3 (Appendix 6) shows the distribution of key financial data by type of recipient organization.

Diagram 4 shows the number of projects and percentage of actual contributions received by the various types of recipient organizations.

Diagram 4 Distribution of projects and contributions by type of recipient organization



Source: Canada Economic Development, HERMÈS Information Management System.

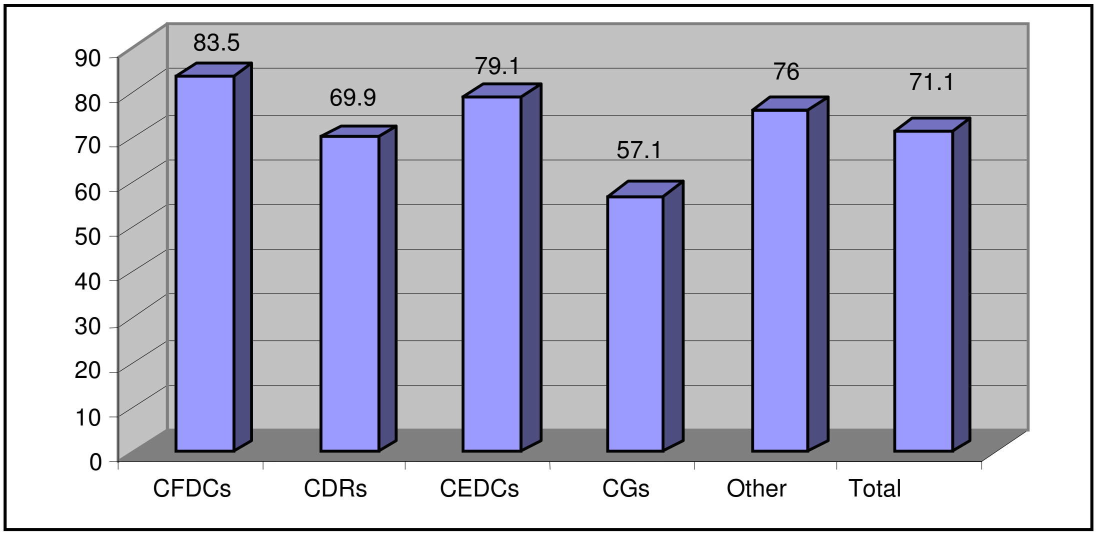
With eight projects, CGs received the largest actual amount of total contributions, or 26.7%, followed by CFDCs (seven projects and 26.0%) and CEDCs (four projects and 19.2%). The other smaller-scale organizations, with 9 projects, received approximately 28% of funding. As well, the data presented sometimes mask other interesting aspects that were identified in the project profiles. For instance, the project of the Des Basques CFDC covers the 8 CFDCs in Bas-Saint-Laurent, and the project at the Baie-des-Chaleurs CFDC extends to the 5 CFDCs of Gaspésie–Iles-de-la-Madeleine. The Regroupement économique et social du Sud-Ouest (RESO) was the trustee organization for a group of six Montreal CEDCs and the RISQ, which were also involved in the project.

Finding
The major social economy players received approximately 72% of available funds, including 27% for collective groups, 26% for Community Futures Development Corporations and 19% for Community Economic Development Corporations. Collective groups received the largest amount of leverage from third parties.

CEDCs received an average of $218,295 per project, while CFDCs and community groups both received approximately the same amount per project, or $169,240 and $151,684 respectively (see Table 4).

Diagram 5 shows that the contributions as a percentage of costs varied somewhat, from 83.5% of total project cost for CFDCs, to 79.1% for CEDCs and only 57.1% for CGs, which produced the most substantial amount of leverage, or 43% of their project funding.

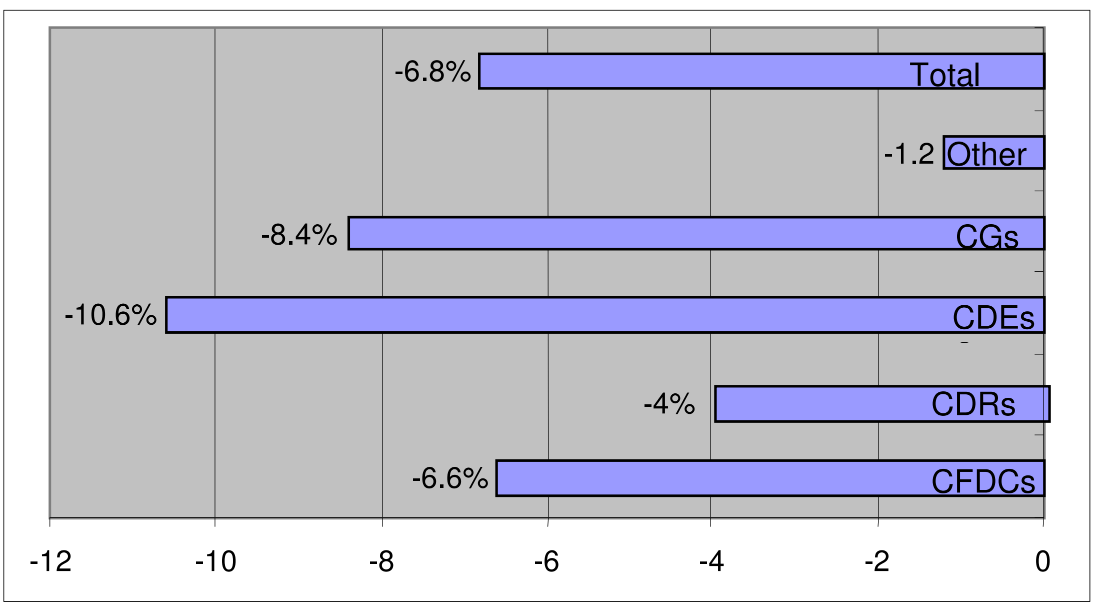
Diagram 5 Contributions as a percentage of cost by type of organization



Source: Canada Economic Development, HERMÈS Information Management System.

Furthermore, Diagram 6 shows that CEDCs had the highest percentage difference between actual and projected contributions (-10.6%). The difference is also significant in the case of CGs (-8.4%).

Diagram 6 Percentage difference between actual and projected contributions by type of organization



Source: Canada Economic Development, HERMÈS Information Management System.

3.3.1.3 Distribution of projects by area of intervention

Project characteristics can be highlighted by distributing projects according to areas of intervention (see Table 5, Appendix 6). The development of tools was listed in 31 projects, or 91% of all projects. Networking and strategic planning followed with 26 and 19 references respectively. Some 13 project proponents targeted all three areas of intervention, and 14 proponents targeted two areas of intervention.

Finding
The preferred areas of project intervention were the development of tools (91% of all projects) and networking (76%).

3.3.1.4 Quality of service to targeted clients

An assessment was made to determine whether proponents targeted by the Measure had been adequately served. The following elements were considered: interest, access, potential participants and level of satisfaction with the eligibility criteria.

According to the core team, the Agency was very transparent in contacting intermediary organizations, which it had decided to entrust with project implementation. The three consultations sessions with the social economy sector, which were attended by community leaders, served to identify potential projects. Business offices publicized the program during information sessions. The Agency's Web site was used as an electronic notice board to announce the program to stakeholders across Quebec.

The champions recognized that the real-time distribution of information was instrumental in reaching the greatest number of intermediary organizations in their regions. The public notice called on organizations to design and submit projects as quickly as possible. Proponents were looking forward to the Measure and some had even submitted their projects before the program was announced. Most recognized intermediary organizations (eg, CFDCs and CEDCs) became project proponents. The program proved to be popular, and the funding commitment was expedited. All the same, the program's popularity does not appear to have excluded many organizations. Only nine projects were rejected, mainly because they did not meet the eligibility criteria. One region indicated that it had not received any projects from the cultural sector, even though there were a number of needs in that area. Another region noted that CFDCs were too present and controlled too much of the funding for projects that were quite similar. Business office champions expressed their satisfaction with this part of the program.

Proponents said that they first heard about the program through their respective networks and then learnt about program details and the call for submissions through the Agency. Project proponents contacted the SE enterprises targeted by the program, which showed an interest in participating. A number of proponents stated that, given the time constraints, they paid more attention to enterprises that had pressing needs. Given more time, they could have done more intervention work. Other proponents said that, even if enterprises were interested, they still had to consider their needs and their availability to fully participate in the project. Finally, many proponents mentioned that SE enterprises appreciated having been invited to actively participate in the project, especially those involved in coaching or more personalized projects. Eligibility criteria did not cause any problems, except for those organizations that interfaced with the Quebec government and had to obtain authorization to participate in the Measure.

Finding
All major intermediary organizations in the regions were reached and actively participated in the Measure by submitting and implementing projects and by providing adequate support to interested SE enterprises. The external communications strategy was successful, and eligibility criteria were standard.

3.3.2. Level of project activity implementation

Since the number of actual and projected activities was not entered in Hermès, the development level of activities, products and services could not be calculated, and a quantitative assessment of the level of achievement of objectives and project status could not be done.

Finding

The Hermes information management system is quite possibly a good system, but it must meet the needs for which it was implemented, ie, to generate relevant and timely information, particularly about activities. Every effort must be made to constantly adapt and maintain the system. Business office advisors must also be urged to ensure data entry.

Although the indicators in the project profiles were generally well developed and clearly laid out, the transfer to specific categories within the Hermès information management system appears to have caused some difficulty. Consideration was given to data entry, followed by a closer assessment of the indicators contained in the dropdown list. Indicators should have been more clearly stated, described and categorized in order to avoid any misinterpretation. For example, a glossary of indicators could facilitate data entry. Likewise, some indicators could be removed, and others added. These concerns need to be addressed.

Recommendation

II. Agency staff in the regions should be made increasingly aware of and receive more training on the need to properly enter actual and projected data on project activities for which they are responsible. If need be, Hermes should be simplified in order to facilitate data collection.

On the qualitative level, Agency staff and project proponents were questioned about the level and difficulty of implementation of project activities as well as their satisfaction with the quantity and quality of work done.

The core team was kept up to date on the implementation of projects through conference calls and dialogue with the regional champions or during ad hoc meetings in Montreal. According to the team, it appears that the majority of activities were carried out, except those planned under phase 2 (because of program interruption). All types of activities were carried out, a number of which were of high quality. As well, the use of intermediary organizations, which delivered services to enterprises, had been an appropriate option. For those organizations, the implementation of their projects allowed them to improve their services and increase their usefulness within the community.

As for champions, they were satisfied with the level of project implementation in their regions. Through their performance measurement, champions noted the progressive implementation of planned activities, as well as the difficulties with which the proponents had to deal. At times, it was difficult to work with small organizations, which had problems developing their projects and did not have enough time to devote to the evaluation. Organizations also faced specific problems concerning the recruitment of experienced workers, staff turnover, monitoring delays and adjustments made to budget items and activities.

Generally, proponents stated that they were satisfied with the degree to which they carried out their activities. Some of them indicated that they had surpassed the level of achievement they had hoped to attain. Others could not carry out all of their activities for the following reasons: insufficient time, higher-than-expected level of complexity and problems related to the seasonal work of their clients, the recruitment of personnel, agreements with stakeholders and the long distances between them and their clients. Others still spoke about the very long time it took to build networks and the difficulties in trying to complete the funding of their projects.

> ***Finding***
> According to stakeholders, the planned level of achievement of activities seems to have been largely met. Many challenges were identified during project implementation, but lack of time and human resources management were cited most often.

Projects and activities were quite diverse. Proponents were pleased to present their projects and briefly explain their merits. A number of projects covered all areas of intervention. Examples of fine projects include: the development and on-line posting of a dashboard and capitalization plan; regional profiles of SE enterprises that were used to identify training plans; strategic plans to position the sector; management guides used to standardize management practices, governance rules, marketing, etc.

According to proponents, the satisfaction rate with regard to the achievement of project activities was very high and ranged from 70% to 90% for most projects. They also suggested that the expectations created for future projects would be difficult to meet.

3.3.3. Level of achievement in terms of strengthening and developing the social economy

In quantitative terms, the actual and projected outcomes (or impact) of most projects were not entered in Hermès. As a result, it was impossible to calculate the level of achievement of activities, products and services, as well as to quantitatively assess the achievement of objectives or progress made toward achieving them. The finding and recommendation concerning output in the previous section (p 16) applies here as well.

Furthermore, in qualitative terms, stakeholders were asked to identify the outcomes produced during the course of the Measure, the sustainability of those outcomes and socio-economic spinoffs.

Agency officials who were interviewed said that the duration of the program was too short to produce significant outcomes. Nevertheless, tools were developed and are still used by SE enterprises. Planning will continue to bear fruit in the future. Networking has probably had a lesser impact. The short-term impact has been to make SE enterprises more efficient, effective and better able to achieve their objectives. A number of jobs were created in several cases.

> ***Finding***
> Agency officials who were interviewed said that the duration of the Measure was too short to generate significant and sustainable outcomes in terms of building the management capacity of SE enterprises and developing and reinforcing the social economy.

> ***Recommendation***
> **III.** The eventual renewal of the Measure to support capacity building in the social economy should focus on the intervention components that yielded the best results.

Despite the program's short duration, many proponents were able to identify a number of tangible effects. Here are a number of statements by proponents that illustrate some interesting benefits:

> "The project (the creation of a second-line service) increased effectiveness and the independence of most SE enterprises involved. Enterprises now have more tools to ensure sound management (financial and human resources management, marketing). They can make use of a customized business plan. In the enterprises that were

surveyed as part of the project's final evaluation report, there were a number of instances of job creation and increased revenues. By extrapolating the results, we find that our project helped create some 15 full-time jobs and increase revenues by approximately $500,000 for the 45 enterprises targeted."

"The SE enterprises that participated in the project acquired a lot more knowledge about what others were doing. They now better understand how co-ops work. They have learned to share structural realities, expertise and skills. They have gained an understanding of their regional development organization. There has been an awakening to inter-co-operation. We have implemented beneficial programs that are used by members. SE enterprises have refined their business approach."

"Using the first component, we increased our understanding of the community television sector and of its usefulness for the community. This understanding helped us make successful representations. As a result, the Government of Quebec changed the rules for community media outlets and increased the average funding from $5,000 to $12,000. Videotron noted that community networks met certain needs and agreed to continue providing them with funding assistance. Recently, we used the study to firmly establish our case during our hearings before the CRTC. As for the second component, 32 of the 44 enterprises—a significant and encouraging figure—made use of the sponsorship guide. A number of enterprises were able to increase their sponsorship funding, and others even succeeded in securing their first sponsorship agreements from scratch."

"The project allowed us do a skills survey of local SE enterprises. We produced skills booklets for all areas of activity that could be of use to many SE enterprises. There were significant transfers of knowledge, such as when one enterprise benefited from the expertise of a costing expert from another SE enterprise who helped them better organize their sales."

"Following our training, a dozen SE enterprises bid on government contracts, and two of them were successful. A number of participating enterprises learnt about how to carry out marketing and strategic watch activities in order to obtain contracts."

"The dashboard appears to be a useful tool in terms of user-friendliness, application accountability, consolidation of results for presentation to management and streamlining communications. A number of statements regarding its usefulness were recorded and appear on our Web site."

"Our project has greatly helped to improve the management capacity of our member enterprises. Before, 52% of enterprises were in danger of closing; today, that figure is below 30%. We are proud to note that they have developed a sense of solidarity and created a more positive image."

"We have completed our strategic plan of the network (including seven strategic profiles) and distributed it through the sector. The development approach we wish to pursue is clearer, which helps us focus all of our actions**.** We are now better prepared to face the profound changes on the horizon."

Finding

Project proponents in various areas of intervention identified many examples of positive outcomes, which indicates that progress was made in terms of building the capacity of SE enterprises to develop and reinforce the social economy.

Moreover, a number of intermediary organizations reported that they charged for their services during the project, allowing them to tap into new sources of market income and gain recognition for their services. People tend to forget that SE enterprises are economic enterprises with a social agenda.

Finally, a number of proponents said that the final reports they submitted to their regional business advisors were far more representative of their project activities and outcomes than the indicators whose use was suggested by the Agency.

Recommendation

IV. Given that the appropriate data were not fed into the Hermes information management system to allow for the identification of project results, an assessment of final reports submitted by project proponents could be used for that purpose.

3.3.4. Resources allocated to the Measure

Stakeholders were asked whether there were enough resources to achieve the projected outcomes and whether they were properly aligned with the intended objectives.

Agency staff found that its financial, human and information resources were sufficient to implement the program, given the size of the project implementation envelope. The resources were properly aligned with the objectives. The mandate was carried out professionally, quickly and effectively according to the intended goals. All staff members were proud of their work and of the results achieved. However, most of them stated that the Measure deserved to be renewed and expanded for a number of years into the future.

Generally speaking, proponents said that the financial resources, although modest, had been sufficient to carry out their projects. Some indicated that they had to accomplish miracles; others spoke of having to be quite resourceful to ensure their project’s success. One proponent who received 70% of his project funding had difficulties covering the remainder.

Finding

Resources were sufficient to ensure effective implementation and carry out the vast majority of planned project activities. It is regrettable, however, that the level of funding and duration of the project did not allow for all desired outcomes to be achieved.

According to some proponents, however, the delays in approving their projects caused the most detrimental effect, because it did not leave them with much time to carry out their activities and spend the entire amount contributed at the start of the project. This shortcoming was further compounded by the fact that proponents were not granted a time extension to complete their projects. Some proponents had to give up part of their funding and were ineligible for the second phase of project, which would have allowed them to leverage project outcomes.

4. CONCLUSION

The Capacity Building component of the Social Economy Support Initiative for Quebec wrapped up in March 2007. Analysis of quantitative data, internal documents and discussions with Agency staff and proponents of the Measure have helped formulate the main findings, some of the lessons learned and certain recommendations. These findings, lessons and recommendations cover matters of relevance, implementation and results, which are at the heart of the evaluation.

4.1. Relevance of the Measure

In 2004, the federal government made a priority of capacity building in the social economy and committed itself to initiating measures to that end. With this backing, CED subscribed to the priority and designed the measure, which was to run for 24 months, in consultation with social economy players so that it would be adequate to their needs and would have sufficient impetus to translate objectives into meaningful action.

Due care was taken to promote creation of new key projects and to avoid overlap with other programs or initiatives. The Measure has proved to be well thought out. When the main parties to a program participate in its design, its foundations can be deepened, and it can be made more responsive to clients' needs, which ensures the success of a new program.

All those concerned, with rare exceptions, concur in stating that the capacity building needs of social economy enterprises are still real, especially in terms of developing specific tools, and that they provide an opportunity to develop the social economy to ensure its survival and enhance the dividends for the community.

As we see it, there is still a need to support social economy enterprises in their drive to improve their management capacities. Solutions lie in a still greater openness of regular federal government programs toward such concerns, conclusion of federal-provincial agreements on the matter and the search for alliances with the major partners in this sector or even in private enterprise.

4.2 Performance on implementation

The management tools (results-oriented management and accountability framework, continuous performance measurement) were available and adequate for sound management. The Hermès information management system was adapted and made ready to handle the new measure's data.

After training on the management tools put at their disposal and in knowledge of the social economy, the staff assigned to the Measure were well prepared for implementation of the program and management of requests from proponents.

The strategy for communicating between the core team and champions through conference calls and other channels was a great help in mastering the new program and making its operations more fluid.

One of the lessons learned through the Measure is the usefulness of appointing champions in business offices to co-ordinate implementation of the Measure with social economy enterprises and liaising with the core team. This way of working has added value and ensures sound management.

All in all, the results obtained through program delivery by champions show that they have delivered the goods and that everyone is satisfied with their work. On the other hand, the administrative system took a bit too long to process applications for project assistance, which got in the way of their execution.

Suggestion I
Appointment of champions and creation of a network of champions have been identified as good practices and should be encouraged.

Management response
These practices are recognized and have been applied throughout the Agency in implementing targeted initiatives that do not engage all advisors in a business office. For example, champions were appointed recently when the pilot initiatives for the Venture Capital Fund for Business Start-ups and the Capital Fund for Business Succession were implemented in early 2007.

Recommendation I
Given the case processing delays involved in applying the measure, averaging six months, the Agency should make all necessary efforts and take all appropriate steps to shorten project approval times.

Management response
The Agency sees a connection between the processing deadlines and the learning curve of its staff assigned to implementation of the new initiative with a non-traditional clientele. Moreover, the Agency is launching various initiatives to reduce processing times. It has introduced a new project summary (winter 2008) and is working on developing an after-the-fact compliance verification procedure and amendments to letters to clients that will reflect the new service standards (reduced number of days).

4.3. Effectiveness of the measure

Each region except Nord-du-Québec has had at least one project and has benefited from province-wide projects. Projects carried out in the regions of Québec-Chaudière-Appalaches, Bas-Saint-Laurent and Mauricie received over 10% of total contributions. The percentage of total contributions to project costs was 71%, and the leverage effect was felt in province-wide projects. The amount paid out for projects by the Agency was $4.5 million out of the $4.9 million planned, a variance of 7%.

The key players in the social economy received about 72% of the available funds; 27% went to community groups, 26% to Community Futures Development Corporations and 19% to Community Economic Development Corporations. Community groups had the largest leverage effect.

The preferred path of action for projects is development of tools, accounting for 91% of projects, while networking represents 76% of projects.

All major intermediary organizations in the regions have been contacted and actively participated in the Measure by setting up and carrying out projects and by connecting adequately with interested social economy enterprises. The external communications strategy worked well, and eligibility conditions were normal.

We may have a good and accessible management information system (Hermès), but it has to serve the purpose for which it was intended, namely generating useful, up-to-date information, in particular on activities and their effects. All due care and attention should be given to keeping it up to date and maintained. Also, advisors in business offices must be encouraged to feed it.

All stakeholders agree that the completion rate for activities seems to have been largely met. Many difficulties were mentioned in terms of implementation, but problems associated with lack of time and staff management were cited often.

The Agency representatives interviewed affirmed that the Measure has had too little time to have meaningful lasting effects on management capacity building in social economy enterprises and on the development and consolidation of the social economy.

From among projects associated with various paths of action, proponents identified many examples of interesting outcomes from which we can infer that some progress has been made in capacity building with a view to developing and consolidating the social economy.

Lastly, while resources were sufficient to ensure effective implementation of most of the project activities planned, they were not sufficient, nor available over a sufficient duration, to produce meaningful effects on the scale we would have liked to see

Recommendation II
Agency staff in the regions should be more alert to and trained for properly entering projected and actual data on activities and on the effects of the projects for which they are responsible. If necessary, Hermès should be simplified to make data capture easier.

Management response
A number of actions have already been taken to that end: improved information management tools and systems (Hermès); training on performance measurement given to all advisors; regular checks on the quality of the data in the information management system (Hermès); telephone help line on performance measurement for advisors.

Recommendation III
Any renewal of the Capacity Building measure for the social economy should focus on the most productive approaches (eg: tools development).

Management response
The Agency has taken note of this recommendation. However, no action will be undertaken since there are no plans to renew the measure.
The Agency stresses, however, that its regular programming is already open to social economy enterprises.

Recommendation IV
Since the information management system (Hermès) has not been supplied so that it can document project results, the final reports submitted by proponents may have to be used to demonstrate results.

Management response
In the absence of any likely renewal, there is no way to apply this recommendation. Mechanisms are already in place in the Quality Operational Coherence Directorate to ensure that the information management system (Hermès) is used appropriately.

ANNEX 1 - LIST OF INTERVIEWS

This annex has been withdrawn to preserve the confidentiality of the organizations and people interviewed.

INTERVIEW GUIDE FOR HEAD OFFICE MANAGERS AND CHAMPIONS

PREAMBLE

- **Introduction of consultants and explanation of the procedure**

Interviewer: Jacques Gagnon, manager in charge of the evaluation

In December 2007, Johnson & Roy were mandated to evaluate the Capacity Building component of the Social Economy Support Initiative for Quebec. Their mandate was to determine how useful the component was, whether it was implemented in accordance with sound management principles and whether its results and impact show the initiative to be effective.

To do this, we have so far examined the documentation given to us and talked to those in charge of the evaluation. Today we would like to gather opinions in order to complete and enrich our analysis. Your input will be taken into account in the analysis, but you may rest assured that confidentiality will be maintained.

- **Interview objectives**

  - To find out what you think of the ideas behind the measure.
  - To examine various aspects of its implementation.
  - To identify the measure's results and impact.
  - To identify the lessons learned.

- **Subsequent steps**

  - Drafting of the proceedings of the meeting.
  - Dispatch of the proceedings to the participant for validation.
  - Interviews with recipients.
  - Analysis of the information gathered.
  - Integration of this information with other data.
  - Drafting of the evaluation report.

- **Introduction of the participant(s)**

  - Their role within the government apparatus.
  - Their part in managing the measure.

RELEVANCE

We will start this interview by sounding your opinion of the relevance of this pilot project to capacity building in support of the social economy in Quebec. The objectives of this exercise are to develop strategies for promoting the growth of social economy enterprises in Quebec, to strengthen co-operation among social economy stakeholders and between them and other development bodies, and to develop tools and services for providing coaching and technical assistance for management capacity building and enhanced competitiveness in social economy enterprises in order to consolidate and develop the social economy.

~~1.~~In your view, are the measure's objectives still a priority for the government and for CED?

Evaluate: the reasons leading to the Measure (government orientations), the importance given to the Measure (translation of its objectives), reasons for changing direction, if applicable, the adequacy of the mission and the Agency's priorities.

2. In your view, is capacity building still relevant to the development of the social economy?

Evaluate: adequacy of actions with respect to needs, both initial and current; new needs to be provided for.

3. In your view, to what extent could the projects undertaken have been carried through without the Agency's assistance?

Evaluate: lack of projects, difference of scale, leverage effect.

4. Do you think that this measure duplicated other programs or initiatives? If so, which?

Evaluate: complementarity, similarity, strategy for avoiding duplication.

IMPLEMENTATION

The following point has to do with the implementation of the measure. Once the government decided to proceed, steps had to be taken to ensure its ongoing management. We would like to talk to you about the efforts made in this direction.

5. **Were changes made during the design and implementation of the measure? What do you think were their impact?**

   Evaluate: guidelines, adaptation to ensuing changes, climate of implementation.

6. **Were you given the tools needed for sound management? Do you feel that they were adequate?**

   Evaluate: performance measurement annex, procedures, communications strategies, information management system (Hermès), knowledge of the social economy, requisite training, monitoring and coaching tools.

7. **Did implementation of the Measure through the champions in business offices contribute to effective management?**

   Evaluate: benefits and drawbacks of appointing champions, comments on satisfaction with follow-up by champions in terms of: coaching and technical assistance, processing times, expertise and qualifications, communications, dedication and respect, other points.

RESULTS AND IMPACT

We have now come to the heart of the rationale for the measure. It has enabled recipients to carry out activities on behalf of social economy enterprises, which have derived certain benefits. Can this measure be qualified as effective over the period observed?

8. In your view, to what extent have the activities planned in projects emerging from the Measure been completed?

Evaluate: level of activity completion, production of goods and services (eg: studies and diagnoses, strategic plans and action plans, networking activities, coaching and support activities, manuals and tools, etc) compared to what had been planned; difficulties encountered; satisfaction with the quantity and quality of achievements, justification for variances.

9. In your view, to what extent have the anticipated effects of completed projects been attained? Do they contribute to attainment of the objectives of this component, whose goal is to strengthen and develop the social economy?

Evaluate: identification of the effects produced during the period (implementation of intervention strategies likely to promote the growth of social economy enterprises, co-operation and heightened awareness of development organizations dedicated to the social economy, greater access for social economy enterprises to useful technical resources and tools), social and economic spin-off (new jobs, saved jobs, investment, other), permanence of projected changes, satisfaction with the measure's contribution to objectives.

10. In general, to what extent do you think that the targeted recipients have been served?

Evaluate: eagerness of recipients, adequate access, potential participants missed, satisfaction with eligibility conditions.

11. To what extent do you think that the resources allocated to this component have enabled objectives to be met?

Evaluate: adequacy of resources (financial, human and informational) in relation to the results achieved, alignment of resources with the objectives, satisfaction with the measure's performance.

CONCLUSION

12. What is your overall appraisal of the measure?

Evaluate: strengths, weaknesses, improvements, lessons learned, alternatives.

13. Have you any other comments or suggestions before we wrap up the interview?

Thank you very much for your co-operation!

INTERVIEW GUIDE FOR RECIPIENTS

PREAMBLE

- **Introduction of consultants and explanation of the procedure**

Interviewer: Jacques Gagnon, manager in charge of the evaluation

In December 2007, Johnson & Roy were mandated to evaluate the Capacity Building component of the Social Economy Support Initiative for Quebec. Their mandate was to determine how useful the component was, whether it implemented in accordance with sound management principles and whether its results and impact show the initiative to be effective.

To do this, we have so far examined the documentation given to us and talked to those in charge of the evaluation. Today we would like to gather opinions in order to complete and enrich our analysis. Your input will be taken into account in the analysis, but you may rest assured that confidentiality will be maintained.

- **Interview objectives**

  - To find out what you think of the ideas behind the measure.
  - To examine various aspects of its implementation.
  - To identify the measure's results and impact.
  - To identify some of the lessons learned.

- **Subsequent steps**

  - Drafting of the proceedings of the meeting.
  - Dispatch of the proceedings to the participant for validation.
  - Interviews with managers at head office and regional advisors.
  - Analysis of the information gathered.
  - Integration of this information with other data.
  - Drafting of the evaluation report.

- **Introduction of the participant(s)**

  - Their role within the enterprise or organization.
  - Their involvement in the project.

RELEVANCE

We will start this interview by sounding your opinion of the relevance of this pilot project on capacity building in support of the social economy in Quebec. The objectives of this exercise are to develop strategies for promoting the growth of social economy enterprises in Quebec, to strengthen co-operation among social economy stakeholders and between them and other development bodies, and to develop tools and services for providing coaching and technical assistance for management capacity building and enhanced competitiveness in social economy enterprises in order to consolidate and develop the social economy.

14. In your view, is capacity building still relevant to the development of the social economy?

Evaluate: adequacy of actions with respect to needs, both initial and current; new needs to be provided for.

15. In your view, to what extent could the projects undertaken have been carried through without the Agency's assistance?

Evaluate: lack of projects, difference of scale, leverage effect.

16. Do you think that this measure duplicated other programs or initiatives? If so, which?

Evaluate: complementary and similar programs, other sources of funding.

IMPLEMENTATION

The following point has to do with the implementation of the measure. Once the government decided to proceed, steps had to be taken to ensure its ongoing management. We would like to talk to you about the approach taken by CED in Quebec in assigning oversight of the Measure to advisors in business offices.

17. Did implementation of the Measure through advisors in business offices make things easier for you?

Evaluate: satisfaction with the monitoring of advisors in terms of: coaching and technical assistance, processing times, expertise and qualifications, communications, dedication and respect, performance measurement, other points.

RESULTS AND IMPACT

We have now come to the heart of the rationale for the measure. It has enabled you to carry out activities or produce goods and services for social economy enterprises, which have derived some benefits. Can this measure be qualified as effective over the period observed?

18. In your view, to what extent have the activities, goods and services planned in your project been completed?

Evaluate: level of activity completion, production of goods and services (eg: studies and diagnoses, strategic plans and action plans, networking activities, coaching and support activities, manuals and tools, etc) compared to what had been planned; difficulties encountered; number and type of social enterprises served; satisfaction with the quantity and quality of achievements.

19. In your view, to what extent have the anticipated effects of completed projects been attained? Do they contribute to attainment of the objectives of this component, whose goal is to strengthen and develop the social economy?

Evaluate: identification of the effects produced during the period (implementation of intervention strategies likely to promote the growth of social economy enterprises, co-operation and heightened awareness of development organizations dedicated to the social economy, greater access for social economy enterprises to useful technical resources and tools), social and economic spin-off (new jobs, saved jobs, investment, other), permanence of projected changes, satisfaction with the measure's contribution to objectives.

20. In general, to what extent do you think that the targeted recipients have been served?

Evaluate: eagerness of recipients, adequate access, potential participants missed, satisfaction with eligibility conditions.

21. To what extent do you think that the resources allocated to this component have enabled objectives to be met?

Evaluate: adequacy of resources (financial, human and informational) in relation to the results achieved, alignment of resources with the objectives.

CONCLUSION

22. What is your overall appraisal of the measure?

Evaluate: strengths, weaknesses, improvements, lessons learned, alternatives.

23. Have you any other comments or suggestions before we wrap up the interview?

Thank you very much for your co-operation!

ANNEX 3 –Draft Risk-based Management and Accountability Framework (RMAF)

Economic Development

Social Economy Support Initiative for Quebec: Capacity Building and Funding

Risk-based Management and Accountability Framework (RMAF)

August 2005

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Sections

ANNEX 4 – CONTINUOUS PERFORMANCE MEASUREMENT

ANNEX "E"
SOCIAL ECONOMY "CAPACITY BUILDING" COMPONENT
August 29, 2005

CONTINUOUS PERFORMANCE MEASUREMENT

"Enterprise (organization or co-operative) X" shall provide strategic planning, networking and tools development activities/services designed to promote social economy (SE) enterprises.

1. PERFORMANCE EXPECTATIONS

Objective
To stimulate development and consolidation of social economy enterprises.

Specific objectives
Strategic planning
- To develop strategies favouring the growth of **SE** enterprises

Networking
- To intensify co-operation among SE stakeholders and between them and other development players.

Tools development
- To develop coaching and technical assistance tools and services that will help build management capacity and competitiveness among SE enterprises.

Short-term anticipated results (output)[1]
Strategic planning
- Number of studies and diagnoses;
- Number and type[2] of planning activities, serving X enterprises[3] and X development players;
- Number of enterprises reached, planning activities;
- Number of development players reached, planning activities;
- Number and scope[4] of proposed strategic plans and action plans;

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[1] Note that each advisor, working with his/her client, is free to augment Annex E based on the data deemed relevant to oversight of the enterprise.

[2] Planning activities may take the form of workshops, forums, etc [INDICATE THE TYPE OF ACTIVITY IN THE DESCRIPTION COLUMN OF HERMÈS].

[3] IF THE ACTIVITY TARGETS A PARTICULAR TYPE OF SE ENTERPRISE, SPECIFY IN THE DESCRIPTION COLUMN IN HERMÈS (EG: The strategic plan targets SE enterprises in recreation and tourism)

[4] The scope refers to the territory covered in the plans filed: local, regional, inter-regional, provincial [INDICATE THE SCOPE OF THE PLAN IN THE DESCRIPTION COLUMN OF HERMÈS].

Networking

- Number and type[5] of networking activities, serving X enterprises and X development players[6].
- Number of enterprises served, networking activities;
- Number of development players reached, networking activities;
- Number and type[7] of co-operative activities, serving X enterprises and X development players;
- Number of enterprises reached, co-operative activities;
- Number of development players reached, co-operative activities;

Tools development

- Number and type[8] of coaching and technical assistance activities;
- Client satisfaction rate with services received[9];
- Number and type[10] of guides and tools produced and released;
- Client satisfaction rate with guides and tools[11].

Medium-term anticipated results (effects)

Strategic planning

- Number of plans accepted and implemented;
- Number of studies and diagnoses accepted and responses implemented.

Networking

- Number and scope[12] of networks set up;
- Number of meetings, consolidated networks;

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[5] SPECIFY TYPE OF NETWORKING ACTIVITY IN THE HERMÈS DESCRIPTION COLUMN.

[6] IF THE ACTIVITY SERVES A PARTICULAR TYPE OF ENTERPRISE AND DEVELOPMENT AGENT, SPECIFY IN THE HERMÈS DESCRIPTION COLUMN.

[7] SPECIFY TYPE OF CO-OPERATIVE ACTIVITY IN THE HERMÈS DESCRIPTION COLUMN.

[8] SPECIFY TYPE OF COACHING AND TECHNICAL ASSISTANCE ACTIVITY IN THE HERMÈS DESCRIPTION COLUMN.

[9] Use the five-point standard measurement scale: highly satisfied; satisfied; neutral; dissatisfied; very dissatisfied. INDICATE THE PERCENTAGE IN THE HERMÈS NUMBER COLUMN.

[10] SPECIFY TYPE OF GUIDE AND TOOLS IN THE HERMÈS DESCRIPTION COLUMN.

[11] Use the five-point standard measurement scale: highly satisfied; satisfied; neutral; dissatisfied; very dissatisfied. INDICATE THE PERCENTAGE IN THE HERMÈS NUMBER COLUMN.

[12] The scope refers to the territory covered in the plans filed: local, regional, inter-regional, provincial [INDICATE THE SCOPE OF THE PLAN IN THE DESCRIPTION COLUMN OF HERMÈS].

- Number of enterprises participating[13] in meetings and consolidated networks;
- Number of new agreements signed and/or co-operative undertakings.

Tools development

"Medium-term results for tools development will be obtained through discussion groups, interviews and surveys of users."

OTHER MEDIUM-TERM ANTICIPATED RESULTS (EFFECTS)

SE- social spin-off

Other- Following the workshops or coaching, X enterprises have integrated new business practices (specify areas, if known).

Other- Following the workshops or coaching, X enterprises have enhanced their management capacity (specify areas, if known).

2. Organization X has made commitments to Canada Economic Development (CED) to:

- Provide information, twice-yearly or on demand, on short-term anticipated results. Provide information annually on all short-term and medium-term anticipated results (no later than ninety (90) days after the end of the exercise);
- Ensure collection and transmission of the information requested. This will include results achieved, feedback on overall trends in activities and, where applicable, explanations of variances and corrective measures taken;
- Transmit copies of any analyses, studies or independent measurement or evaluation of client satisfaction or of the services offered;
- Provide, on demand, a list of clients for the purpose of conducting surveys;
- Participate, on demand, in interviews, discussion groups or surveys.

NB: The generic Annex E constitutes a common baseline reference. Short-term and medium-term anticipated results may differ from one organization to another depending on their objectives.

[13] This means the number of enterprises represented (NPOs/co-operatives) and not the number of individuals.

Annex 5 – Dropdown list of HERMÈS indicators

Social economy – Dropdown HERMÈS list – August 29, 2005

OUTPUT – Strategic planning
- Number of studies and diagnoses;
- Number and type[1] of planning activities,
- Number of enterprises served[2], planning activities;
- Number of development players reached, planning activities;
- Number and scope[3] of proposed strategic plans and action plans.

OUTPUT - Networking
- Number and type[4] of networking activities;
- Number of enterprises served, networking activities;
- Number of development players reached, networking activities;
- Number and type[5] of co-operative activities;
- Number of enterprises served, co-operative activities;
- Number of development players reached, co-operative activities;

OUTPUT – Tools development
- Number and type[6] of coaching and technical assistance activities;
- Client satisfaction rate, services received[7];
- Number and type[8] of guides and tools produced and released;
- Client satisfaction rate, guides and tools[9].

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[1] Planning activities may take the form of workshops, forums, etc [INDICATE THE TYPE OF ACTIVITY IN THE DESCRIPTION COLUMN OF HERMÈS].

[2] IF THE ACTIVITY TARGETS A PARTICULAR TYPE OF SE ENTERPRISE, SPECIFY IN THE DESCRIPTION COLUMN IN HERMÈS (EG: The strategic plan targets SE enterprises in recreation and tourism)

[3] The scope refers to the territory covered in the plans filed: local, regional, inter-regional, provincial [INDICATE THE SCOPE OF THE PLAN IN THE DESCRIPTION COLUMN OF HERMÈS]

[4] SPECIFY TYPE OF NETWORKING ACTIVITY IN THE HERMÈS DESCRIPTION COLUMN.

[5] SPECIFY TYPE OF CO-OPERATIVE ACTIVITY IN THE HERMÈS DESCRIPTION COLUMN.

[6] SPECIFY TYPE OF COACHING AND TECHNICAL ASSISTANCE ACTIVITY IN THE HERMÈS DESCRIPTION COLUMN.

[7] Use the five-point standard measurement scale: highly satisfied; satisfied; neutral; dissatisfied; very dissatisfied.

[8] SPECIFY TYPE OF GUIDE AND TOOLS IN THE HERMÈS DESCRIPTION COLUMN.

[9] Use the five-point standard measurement scale: highly satisfied; satisfied; neutral; dissatisfied; very dissatisfied.

MEDIUM-TERM ANTICIPATED RESULTS (EFFECTS) – Strategic planning

- Number of plans accepted and implemented;
- Number of studies and diagnoses accepted and responses implemented.

MEDIUM-TERM ANTICIPATED RESULTS (EFFECTS) - Networking

- Number and scope[10] of networks set up;
- Number of meetings, consolidated networks;
- Number of enterprises participating in meetings and consolidated networks;
- Number of new agreements signed and/or co-operative undertakings.

OTHER MEDIUM-TERM ANTICIPATED RESULTS (EFFECTS) –

SE Social spin-off

Other- Following the workshops or coaching, X enterprises have integrated new business practices (specify areas, if known).

Other- Following the workshops or coaching, X enterprises have enhanced their management capacity (specify areas, if known).

[10] The scope refers to the territory covered in the plans filed: local, regional, inter-regional, provincial [INDICATE THE SCOPE OF THE PLAN IN THE DESCRIPTION COLUMN OF HERMÈS].

Annex 6- Tables

Table 1 Breakdown of projects by region

Regions	No of projects	Agency's actual contribution			Project costs	Contrib./ Cost
		$	% total	Av.	$	%
Abitibi - Témiscamingue	1	85,801	1.9	85,801	105,741	81.1
Bas-Saint-Laurent	2	559,753	12.3	279,877	656,681	85.2
Centre-du-Québec	2	155,946	3.4	77,973	227,845	68.4
Côte-Nord	2	227,609	5.0	113,805	292,658	77.8
Estrie	3	234,610	5.2	78,203	300,604	78.0
Gaspésie - Îles-de-la-Madeleine	1	200,000	4.4	200,000	222,225	90.0
Ile-de-Montréal	1	394,069	8.7	394,069	543,796	72.5
Laval - Laurentides - Lanaudière	1	180,000	4.0	180,000	329,000	54.7
Mauricie	3	484,682	10.7	161,561	565,876	85.7
Montérégie	1	86,542	1.9	86,542	106,178	81.5
Outaouais	2	145,000	3.2	72,500	193,872	74.8
Québec - Chaudière-Appalaches	5	670,758	14.7	134,152	932,819	71.9
Saguenay - Lac-Saint-Jean	4	262,197	5.8	65,549	344,229	76.2
All	6	863,516	19.0	143,919	1,574,741	54.8
Total	**34**	**4,550,483**	**100.0**	**133,838**	**6,396,265**	**71.1**

Source: Canada Economic Development, Information Management System (HERMÈS)

Table 2 Planned and total actual contribution by region

Regions	Planned contrib.	Actual contrib.	Variance
	$	$	%
Abitibi - Témiscamingue	85,801	85,801	0.0
Bas-Saint-Laurent	591,813	559,753	-5.4
Centre-du-Québec	173,735	155,946	-10.2
Côte-Nord	263,842	227,609	-13.7
Estrie	260,000	234,610	-9.8
Gaspésie - Îles-de-la-Madeleine	200,000	200,000	0.0
Ile-de-Montréal	489,416	394,069	-19.5
Laval - Laurentides - Lanaudière	180,000	180,000	0.0
Mauricie	484,682	484,682	0.0
Montérégie	86,542	86,542	0.0
Outaouais	145,000	145,000	0.0
Québec - Chaudière-Appalaches	683,805	670,758	-1.9
Saguenay - Lac-Saint-Jean	274,870	262,197	-4.6
All	961,989	863,516	-10.2
Total	**4,881,495**	**4,550,483**	**-6.8**

Source: Canada Economic Development, Information Management System (HERMÈS)

Table 3 Breakdown of projects by type of recipient organization

Recipient organizations	No of projects	Agency's actual contribution			Project costs	Contrib./ Cost
		Total ($)	% total	Av.	$	%
Community Futures Development Corporations (CFDC)	7	1,184,681	26.0	169,240	1,418,414	83.5
Regional development corporations	6	575,008	12.6	95,835	822,663	69.9
Community Economic Development Corporations (CEDC)	4	873,179	19.2	218,295	1,104,287	79.1
Quebec-wide community groups	8	1,213,469	26.7	151,684	2,124,435	57.1
Other	9	704,146	15.5	78,238	926,466	76.0
Total	**34**	4,550,483	100.0	**133,838**	**6,396,265**	**71.1**

Source: Canada Economic Development, Information Management System (HERMÈS)

Table 4 Planned and total actual contribution by type of recipient organization

Regions/Recipient organizations	Planned contrib.	Actual contrib.	Variance
	$	$	%
Community Futures Development Corporations (CFDC)	1,268,020	1,184,681	-6.6
Regional development corporations	599,054	575,008	-4.0
Community Economic Development Corporations (CEDC)	976,543	873,179	-10.6
Quebec-wide community groups	1,324,989	1 213,469	-8.4
Other	712,889	704,146	-1.2
Total	**4,881,495**	**4,550,483**	**-6.8**

Source: Canada Economic Development, Information Management System (HERMÈS)

Table 5 Breakdown of projects by axis of intervention

Axis of intervention	Number of projects
Strategic planning	19
Networking	26
Tools development	31
3 axes	13
2 axes	14
1 axis	7

Source: Canada Economic Development, Project Summary (NPO), December 10, 2007

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