

**Measuring Social Value in CSR:
Lessons from Community Enterprise in Canada**

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Abstract

Major public, cooperative and social enterprises around the world must find effective ways of demonstrating to both internal and external stakeholders the value created by corporate social responsibility (CSR) strategies and activities. This paper reviews the findings of applications of a technique known as the Expanded Value Added Statement (EVAS) that has been used to measure the social value created by small, community-based organizations in Ontario, Canada. EVAS is a tool that calculates the monetary value of otherwise invisible social and environmental factors and processes, including, in particular, the mobilization of volunteer time and skills, the generation of new knowledge and skills of employees and participants through informal and formal training, and other forms of “blended-value creation”. In fact, EVAS integrates these calculations into the overall value-added statement of the enterprise. The paper argues that EVAS is a method that also can be used by big social-purpose enterprises to assess the value they create through their CSR work. We suggest that EVAS should take its place in the CSR benchmarking tool-kits of these major enterprises, whose other techniques include triple bottom-line (TBL) accounting practices, social return on investment (SROI) measures, social or sustainability scorecards, and the indicators of the Global Reporting Initiative (GRI). Universities can play a useful role in working with the larger social-economy businesses to design and deliver courses and workshops, and manage ancillary research, that build the capacity of enterprise managers, professionals and community leaders to appreciate and utilize the EVAS approach in assessing their CSR efforts.

Introduction¹

Major public, cooperative and social enterprises around the world must find effective ways of demonstrating to both internal and external stakeholders the value created by corporate social responsibility (CSR) strategy and activity. This paper reviews the findings of applications of a technique known as the Expanded Value Added Statement (EVAS) that has been used to measure the social value created by small, community-based organizations in Ontario, Canada. The paper argues that EVAS should take its place in the CSR performance-assessment tool-kits of these major enterprises. Through training and research, investment measures, and particularly the application of multi-dimensional and multi-level performance indicators, universities can work with larger social-economy enterprises to build the capacity of managers, professionals and activists in applying this tool.

CSR in a Regional Economy in Decline: The Ontario Experience

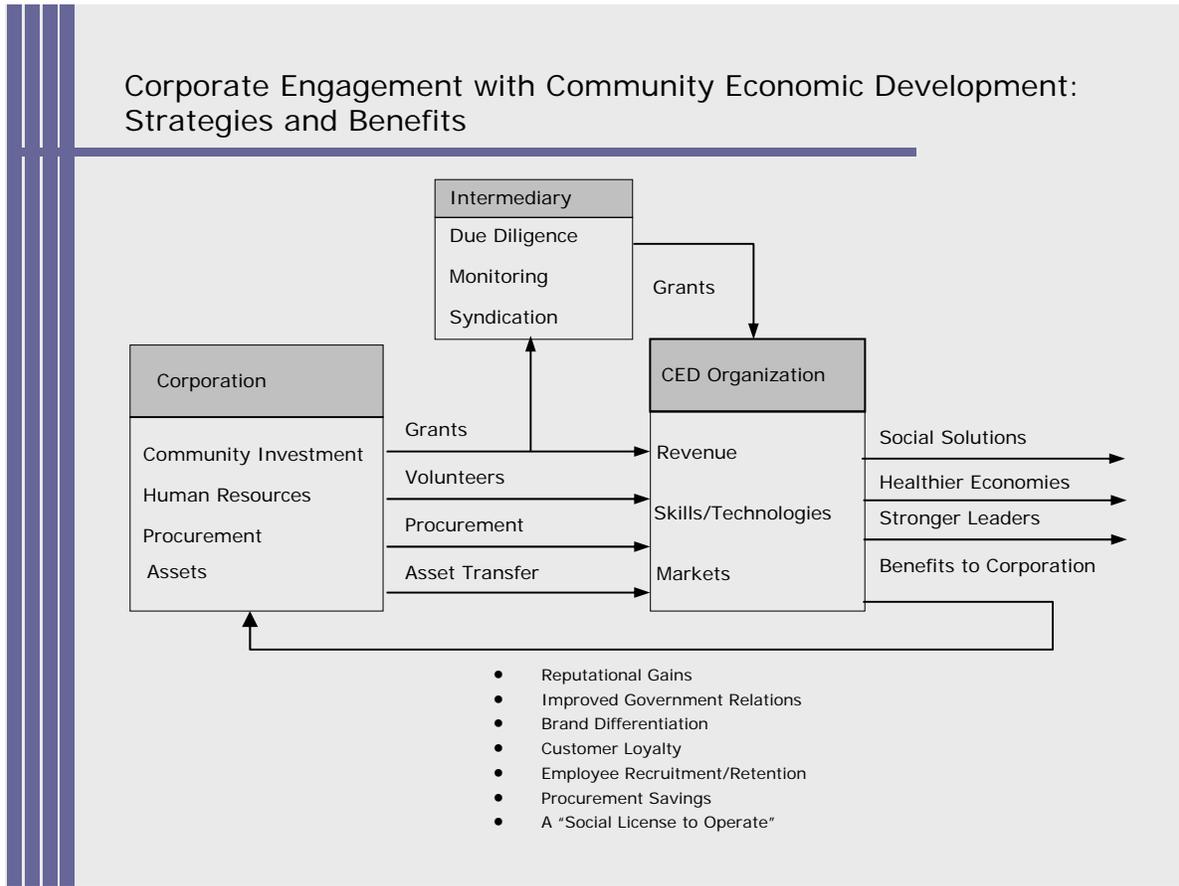
With 12 million citizens, the Province of Ontario is home to more than one third of Canada's population. Once the economic heartland of the country, and a dominant political force, Ontario is transitting, painfully, from a "have" to a "have-not" province in the Canadian Federation. Soon Ontario will require transfers from wealthier provinces like Alberta and British Columbia. The high Canadian dollar, intense global competition by the BRICs,² high energy costs, increased and time-consuming security costs at the US border, and other factors have triggered massive job losses in the manufacturing sector – once the province's, and the country's, economic engine. The moderate, centre-left Liberal Party that governs Ontario is searching to find ways and means of replacing this source of high-wage, high-benefit employment – and, so far, this is proving to be an impossible mission.

Against this challenging economic backdrop, a sub-set Ontario's major companies have been – unevenly and for a wide variety of reasons – instituting CSR programs aimed, especially in very competitive sectors (e.g., telecommunications, finance and mining), at bolstering their brands, and strengthening their ties with customers. While a large proportion of these initiatives focus on environmental sustainability, education and social services, an increasing number of corporations have engaged with community economic development (CED) organizations, including local cooperatives and non-profits. Companies deploy a basket of strategies in "CSR for CED;" among these are grant-making, social finance, provisional volunteers, procurement of goods and services from local social enterprises, and asset transfer (e.g., land, facilities) (see Harji; 2008a). Figure 1 depicts these various strategies and benefits associated with these efforts.

¹ The authors would like to express their appreciation to The J.W. McConnell Family Foundation, Bell Canada and the Ontario Trillium Foundation for their support of the research on which this paper is based. Among the individuals whose advice, inspiration, and assistance we drew upon are: Lisa Banks, Tim Brodhead, Katherine Graham, Genevieve Harrison, Tessa Hebb, Laurie Mook, Jack Quarter, Marilyn Struthers and Barbara Turley-McIntire. We pay tribute to the wonderful life of the late Katharine Pearson, shining leader in social justice philanthropy.

² Brazil, Russia, India, and China together are known as the BRICs.

Figure 1: Corporate Engagement with Community Economic Development: Strategies and Benefits



CSR, CED and Major Public, Cooperative and Social Enterprises

The Government of Ontario funds and runs an array of public enterprises. Most of these companies generally have clear corporate social responsibility policies and practices. However, they are rarely engaged with community economic development per se. One example is Ontario Power Generation, an electrical generation company operating nuclear, fossil-fueled, hydroelectric and green power (small hydro and wind) facilities across the province. While the company supports major environmental groups such as the World Wildlife Fund and Ducks Unlimited, OPG focuses much of its community grant-making on social, cultural and recreational (not economic or social-justice) projects in the communities that host its power-generation operations (Ontario Power Generation, 2005).

Similarly, other public enterprises concentrate on CSR activities that are close to their core business. For instance, the Ontario Liquor Control Board supports programs on responsible drinking, particularly among youth. In another case, the Ontario Lottery and Gaming Corporation promotes responsible gaming and consumer protection. These major public enterprises are not engaged in CED. However, it must be said that the government-run Ontario Trillium Foundation, which is funded by revenue from Ontario lotteries, is, in fact, an

important supporter of CED. Skills and employment development and greener and healthier local economies, especially involving Aboriginal, immigrant and disabled citizens, are priorities for the Foundation, which has made grants to CED groups at the sector-wide as well as local levels (Ontario Trillium Foundation, 2008).

The co-operative sector offers a different experience, though. Several major co-operatives based in Ontario have launched substantial CSR-for-CED initiatives. In particular, dairy co-op Gaylea Foods is well-known for its support of local co-operative development, networking and policy advocacy for the sector. In another example, Alterna Savings Credit Union manages an active CED support program, runs a micro-lending project and has developed an innovative relationship with a pension fund to finance affordable housing (see Jackson, 2008).

One of the most robust cases of corporate engagement in CED involves The Co-operators, a national insurance cooperative headquartered in Ontario. With more than \$7 billion in assets and over 1,000 brokers and 630 outlets, this 60-year-old multi-line insurer has an active and visible presence across the country (The Co-operators, 2008). One of the company's stated core values is "balancing economic, environmental and social priorities as a responsible corporate citizen", and reports on its triple bottom-line performance through an annual Sustainability Report. The Co-operators contributes \$3.5 million each year to CSR initiatives, including philanthropic and community-based grants and sponsorships (Harji, 2008b).

For more than a decade, however, the company has focused an increasing proportion of its sustainability work on community economic development, establishing its CED Fund in 1995. Financed by a corporate commitment to transfer 0.35% of annual pre-tax profits to the fund, The Co-operators has allocated more than \$6 million to this pool. The interest on this capital is, in turn, disbursed to local initiatives proposed by cooperatives and non-profits across Canada. In 2007, for example, the fund made \$315,000 worth of grants to 16 organizations. Since the fund's inception, the company has provided over \$2 million in small grants, often co-funded with other private and public agencies (Harji, 2008b; On Coop Bulletin, 2008).

Furthermore, the company takes a capacity-building approach to this work. Often in collaboration with other funders, The Co-operators uses its grant-making to enable its grantee organizations to become more effective in making a difference in economic and social development on the ground. Half of all organizations supported by the CED Fund have received multi-year funding. Moreover, the company supports and participates in groups such as the Ontario-based Co-op Funders Forum and collaborates with Van City Credit Union in British Columbia in leveraging knowledge about best-practices in CED impact generation (Harji, 2008b)—efforts intended to strengthen its own performance as well as that of the CED sector as a whole.

The Co-operators believes its support of CED is good for business, and that an important segment of its customer base remains loyal to the company because of its commitment to CED and CSR more generally. Policymakers and politicians are also more aware of The Co-operators because of the company's community investment practices. Moreover, there are

benefits related to a positive and dedicated workforce. The company is ranked as the 20th best employer in Canada by the Globe and Mail's Report on Business. Nearly 90% of its employees believe The Co-operators adds value to the communities in which they work (Harji, 2008b).

In response to their increased efforts related to supporting CED through CSR, The Co-operators use a range of initiatives to report on its performance. In 2007, the organization exceeded the Imagine Canada guidelines by contributing 1.26 per cent of its pre-tax profit to Canadian communities. Within the broader context of the organization's CSR priorities, The Co-operators has committed to institutionalizing sustainable practices and benchmarks within the organization, together with an increased focus on reporting on the triple bottom line. Annual Sustainability Reports comply with the Public Accountability Statement (PAS) requirements under the Insurance Companies Act, and have been informed by the Global Reporting Initiative's (GRI) G3 Guidelines. Starting in 2008, The Co-operators plans to more formally align its reporting with these global sustainability reporting standards, as well as enhance the key performance indicators to align its corporate sustainability policy and strategy. Other targets for 2008 include delivering a baseline sustainability survey to staff, agents, and member-owners. (The Co-operators, 2007)

The Expanded Value Added Statement

Led by researchers at the Ontario Institute for Studies in Education at the University of Toronto, a new tool for assessing the performance of non-profits and co-operatives has emerged: the Expanded Value Added Statement, or EVAS. An integrated social accounting method, EVAS employs carefully constructed (and quite conservative) assumptions to quantify, in dollar terms, the social value added that a non-profit or co-op produces. Calculating the value of, for example, volunteer hours contributed to the organization, or unpaid contributions to other organizations and stakeholders, gives a much clearer picture of the value for money achieved by third-sector groups (Mook, Quarter and Richmond, 2007).

Usually EVAS is applied to a single organization for a single fiscal year; this approach yields valuable insights. However, Mook (2007) has recently pushed the application of EVAS into new territory, including green construction projects and affordable housing investments, assessing multiple indicators over ten to 20 years. The central feature of EVAS is that it is an *integrated* accounting statement, and not a separate report. It is this core feature that distinguishes these new applications of EVAS from some other methods of assessing social and environmental sustainability.

In applying accounting methods to assessing the creation of social value, EVAS is a tool that is similar to the Triple Bottom Line (TBL), a term coined by the consultancy SustainAbility to refer to people, planets and profit. However, compared with conventional accounting and TBL, EVAS is unique in that it does not assume that value is created for and by only one stakeholder group: shareholders. In contrast, the EVAS approach understands that value of all kinds are generated by the broadest range of stakeholders in an enterprise, including shareholders, workers, customers, suppliers, volunteers and community partners.

To date, in Ontario, awareness of EVAS is primarily limited to community organization. As such, EVAS has not yet been adopted by private sector companies there. Corporate application of EVAS would allow companies to more accurately account for their social impacts from activities such as corporate volunteering, participation as board members in non-profits, and grant-making. Quantitative measurements from EVAS's social (and environmental) value added would enable companies implementing CSR initiatives to prove that CSR activities are an investment (rather than a cost) that yields a positive return for the company and the society. This would enable companies to support the assertion that they add more value to society than simply creating employment and generating wealth. In fact, EVAS can assist companies in improving their internal business practices and decision-making by incorporating social and environmental issues into their internal "cost-benefit" analyses.

For now, however, EVAS is being applied to a growing number of community organizations. For example, Carleton University's Community Economic Development Technical Assistance Program (CEDTAP) recently undertook EVAS applications with three Ontario-based CED organizations: the Ottawa Community Loan Fund, the Learning Enrichment Foundation in Toronto, both in the south of the province, and the PARO Women's Enterprise Centre in Thunder Bay, a northern city.

The Ottawa Community Loan Fund

The Ottawa Community Loan Fund (OCLF) is a small community development financial institution based in Canada's capital, Ottawa. The OCLF provides access to finance to three distinct target groups: small businesses that cannot access formal finance, loans to allow internationally-trained professionals to gain Canadian accreditation, and loans for social enterprises and co-ops. Assessment of loan applications is based on the viability of the business, the character and commitment of the applicant, and the capacity for repayment. Delivery of OCLF services is provided by full and part-time staff as well as dedicated community volunteers (business professionals) who participate on various Boards and Committees.

In order to analyze the social value created by the OCLF, three social outputs were analyzed: the value of hours spent volunteering by members of the Board of Directors, the Loan Committee and the Communications Committee (primary output); business plan consulting provided free of charge for prospective clients when their businesses plans are assessed during the loan application process (secondary output); and the contribution of advocacy efforts through unpaid consultations with the CED sector from the Executive Director (tertiary output). For the fiscal year 2006, an estimated \$49,400 of social value was created by the OCLF that was not accounted for in traditional accounting statements.

A closer analysis reveals the significance of the findings generated through the EVAS. Social value creation represented approximately 44% of the OCLF's total value added created. When the value of volunteer activities was added to the picture, it represented 17% of the organization's total resources. The participation and advocacy efforts of the OCLF to local and regional CED networks and initiatives were substantial, as well. These numbers suggest that even though OCLF in the community finance business, financial data alone is not

sufficient to support operational and strategic decision-making, nor can such data provide donors with an accurate assessment of the social value created by the OCLF (Harji, 2007).

The Learning Enrichment Foundation

The non-profit Learning Enrichment Foundation (LEF) was established in Toronto in 1979, and has since grown to become a large organization that managed revenues of over \$11,550,000 in 2006. LEF provides a wide range of integrated programs and services focusing on the areas of employment services, training programs, language and settlement services, childcare, and social enterprises. The social impact of one component of LEF's programming, childcare-related services, was analyzed using the EVAS method. LEF's childcare-related services include 18 childcare centres providing subsidized daycare for over 1,000 children per day, specialized programming, free training for parents and the general public, and consultation services.

Analyzing these childcare-related services, the EVAS analysis estimated that LEF created \$790,306 in additional social value added through its childcare programs in the fiscal year ending December 31st, 2006. The majority of this social value added (\$736,831) consisted of financial savings for LEF's childcare clients, based primarily on LEF's lower childcare rates. This represents a significant value for families in the high-poverty neighbourhoods in which LEF's childcare centres are located. Another significant social value added factor was training provided free of charge to parents with children in LEF's childcare programs, which added up to an estimated value of \$21,405. The value of volunteer time provided to facilitate the training and organize the annual Jamboree (a special event for children in LEF's programs) was conservatively estimated to be valued at about \$16,170.

Through an analysis of only a limited number of factors that contribute to social value creation, the results are nonetheless significant. The ratio of value added, which suggests how programs transform grants and other sources of income into added value, estimated that LEF's childcare programs generated \$2.80 for every dollar spent on goods and services. The social value added component of this was \$0.35, indicating a significant contribution of social value added for every dollar received by LEF from grants and other sources. Taken all together, the EVAS analysis suggests that considerable value is created with each dollar that the organization receives (Babcock and Cholich, 2007).

PARO Centre for Women's Enterprise

The PARO Centre for Women's Enterprise is located in Thunder Bay, Ontario, and provides training and support to women across northern Ontario who are interested in starting a micro-enterprise or improving on an existing small business. PARO also offers financial leverage and mentorship through Peer Lending Circles – groups of four to seven women who support fellow Circle members in obtaining small loans for business purposes. PARO also manages a store, PARO Presents, to promote the creations of local women artisans and give them practical training and experience in retailing and marketing their products.

The factors considered for this analysis included the value of hours spent volunteering by members of the Board of Directors, skill development for volunteers resulting from training

received in their volunteer positions, financial return to artisans volunteering in PARO Presents in return for a lower commission rate, mentorship received by Loan Circle members (Primary output), and unpaid consultations with the CED sector from the Executive Director of PARO. PARO created at least \$132,635 in additional social value during an 11-month period in 2005-06, which would not have been evident in traditional accounting statements.

Putting these findings into context reveals their importance to the organization. The ratio of ‘value added to purchases’, which describes how PARO transforms grants and other sources of income into added value, was estimated to be \$2.09 for every dollar spent on goods and services. Of this, the social value added component was \$0.72, indicating a large contribution of social value added for every dollar received by PARO from grants and other sources.

The contribution of volunteer labour to PARO was also significant, where more than two full-time equivalent (FTE) positions were created from volunteering, compared to 10.5 FTE of paid organizational staff at the organizations. For PARO, simply attempting to quantify the impact of the skill development of women artisans volunteering at PARO Presents, and the mentorship value loan circle members receive from their loan circle, yielded important results. These efforts provided further evidence to support the need for the kinds of services PARO offers – especially as a response to the unique economic challenges facing women in northern Ontario (Babcock, 2007).

Adding EVAS to the CSR Benchmarking Tool-Kit

In calculating the monetary value of otherwise invisible social and environmental factors and processes, and then integrating these calculations into a comprehensive accounting statement, EVAS is proving itself to be a very promising approach to measuring the “blended value creation” of enterprises of all kinds (Emerson and Bonini, 2004). In fact, there is a strong case to be made that EVAS should be added to the larger tool-kit of CSR performance-assessment and benchmarking techniques that can be used by major co-operative and public enterprises. Other tools currently available to these enterprises include triple bottom-line accounting, social return on investment, sustainability scorecard, and the Global Reporting Initiative. The following overview of these tools is adapted from Colwell (2008).

Triple Bottom-Line (TBL) accounting is a form of social accounting that emerged from the work of the SustainAbility consultancy nearly 15 years ago. This method expands the traditional *financial statement*, which focuses on the economic or financial bottom-line. TBL adds an assessment of the impact of a company’s products or operations on the environment, plus the nature of its emissions and waste and how the firm deals with these challenges—the environmental bottom line. At the same time, the TBL approach includes analysis of the company’s social bottom line, as measured across such indicators as ethnic and gender diversity, working hours and wages, staff security and the company’s contribution to community services and facilities. Unlike EVAS, however, TBL does not integrate these calculations into a single accounting statement.

Social Return on Investment (SROI) expands the business concept of return on investment (ROI) to include the measure of social variables through a cost-benefit analysis. SROI

extends the traditional cost-benefit method by quantifying some of the social results of interventions into financial indicators and determining an overall assessment of gains or losses on public or philanthropic expenditure. A Toronto-based organization, Social Capital Partners, and the Roberts Enterprise Development Fund in the United States, are prominent in the practice of SROI.

The *Sustainability Scorecard* is an adaptation of the more traditional Balanced scorecard, a management system that promotes continuous improvement and total quality management inside the firm. Created by Gupo Nueva, the Sustainability scorecard, for its part, is a management and evaluation tool that the company uses to guide its creation of value for its shareholders, society and the environment. Accordingly, at Grupo Nueva, employees' performance evaluations assess three types of results: social, economic and environmental. Other companies have made revisions to the Balanced scorecard by incorporating sustainability, which often accounts for about ten percent of the overall performance score.

Finally, the *Global Reporting Initiative (GRI)* is actually an international, multi-stakeholder network founded a decade ago by CERES, a coalition of investors and environmental organizations, in the wake of the Exxon Valdez disaster. Today, more than 1,000 organizations in over 60 countries use GRI guidelines to regularly and transparently report on their economic, environmental and social performance. By providing a set of international reporting standards, the GRI "can be a powerful catalyst to improve performance" in the field corporate social responsibility.

The *Expanded Value Added Statement (EVAS)* should now be added to this suite of tools. Major public and co-operative enterprises can use the EVAS method to calculate the value of their volunteers and other social and environmental impacts they generate. Moreover, unlike all the other tools, EVAS produces an *integrated accounting statement* that incorporates assessments of all types of value created—financial, social and environmental. EVAS is, therefore, a *blended statement of blended value creation*. Finally, EVAS calculates the distribution of wealth, or value, to the various stakeholders associated with an enterprise. This is another unique feature of this tool.

Applying EVAS to a Major Co-operative Enterprise

How would EVAS be applied to a major co-operative enterprise? The following example is illustrative of what is possible, and is adapted from Colwell (2008).

First, the financial or income statements are used to develop the **restricted value added statement** for Year 1. See Table 1 below. In this theoretical example, we assume that Co-operative XYZ has generated \$1,000,000 in sales of their product or services and spends \$500,000 on the purchase of raw materials and packaging, in business terminology this would be called the cost of goods sold (COGS), which is deducted from sales revenue to create \$500,000 of value added in Year 1.

Table 1: Restricted Value Added Statement for Co-operative Enterprise (Partial)

EVAS Term	Private Sector Term	Financial Year 1	Financial Year II
Output	Sales Revenue	\$1,000,000	\$1,050,000*
Purchases of External Goods and Services	Raw Material and Packaging/COGS	(\$500,000)	(\$525,000)
Value Added	Value Added	\$500,000	\$525,000

* Year II shows 5% increased sales due to new clients attracted by employee volunteering in the community and building relationships.

Second, the \$500,000 Value Added is distributed among the various stakeholders as per Table. 2.

Table 2: Restricted Distribution of Value Added (Partial)

	Year I	Year II	Stakeholder that benefits
Employee Wages and Benefits	\$350,000	\$350,000*	Employees
Loan Interest	\$40,000	\$40,000	Bank
Dividends	\$25,000	\$25,000	Shareholders/Investors
Taxes Payable	\$10,000	\$10,000	Government and Society via Social Programs
Amortization	\$25,000	\$25,000	Co-operative Reinvests in Business
Retained Profits	\$50,000	\$75,000	Co-operative Reinvests in Business
Total	\$500,000	\$525,000	

* This shows higher sales in Year II therefore higher production. However, due to skills development and increased employee morale, employees are more productive and can produce more in the same amount of time (same wage and benefit cost).

Third, the restricted value added statement is then enhanced to create an **Expanded Value-Added Statement**, which includes Co-operative XYZ's corporate volunteering program. See Table 3 below. In this simplified example, Co-operative XYZ employs eight people and one of the employees participates in the corporate volunteering program. The financial column is the same as the restricted value added statement. The social column includes the following outputs:

- **Primary Outputs:** Employee wages while volunteering as the Co-operative pays the salary for the hours volunteered, which is an investment by the company to achieve its social outputs and social revenue for the non-profit organization. The non-profit receives this quantity of “free” volunteer labour (savings in salary expense for the non-profit). The amount of \$2,500 is for 100 hours of volunteering at the wage rate of \$25/hour.
- **Secondary Outputs:** Employee skills development from learning new skills similar in value to what would otherwise be taught in a community college course on non-profit sector management, leadership, organizational development and / or communication. The amount of \$1,500 is for three community college courses at \$500 per course.
- **Tertiary Outputs:**
 - Non-profit staff skills development for the staff who benefited from working with the corporate volunteer who transferred knowledge and skills, such as business strategy and planning, marketing, and finance. The amount of \$1,000 is for two community college courses at \$500 per course.

- Employee contributions from the corporate volunteer at the non-profit who leads a corporate campaign to raise money to be donated to the non-profit. The example assumes that the Co-operative raises and donates \$10,000 to the non-profit.

Table 3: Expanded Value Added Statement (EVAS) for Corporate Volunteering Program (Partial)

		Financial*	Social	Combined
Outputs	Primary	\$1,000,000	\$2,500	\$1,002,500
	Secondary		\$1,500	\$1,500
	Tertiary		\$1,000 + \$10,000	\$11,000
	TOTAL	\$1,000,000	\$15,000	\$1,015,000
External Purchases		(\$500,000)	-	(\$500,000)
Value Added Created		\$500,000	\$15,000	\$515,000

* As noted, the Financial column is taken directly from income statement and is the same as the restricted value added statement (also from income statement)

The fourth step is the distribution of the EVAS. The distribution of the financial value added created is the same as for the restricted value added statement distribution (see Table 2 above and top half of Table 4 below). The distribution of the social value added is shown in the second half of Table 4 below.

Table 4: EVAS Distribution of Value Added (Partial)

	Year I	Stakeholder that Benefits
FINANCIAL		
Employee Wages and Benefits	\$350,000*	Employees
Loan Interest	\$40,000	Bank
Dividends	\$25,000	Shareholders/Investors
Taxes Payable	\$10,000	Government and Society via Social Programs
Amortization	\$25,000	Co-operative Reinvests in Business
Retained Profits	\$50,000	Co-operative Reinvests in Business
FINANCIAL TOTAL	\$500,000	Co-operative
SOCIAL		
Employee Wages for Volunteering	\$2,500	Non-profit Organization
Corporate Employee Skills Development	\$1,500	Employee and Co-operative
Non-profit Staff Skills Development	\$1,000	Non-profit Staff and Non-profit
Corporate Donation to Non-Profit	\$10,000	Non-profit and Broader Community
SOCIAL TOTAL	\$15,000	

It is important to recognize that there are benefits from Year 1 that do not accrue until Year II. One reason for this (see Table 1) is increased sales revenue or output in Year II due to new clients who are attracted by employee volunteering in the community. Higher sales will require higher production. However, there are no increased costs for production (sales for employees) due to strong skills development and increased employee morale; employees are more productive and can produce more in the same amount of time (see Table 2). Also, as a result of increased labour hours (incremental corporate volunteer hours) and the corporate

donation, in Year II, the non-profit is able to increase or enhance programs and services, which in turn directly benefit the community.

This simplified example, when expanded to include *more than one employee* and more than one beneficiary non-profit organization (where the employees volunteer), will of course become more complex. However, the social value added that is created by, say, *hundreds or thousands of employees*, and the social benefits to, for example, a dozen non-profits, will be very significant, indeed. Furthermore, CED activities of major co-operative and public organizations can also generate very value-added through actions that reduce the environmental footprint of the enterprise.

While this example does not include calculations of environmental value added, the EVAS was developed around the concept of sustainability, and can be also used to account for various dimensions of environmental impact. For instance, the EVAS methodology has been used to illustrate the environmental impact of an organizational policy to encourage employees to use more environmentally friendly transportation to and from work. Another example applied to sustainable building practices has demonstrated impressive additional social and environmental benefits (nearly \$1 million) gained from a mere two percent increase in costs (\$100,000) (Mook, 2007).

A Role for Universities

There are several ways in which universities can help advance the application of EVAS and other tools to evaluate and improve the CSR performance of larger public and co-operative enterprises. First, working with enterprise, union and civil-society leaders, faculty members can design and implement *action-research projects* to monitor, compare and strengthen applications of a range of tools. Detailed firm-level case studies generating and analyzing both qualitative and quantitative data would be especially appropriate for this work. Such cases could be developed through on-the-ground work of students mobilized through experiential education strategies such as paid co-operative placements or course-based service learning projects.

Second, universities can develop courses within *degree programs* in modules on applying tools like EVAS, TBL, and the GRI to the evaluation and benchmarking of CSR in *major public and co-operative enterprises*. Currently, in Ontario and in Canada more generally, CSR programs focus almost entirely on private-sector companies, particularly large national and multi-national firms. However, programs presently in operation in Ontario can be “retro-fitted” in this manner to include larger co-operatives and public businesses.

Queen’s University in Kingston operates a CSR Centre in its Business School. Queen’s also offers an innovative undergraduate certificate in CSR, similar to a minor. The Schulich School of Business at York University in Toronto has developed curriculum on environmental and social impact within programs on business and sustainability, and on corporate governance, and recently appointed a Chair in CSR. Ryerson University has established an Institute for the Study of CSR. These centres and their champions could catalyze new curriculum on CSR performance assessment and inject this new content across discipline—

and field-based silos, into course material and exercises on such topics as ethics, community engagement, volunteering, accounting, investment and finance, climate change, as well as across a range of fields, including environmental studies, public policy and international development, and too as business and management.

Third, multi-university and multi-stakeholder *research networks* can play a role in promoting both academic program development as well as policy development. At Carleton University, a knowledge dissemination project on responsible investment and social finance managed by the Carleton Centre for Community Innovation already incorporates a strong interest in public pension funds and co-operative and social enterprise, and in performance assessment. This project collaborates with the York University-based Canadian Business Ethics Research Network (CBERN), which itself has undertaken studies of community engagement by corporations and is another important vehicle for more work on CSR impact assessment. For its part, the University of Toronto has set up a Social Economy Centre in the Ontario Institute for Studies in Education. Managing a network of scholars, activists and policy-makers across southern Ontario, the Centre has applied the EVAS approach to a wide range of grassroots non-profits and co-operatives, and is interested in now applying this tool to major enterprises of all kinds.

Fourth, universities can work with all stakeholders associated with major co-operative and public enterprises to plan and deliver *professional training* in the effective application of CSR performance assessment tools. For example, the Sustainable Enterprise Academy of the Schulich School of Business offers an executive education program on sustainable development that could incorporate such content and tools. This professional training could take the form of workshops and courses, plus coaching and monitoring for enterprise managers, union leaders, community activists and perhaps policy-makers. After refining the content and methods of this training, universities could create pathways for learners from these non-credit, certificate offerings into degree programs in business and administration schools.

In addition, graduates of these training activities could be invited to join an online community of practice (CoP), moderated by university actors, to promote connectivity, identify and solve problems and support good practices. This kind of CoP would also generate new questions for action-research projects and research networks to address, and new challenges to theory and practice that could be engaged by the degree programs with a CSR benchmarking dimension.

Furthermore, there are *global initiatives* underway with which CIRIEC, and allied organizations like the International Co-operative Alliance, can collaborate. One of these is the Globally Responsible Leadership Initiative (GRLI) (2008), which aims to use education, research and advocacy to develop the next generation of globally responsible leaders. Founded by the European Foundation for Management Development and the UN Global Compact, GRLI participated in the creation of the “Six Principles for Responsible Management Education.” These principles involve values, approaches, research, partnership and dialogue. The GRLI may be an excellent vehicle for developing management education modules on CSR performance-assessment tools. Queen’s University, an Ontario-based institution, is a member of the Initiative.

A second global initiative with which CIRIEC, ICA and other bodies should be able to collaborate is ISO 26,000. The objective of this initiative is to establish international standards of performance on *social responsibility* for organizations of all types, in developed or developing countries. The key instrument for doing this is a set of voluntary guidelines that is scheduled to be launched in 2010. Universities can engage in the debates around the preparation of the guidelines, and, in particular, ensure that a range of clear performance measures and methodologies are incorporated into the instrument. Moreover, CIRIEC and universities can work with other stakeholders to design and implement training for leaders of co-operatives and public enterprises in applying the ISO 26,000 guidelines. Finally, universities should not only teach about ISO 26,000 in their degree programs, but they *themselves* should also adopt and implement these guidelines of performance on social responsibility.

Conclusion

This paper has made the case that, at least in the Province of Ontario in Canada, tools to assess the blended value created by small non-profit and co-operatives in the field of CED may have application to CSR measurement among large public and co-operative enterprises. One tool in particular, the Expanded Value Added Statement, would seem to offer innovative features and promising potential for this purpose. The EVAS is a social accounting method that quantifies usually invisible social and environmental value created by a co-operative or public enterprise, producing a measurement of the “blended value” created by the entity. Through action-research, degree programs, networking and professional training, universities can play an active role in promoting learning about, and strengthening the practice of, CSR performance assessment. At the same time, CIRIEC-International and its national chapters can engage with a number of global initiatives on CSR benchmarking to advance the theory and practice of CSR performance assessment among large public and co-operative enterprises.

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