Measuring Rural Wealth Creation

A Guide for Regional Development Organizations

NADO Research Foundation **November 2016**

What's Inside?

Introduction

Rural wealth creation is a 21st century approach to community and economic development that is demand-driven, focusing on market opportunities that capitalize on a community's existing assets or underutilized resources. Wealth creation takes an intentionally inclusive approach by working to build lasting livelihoods, including increasing jobs and incomes of low-income people. This approach, also called WealthWorks, creates wealth that is rooted in place through local ownership and control and building a more self-reliant and resilient economy. An important tool for building wealth is analyzing stocks and strategies to build wealth through eight different forms of community capital, while harming none. Similar to the triple bottom line, rural wealth creation views community and economic development through a broader lens.

A WealthWorks value chain is a network of people, businesses, organizations, and agencies addressing a market opportunity to meet demand for specific products or services.

Potential RDO roles in supporting wealth creation value chains include:

- Value chain coordinator
- Business lender
- Planner
- Meeting facilitator
- Grant writer and administrator
- Analyst
- Measurement leader

Efforts to build rural wealth organize partners into a value chain focused on meeting a particular market demand. A WealthWorks value chain is a network of people, businesses, organizations and agencies addressing a market opportunity to meet demand for specific products or services. A value chain may consist of an industry or sector alliance, including entities that supply a sector with goods and services, groups representing demand for the industry's products, investors, and support partners. The partners in a value chain participate because it advances their self-interest, while also building wealth within the region. Value chains benefit from identifying an organization or business to serve as the coordinator, to keep track of partners' actions and weave them together.

Across the nation, multi-jurisdictional regional planning and development organizations, or RDOs, are engaged in regional community and economic development efforts. By serving multiple jurisdictions and working with a large network of partners to improve community and economic development outcomes in their day-to-day work, RDOs are often doing work that fits with the rural wealth creation model. In some places, RDOs might be positioned to serve as a value chain coordinator, if they are already taking an active role in working with an industry sector to develop an opportunity. In other instances, there may be another partner who is a natural fit to serve as a value chain coordinator, but an RDO could play a supporting role in identifying grant resources that support wealth-building strategies. Since some RDOs house revolving loan fund programs, RDOs might even be a financing partner for a wealth-building enterprise. RDOs often have access to data and information about a region's people and economy, which are used to develop regional and local plans including Comprehensive Economic Development Strategies (CEDS), a plan required for grantees of the Economic Development Administration. With data and analysis skills, RDOs might support a value chain by assessing and tracking progress.

How to Use this Guide

This guide introduces concepts of measuring progress in rural wealth creation for RDOs that are involved in community and economic development within their regions. It may be helpful whether or not an RDO is a value chain coordinator or plays a supporting role. Although this guide is intended to help measure the work of an economic development initiative or industry partnership, it may also offer useful information for measuring progress in a region's CEDS or other broad economic development and planning work. To set up a measurement framework, go through the Developing a Measurement Guide section, and use the remaining tips, checklists, and tools to help you apply the process.

Why Measure Progress?

Building wealth in an inclusive way is a long-term prospect. Collecting and reporting information can seem like a daunting and time-consuming effort, since ideal data are not always readily available. Data may exist at the wrong scale, such as for a state instead of a smaller area. Information that is already collected might measure an outcome that does not quite match the value chain's work, such as total graduates of a training program, rather than graduates of a training program who remain in the region or find work in their field. But building measurement into a rural wealth creation effort is a natural fit, since the capitals provide a framework for considering impacts together with strategies from the very start.

Measuring progress is an important way to ensure that activities that are planned end up being executed and resulting in outcomes. Documenting change over time holds partners accountable for their efforts and validates the time and resources that partners dedicate to the work of a value chain, and it can build social capital within the value chain as network members see that their partners are following up on work. It also demonstrates to outside investors and potential partners that a value chain takes its work seriously and creates meaningful change. It can demonstrate to the public, local officials, and legislators what they are getting for their investments, how a policy or a new funding source could affect community and economic development outcomes, and what the impacts of lack of investment could be.

Over time, performance measurement can help stakeholders in a value chain prioritize their efforts, by showing what kinds of activities and investments have resulted in improvements in a community's stock of wealth and which efforts are not accomplishing impacts. Measuring progress can help a value chain to be adaptable by analyzing whether strategies are working or need to be refined, or if gaps exist that require entirely new strategies.

Just as economic development strategies require partnerships to be accomplished, measurement also requires partners. From determining how to measure the progress on regional strategies, to collecting information, to analyzing information and making decisions about future work, measurement is a group effort. Finding performance information may require requesting data from partners or sharing data with them. This can open up new lines of communication and new dialogue about goals and strategies, and it can shape the way that information is shared in the future.

Rural Wealth Creation and Community Capitals

Rural wealth creation organizes local assets into eight capitals. Each capital is a collection of related resources. Every region has a stock of each kind of capital, which together comprise a region's wealth. Wealth creation efforts build more than one form of wealth as a market-driven initiative is developed, with an emphasis on creating lasting livelihoods for low-income people and supporting local ownership and control of assets.

This approach to economic development has been tested by RDOs and their partners and by other community and economic development organizations, with many successes across the U.S. For case studies and how-to guides, visit www.WealthWorks.org.

The eight forms of capital include:

Individual

Intellectual

Social

Cultural

Natural

Built

Political

Financial

Source: WealthWorks Initiative Partners and the Aspen Institute Community Strategies Group, "The eight capitals," www.wealthworks.org/sites/default/files/resources/theeightcapitals.pdf.

Developing a Measurement Plan

Measurement is embedded into a strategic planning process. Most RDOs complete at least one strategic plan, and they are often involved in many plans for their entire region and through assistance to individual local governments. Your RDO is also likely working with partners in an industry alliance or a value chain to achieve strategic outcomes. Use your RDO's experience to reach out to stakeholders and find out what is important to accomplish in the value chain. What is the core vision of the value chain, the ultimate condition the partners want to achieve? What are the priority strategies? What are some of the outcomes and results that they want to accomplish? How will you know that progress is made?

1 Identify the value chain's strategies discussed during meetings or from an existing action plan that identifies how the partners are involved.

2 Together with value chain stakeholders, talk through the region's existing and planned wealth-building strategies to define the desired outcomes. Write out the strategies if the region is setting a new strategic direction, or use an existing action plan if you are adding measurement to existing work.

3 Then, relate the outcomes to the eight forms of capital by asking for each strategy: How does the strategy build wealth? What forms of capital are strengthened through that strategy? How do you know whether progress is being made—what changes does that strategy result in? To get some ideas for possible measures, use the Connecting to Capitals table (pages 8 – 9). Do not forget to ask throughout this process: How is the strategy building wealth for low-income people, and how does the strategy increase local ownership and control? It may be helpful to use the Livelihoods and Inclusion Check and Local Ownership and Control Check (pages 10 – 11) to embed inclusion and ownership in capital-based measures or create additional measures.

4 Use your discussion questions about strategies and desired outcomes to identify *indicators*, which are the conditions being changed by a wealth-building strategy. For each indicator, determine the direction of the change, such as increase or improve, and the unit of measurement, such as the number or rate of change.

5 Write a statement that captures the indicator, direction of change, and unit of measurement to create a *measure*. One example might be an increase in the number of growers participating in a program. As much as possible, focus on the actual desired outcome that improves the stock of wealth, rather than completion of tasks or milestones, such as holding meetings or adopting a policy that may be a step in the road to building wealth. Some indicators may be influenced by more than one strategy; some strategies may have more than outcome your region wishes to measure.

6 Once the measures have been defined, RDOs and their partners can begin to measure the information that is important to a value chain. Determine where the information about the indicator exists and who is responsible for collecting it. Every partner in a value chain already has some information that relate to their own activities. RDOs have access to sources of government and other demographic and economic data routinely reported on through the CEDS and other regional plans. RDOs, local governments, and nonprofits often collect project-specific information for grant applications and reporting. Chambers of commerce or tourism alliances might already collect visitor and spending information, health institutions might track patients receiving services, and educational institutions might not only track the number of program graduates but also periodically survey alumni about employment. For new initiatives, plan to ask for and track information about outcomes from the start.

7 It may be useful for an RDO or another value chain coordinator to set up a spreadsheet or other tool that shows strategies, outcomes, responsible parties, indicator and measure, type of measure (capital, livelihoods, ownership and control), and data source.

8 Using the most recent existing information or collecting data for the first time sets the baseline, the value of the information at a point in time. This gives RDOs and their partners a starting point for understanding the impact of their work going forward.

Once they understand their baseline values, value chain stakeholders may find it useful to determine a time frame for achieving a particular target. For example, a strategy to improve broadband access might identify installing a specific number of miles of fiber over a certain number of years as one way to measure built capital in the community.

9 There are many ways to determine what the future targets for their measures might be. One method is to analyze historical data, if there is information available that shows what happened in the past. Value chain stakeholders might want to pick a target that assumes their strategy will change the trend of a given measure. That could mean retaining population who could relocate, or increasing enrollment in a program faster than historical growth. Historical data might be more readily available for information from government agencies or major institutions.

For new programs or for existing strategies where there is no historical data, value chain partners might set a target that seems achievable based on known resources for completing the work. An art gallery with few staff and a small space might reasonably expect to show and sell work from just a few local artists each year on its own. But a strategy to expand exhibit opportunities through a gallery addition, partnerships to showcase art at other area businesses, or a special event such as an arts festival would increase the number of total local artists that could participate and increased sales opportunities. Such expansion or partnership opportunities increase the resources available for the local art-based strategy, which would allow value chain partners to set a more ambitious target.

10 Begin recording and tracking information as it becomes available. Be sure that value chain partners have a way to report back on their progress and to hear the progress of other partners.

11 Once a measurement system is in place, an RDO and its partners must set up a process for communicating results. Some measures will be collected through grant reporting. Others might be shared in regular value chain meetings. A value chain

What's a SMART Goal?

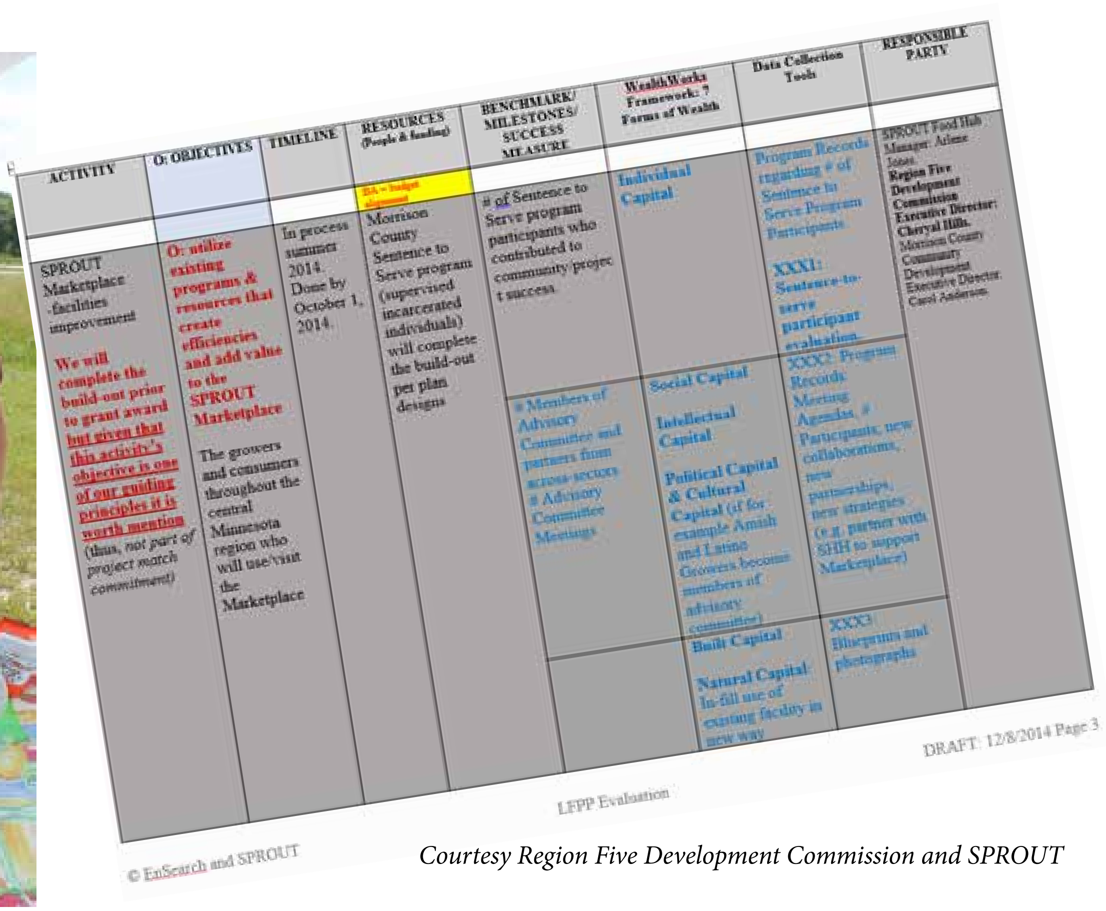
Many RDOs include SMART goals in their CEDS, regional plans, and other economic development efforts. Although the acronym SMART has many variations, it is often defined as *Specific*, *Measurable*, *Achievable*, *Relevant*, and *Time-bound*. In rural wealth creation measurement, a SMART goal is simply a statement that includes a measure (indicator, direction of change, and unit of measurement) and a target (how much change is expected in a given time).

A rural wealth creation measure must already be *Specific* in order to be useful for understanding whether the stock of a region's capital is changing. Identifying whether data exist and who is responsible for collecting and reporting back through the measurement plan determines whether it will be *Measurable*. When measures are derived from strategies, they should have the resources and a plan of execution that makes them *Achievable*, and if conditions change or prevent the outcomes from occurring, the strategy can be adapted with a new understanding of what can be achieved. When measures are tied back to the forms of capital, lasting livelihoods and inclusion, and local ownership and control, they will be *Relevant* to creating wealth and achieving the region's vision. If partners in a value chain adopt quantitative targets for what they can accomplish within a time frame, then they've determined that their goal is *Time-bound*.

Example:

Increase low-income grower participation in grower training program 25 percent by 2020.

Direction — *Indicator* — *Target and Unit* — *Time line*



ACTIVITY	O: OBJECTIVES	TIMELINE	RESOURCES (People & funding)	BENCHMARK/ MILESTONES/ SUCCESS MEASURE	WealthWorks Framework: 7 Forms of Wealth	Data Collection Tools	RESPONSIBLE PARTY
			BA = budget alignment				
SPROUT Marketplace -facilities improvement We will complete the build-out prior to grant award but given that this activity's objective is one of our guiding principles it is worth mention (thus, not part of project match commitment)	O: utilize existing programs & resources that create efficiencies and add value to the SPROUT Marketplace The growers and consumers throughout the central Minnesota region who will use/visit the Marketplace	In process summer 2014. Done by October 1, 2014.	Morrison County Sentence to Serve program (supervised incarcerated individuals) will complete the build-out per plan designs	# of Sentence to Serve program participants who contributed to community projec t success	Individual Capital	Program Records regarding # of Sentence to Serve Program Participants XXX1: Sentence-to-serve participant evaluation	SPROUT Food Hub Manager: Arlene Jones Region Five Development Commission Executive Director: Cheryal Hills. Morrison County Community Development Executive Director: Carol Anderson.
				# Members of Advisory Committee and partners from across-sectors # Advisory Committee Meetings	Social Capital Intellectual Capital Political Capital & Cultural Capital (if for example Amish and Latino Growers become members of advisory committee)	XXX2: Program Records: Meeting Agendas, # Participants, new collaborations, new partnerships, new strategies (e.g. partner with SHH to support Marketplace)	
					Built Capital Natural Capital: In-fill use of existing facility in new way	XXX3: Blueprints and photographs	

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LFPP Evaluation

© EnSearch and SPROUT

Courtesy Region Five Development Commission and SPROUT

might develop a spreadsheet or other tool to track results for other measures. Partners in a value chain often meet on a regular basis, and reporting on progress can be a regular part of the meeting agenda. Annual meetings and annual reports can be an opportunity to highlight major achievements, including milestones toward implementing strategies, as well as progress on measures that show how the stocks of wealth, livelihoods, and local ownership and control are improving. Some regions might use a spreadsheet tool to create a dashboard for use by value chain partners, a larger set of stakeholders, or the public.

Region Five Development Commission, the rural food hub SPROUT, and their partners in Minnesota include wealth-based measures in their grant reporting. In addition to the measures that a philanthropic or government agency funding an initiative requires of its grantees, the value chain includes the measures developed by the value chain that relate to capitals, inclusion, and local ownership and control. This way, funders can see how a project is making a bigger impact, how it fits into the region's overall vision, and how it fits with the funders' objectives.

The Chittenden County Regional Planning Commission (CCRPC) created a scorecard for reporting values and trends for 90 measures associated with the 17 goal areas of its regional plan known as ECOS (Environment. Community. Opportunity. Sustainability.), adopted in 2013. The RPC also developed prioritization criteria for prioritizing projects that the region applies for and includes in its required plans. The criteria are divided by topic related to the community (ecological systems, working lands, education, etc.) and criteria relating more to process (project readiness, applicant capacity, demonstrated public input) to help the region decide where to commit its opportunities to apply for grant funding.

12 An RDO, other partner entities, as well as the value chain as a whole, can use their measures to evaluate and prioritize strategies, as CCRPC has done through the ECOS prioritization criteria. Using the agreed-upon measures as a decision matrix can help stakeholders to evaluate: Will an action that's being considered result in the desired wealth-based outcomes, improved livelihoods and/or local ownership and control? With limited available funding, is a grant

application for a particular project going to be the best investment to promote opportunity within the region? Can a business use the value chain's measures to assess its decisions and meet its own self-interest?

13 Analyze performance information over time. Rural wealth creation efforts will adapt to remain relevant and continue to improve the livelihoods of people and resilience of regional economies. RDOs and their partners can use measurement to update ongoing strategies, develop new ones as some efforts are completed, and to change what is being measured to ensure that progress is being made in the region. Ask your value chain partners, are the measures telling the story of the region? Are better indicators or sources of information available? Have any strategies been largely achieved? Are there any measures that no longer matter as much? Are there new strategies that require new measures? Does performance over time show that some strategies are working well and should continue? Does performance justify additional investment? Does performance over time show that some strategies are not working as expected? Why? Do the strategies result in outcomes other than the desired ones? Do the strategies require additional resources to make an impact? Should any strategies be put on hold?

Measurement is an iterative process. Expect that the measurement plan, the measures chosen, and the organizations or businesses responsible for completing strategies and reporting results will change over time. Performance measurement can help RDOs and their partners to adapt.

Sources: Construct a WealthWorks Value Chain, www.wealthworks.org/basics/construct-wealthworks-value-chain; measurement language drawn from "You Get What You Measure," Yellow Wood Associates; personal communication with Melissa Levy, October 2016; personal communication with Cheryal Hills and Arlene Jones, December 2015; Chittenden County RPC websites, www.ccrpcvt.org/our-work/our-plans/ecos-regional-plan/, app.resultsscorecard.com/Scorecard/Embed/8502, www.ccrpcvt.org/wp-content/uploads/2016/01/Appendix-B-Criteria.pdf.

ECOS Scorecard: The State of Chittenden County

The ECOS Plan adoption in June, 2013 culminated efforts of over 60 organizations, working together - and defined a collective vision of a healthy, inclusive and prosperous Chittenden County. As we work collectively toward achieving our goals, this Scorecard will serve as a tool to help track our progress and guide our actions. This work would not be possible without the help of our partners: the public and public representatives (federal, state, municipal and regional), and the business and non-profit sectors. The ECOS Scorecard compiles accomplishments and indicators depicting progress towards all 17 of the ECOS goals. Each of the goals are associated with a set of indicators that together give an overall picture of what is going well and what needs improvement. The indicators are drawn from the most reliable statistics, objectively based on substantial research, and intended to be understood by broad audiences. The notes that follow each indicator represent interesting trends seen in the data and the significance of the trend. Along with the partners that work together on actions the impact the trends in some way.

Regional Context

G Demographics To understand the nature of our community and how we are changing over time.	Time Period	Actual Value	Current Trend
I ECOS Total Population-Chittenden County	2015	161,382	↗ 6
I ECOS Population Growth Rate of Chittenden County	2010	1.58	↗ 3
I ECOS Average Household Size-Chittenden County	2014	2.36	↘ 1
I ECOS Median Age-Chittenden County	2014	36.3	↘ 2
I ECOS Percent of Residents Under 18-Chittenden County	2014	18.8%	↘ 7
I ECOS Percent of Adults Ages 20 - 64	2014	63.1	↘ 1
I ECOS Percent of Residents aged 65 and older-Chittenden County	2014	13.1%	↗ 5
I ECOS Percent of Residents Born in Chittenden County	2014	47.7%	↗ 1
I ECOS Percent of Total Households that are Single Person Households-Chittenden County	2014	28.3%	↘ 1
I ECOS Percent of Population Age 5 and Older Speaking a Language Other Than English at Home- Chittenden County	2014	8.4%	↗ 1
I ECOS Percent of the Population that is Non-White and Hispanic-Chittenden County	2014	10.2%	↗ 7

Courtesy CCRPC

Connecting to Capitals

Rural wealth creation identifies eight forms of capital that may be strengthened through a community and economic development initiative. Many of the measures chosen by an RDO and its partners will be specific to the market opportunity they are working on and the outcomes their region wants to see. However, the list below provides some sample measures of things that a region might be interested in measuring.

Individual Capital	**The existing stock of skills, understanding, physical health, and mental wellness in a region's people**
	Increase the number of consumers participating in educational program
	Increase the number of transactional partners (businesses, producers, growers) participating in an educational program
	Improve a health outcome for a target population
Intellectual Capital	**The existing stock of knowledge, resourcefulness, creativity, and innovation in a region's people, institutions, organizations, and sectors**
	Increase the number of venues or partners marketing a local event (to identify new methods of promotion and marketing)
	Increase the certificate programs or degrees for value chain-related careers
	Grow the number of graduates of a program that stay in the region
	Increase the participants involved in an entrepreneurship or innovation challenge held by value chain partners
Social Capital	**The existing stock of trust, relationships, and networks in a region's population.**
	Increase the number of partners in a value chain
	Increase diversity of partners (number of economic sectors represented, demographic diversity, or other metric of interest to region) involved in leadership roles in the value chain
	Increase number of low-income people who engage with/influence/make decisions in the value chain
	Increase the number of volunteers in a project
Cultural Capital	**The existing stock of traditions, customs, ways of doing, and world views in a region's population**
	Increase the amount of a product related to regional identity that is grown, produced, or sold
	Increase the number of businesses (or jobs available) in industries important to regional identity, such as agriculture, fishing, arts, cuisine
	Increase opportunities to learn or share regional customs, such as attendance at heritage-related classes, cultural festivals, or local events
Natural Capital	**The existing stock of natural resources—for example, water, land, air, plants, and animals—in a region's places**
	Increase the number of acres of land growing produce for a market opportunity
	Increase the number of acres of land in conservation
	Increase the number of acres or sites where residents and visitors can enjoy natural amenities
	Improve regional air quality or water quality measured by national standards
	Increased volume of waste recycled, such as glass in value chains focused on bottled products

Built Capital	**The existing stock of constructed infrastructure—for example, buildings, sewer systems, broadband, roads—in a region's places**
	Increase the capacity of regional infrastructure (miles of fiber optic cable, percent of road miles in good or fair condition, percent of bridges that are not structurally deficient, number of homes or businesses served by water or wastewater infrastructure)
	Improve storage capacity for regionally produced products, such as square feet of cold storage
	Grow the regionally owned/controlled processing capacity for value chain products, such as gallons of biofuel produced or waste vegetable oil recycled, amount of glass recycled
	Increase the locally controlled distribution points or points of sale for regional products or services, such as regional food hubs, local retailers selling local foods or beverages, galleries showcasing local arts, or businesses offering specialized services
Political Capital	**The existing stock of goodwill, influence and power that people, organizations and institutions in the region can exercise in decision-making**
	Increase the number of low-income or minority value chain stakeholders in the value chain's decision-making body (executive committee, board of directors, etc.)
	Increase the number of value chain stakeholders on nonprofit boards of directors related to value chain work
	Increase the number of value chain stakeholders in citizen's advisory committees or task forces at area educational institutions, healthcare institutions, or other regional anchors
	Improve the understanding that value chain stakeholders have about existing or new policies and regulations (which could be collected through surveys before and after an education effort)
	Increase the number of opportunities to communicate value chain priorities to elected officials, such as through site visits, meetings or phone calls, testimony
	Increase the number of new policies supporting value chain strategies and outcomes
	Grow the number of media mentions about value chain work (may reflect public goodwill toward the effort)
Financial Capital	**The existing stock of monetary resources available in the region for investment in the region**
	Increase in the number of jobs in a targeted sector in the region
	Grow the placement of workforce clients in jobs related to the value chain sectors
	Improve median household incomes
	Increase total sales of local products or services
	Increase local or in-state sales of local products or services
	Increase amount of capital available to businesses through lending programs
	Grow the number of loans made (and ultimately repaid) to local businesses in value chain
	Increase private investment in the region
	Increase economic impact of value chain work
	Increase the utilization of built capital, such as percent of available storage capacity used or volume of goods moved at an intermodal transfer facility, as a measure of economic activity

Capitals and definitions adapted from WealthWorks Initiative Partners and the Aspen Institute Community Strategies Group. Sample measures adapted from interviews, websites, and documents from value chains, RDOs, and wealth creation trainers from around the nation.

Livelihoods and Inclusion Check

In addition to building multiple forms of wealth, regions adopting a rural wealth creation approach to economic development intentionally work to improve the livelihoods of low-income and other marginalized populations. As you develop your measurement plan, conduct a livelihoods and inclusion check.

- Are low-income people included in the economic development effort?
  - ✓ Are low-income people involved in providing input and making decisions about the value chain? Is the value chain or industry sector working *with* low-income people, rather than doing things *for* them?
  - ✓ Are there ways for low-income people to engage: as explorers and planners of a value chain, producers or suppliers, employees, owners of assets, consumers, or beneficiaries?
- Are the perspectives of low-income people reflected in the measurement strategy?
  - ✓ Do the measures reflect the outcomes that engaged low-income people want to see occurring in their communities as a result of the value chain's efforts? Did low-income people influence or help to set the direction of the work?
  - ✓ Do the measures show changes in the stock of wealth for low-income residents of the region? Do they show changes in livelihood?

Measures reflecting the interests and livelihood of low-income and other marginalized people may already be built into your region's strategies and measurement framework. If you and stakeholders in the value chain do not identify specific roles and measures related to low-income and other marginalized people, it may be useful to add another measure specifically on their livelihoods to ensure that progress is made in creating wealth for all.

Courtesy Black Belt Treasures Cultural Arts Center

The livelihoods and inclusion check is useful to conduct with value chains working occurring on specific market opportunities, as well as in broader regional planning efforts such as the CEDS.

For strategies to engage low-income people, refer to "Engaging Low-Income Partners in the Value Chain," at www.wealthworks.org/sites/default/files/resources/Engaging%20Low-Income%20Partners%20in%20the%20Value%20Chain.pdf. Also view "Strategies for Lasting Livelihoods: An example," at www.wealthworks.org/sites/default/files/resources/Strategies%20for%20lasting%20livelihoods%20-%2012-19-2014.pdf.

Local Ownership and Control Check

Economic development "sticks" in a community when there is an opportunity to build local ownership and control over assets and stocks of wealth. As you work with stakeholders to determine how to measure wealth creation in your region, keep the issue of local ownership and control in mind. Ownership and control applies to physical assets that are easy to understand and count and more abstract ones, such as stocks of knowledge or community traditions. Even where assets are not fully owned by people and organizations within the region, there may be opportunities to control how assets are used.

• Does the value chain build wealth through local ownership and control?

✓ Do individuals or families own assets and stocks of wealth? Can they make decisions about what to do with assets?

✓ Do private businesses in the region own assets and stocks of wealth? Can they make decisions about what to do with assets?

✓ Is there a collective form of ownership, such as a cooperative or a regionally governed nonprofit, that owns assets and stocks of wealth? Can they make decisions about what to do with assets?

✓ Does the public or community own assets and stocks of wealth? Can they make decisions about what to do with assets?

• Are the concepts of local ownership and control of assets reflected in the measurement strategy?

✓ Do the measures reflect an increase over time in the ability of individuals and families, private businesses in the region, collectives, or the public or community to own assets or stocks of wealth?

✓ Do the measures reflect an increase over time in the ability of individuals and families, private businesses in the region, collectives, or the public or community to control assets or stocks of wealth, whether or not they are completely owned by entities in the region?

The issues of local ownership and control may already be mentioned in measures that relate to the forms of capital. If it is not, consider whether existing measures could be updated, or add specific measures that emphasize local ownership and control.

As with livelihoods and inclusion, a local ownership and control check may be of benefit not only in measuring value chain work but in the CEDS and other regional community and economic development efforts.

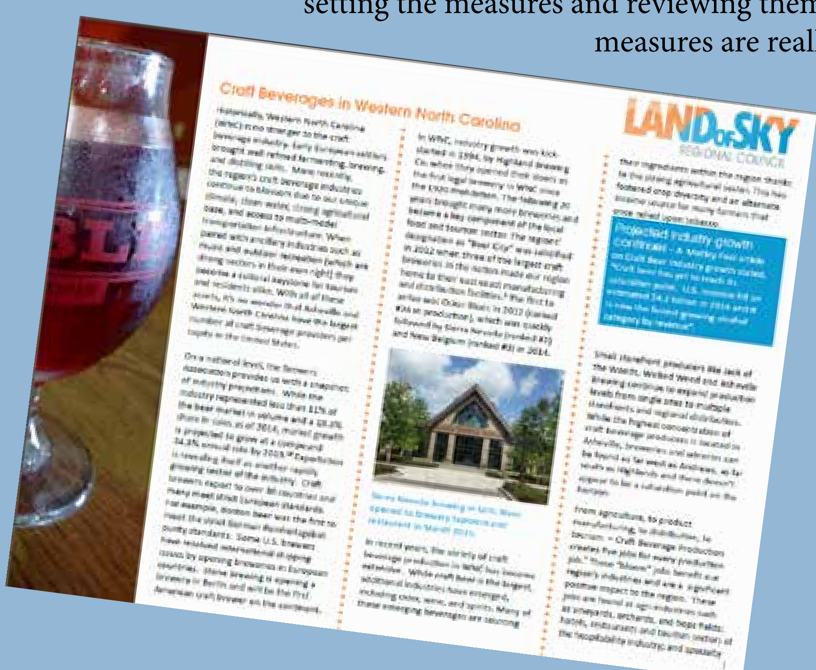
For more resources on local ownership and control, read "Thinking ownership and control: Types and examples," at www.wealthworks.org/sites/default/files/resources/Thinking%20ownership%20and%20control%20-%2012-19-2014.pdf. Also refer to "Keeping Wealth Local: Shared Ownership and Wealth Control for Rural Communities," at www.wealthworks.org/sites/default/files/resources/keeping%20wealth%20local.pdf.

One Approach to Getting Feedback: Holding a Measurement Meeting

Getting feedback from stakeholders in the value chain is critical for measuring the issues that matter to them. RDOs who are working to build wealth may find it useful to set stakeholder meetings to establish the priority outcomes and how to measure them, as well as to report back on the results.

In the Arkansas Delta, the value chain coordinator Communities Unlimited and its partners in the Delta Bioenergy collaborative knew that measuring success would be important. Value chain coordinator staff brainstormed potential measures that the stakeholders might be interested in measuring, and then held a meeting to discuss vision and desired results with the Arkansas Green Energy Network, a large group of diverse stakeholders with an interest in green energy. Together, the value chain partners came up with over 40 measures they wanted to track in order to ensure progress was being made to implement the value chain's strategies. The value chain partners divided the issues into short-term and long-term measures. This helps to recognize the short-term gains that are steadily being made, but without losing focus on outcomes that are also important but will take longer to achieve.

In western North Carolina, the Land of Sky Regional Council used information from its craft beverage value chain stakeholders about the outcomes of interest to identify available sources of information and potential measures to track implementation of strategies. As an RDO and the value chain coordinator, Land of Sky Regional Council shared the proposed measures with stakeholders for approval and published a brochure telling the craft beverage story of how the sector is building wealth in western North Carolina. In addition, the region has adopted measures related to the community capitals in its Comprehensive Economic Development Strategy (CEDS), although that document encompasses community and economic development work in many sectors beyond the scope of the craft beverage value chain. The CEDS process includes convening a multidisciplinary committee. For the Land of Sky region, the committee was involved in setting the measures and reviewing them through periodic meetings to determine if the measures are really telling the region what it wants to know about progress.



Sources: Personal communication with Ines Polonius, September 2015; personal communication with Erica Anderson, September 2015 and May 2016; Craft Beverages in Western North Carolina.

Tips for Success: Measure Only What Matters, and Avoid Starting from Scratch

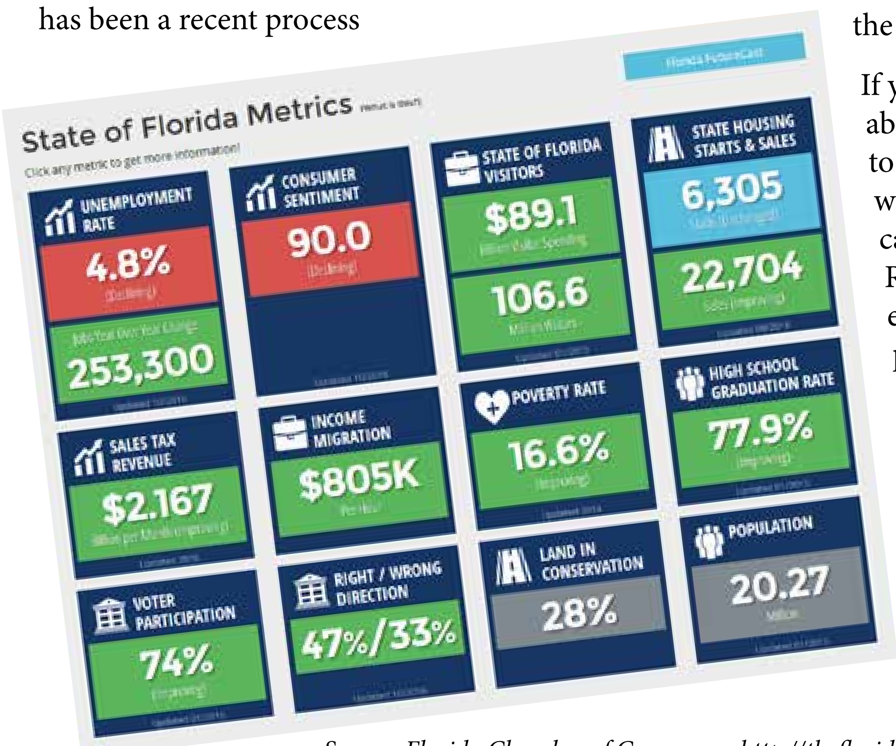
It is important to remember to focus on measuring the most important aspects of an initiative, not every potential indicator. A wealth creation initiative should be building multiple forms of wealth, but it may not be possible to increase the stock of every form of capital all at the same time. Wealth creation is intended to do no harm to any forms of capital, but if a capital is not actively being built, there may be no need to measure it. In addition, definitions of the eight forms of capital are broad enough to include many aspects of community and individual assets. A value chain may adopt a strategy to build individual wealth by building regional residents' skills in some way. This strategy does not necessarily have a direct effect on their health, although health is another aspect within individual capital, so there is no reason to try to create a health-related measure. As strategies evolve, measures will also evolve, so only plan to measure what is relevant at the moment.

Stakeholders and members of the public can only truly engage in certain amount of public participation before experiencing meeting or survey fatigue. If there has been a recent process that involved public and stakeholder engagement to develop a regional vision, you may be able to leverage that existing information for the wealth-building initiative, even if it is broader than the value chain. Examples of efforts might include a CEDS update, Sustainable Communities or Economic Resilience plan, long-range transportation plan, or a comprehensive plan. Each of these plans may already include some measures that relate to the outcomes of the value chain's work, particularly if wealth building strategies were included in the other local and regional plans.

Florida's regional planning councils (RPCs) use measures in their regional scorecards that tie into the Florida Chamber Foundation's Florida Scorecard. In addition, the RPCs' CEDS have some measures that are used by the Florida Department of Economic Opportunity for its State Strategic Plan for Economic Development. This helps the RPCs to communicate the significance of their regional strategies in a consistent way across the state, and it provides a natural linkage with the work of state entities that have adopted the same framework. Although the community and economic development strategies pursued by the RPCs may not use all of the concepts of the rural wealth creation framework, many of their measures align with the forms of capital used in wealth creation.

If your RDO has some qualitative information about outcomes or existing measures that seem to relate, use that as a starting point. You may want or need to supplement existing communications efforts with additional outreach. Your RDO and partners might conduct targeted engagement of low-income people or other partners in the value chain, for example, especially if they did not participate at a very high level in other planning and visioning efforts. Going forward, ensure that these stakeholders are engaged in the work of the overall value chain in meaningful ways.

Sources: Personal communication with Pat Steed, October 2015; Florida Chamber of Commerce.



Source: Florida Chamber of Commerce, http://thefloridascorecard.org

Tool: Thematic Coding to Analyze Information

Even with an experienced facilitator who has a meeting agenda and a facilitation plan, group discussions in strategy sessions or a measurement meeting may not follow a linear path or may touch on multiple topics at the same time. If you gathered input through open-ended written questions or responses to exercises, you may have a large amount of qualitative information to digest.

As you review feedback from value chain stakeholders, as well as other information from recent public outreach results or existing plans and documents, it may be helpful to use thematic coding to reveal patterns. Read back through meeting notes, flip chart pages, and other sources of information to identify where people mention outcomes related to the forms of community capital, livelihoods and inclusion, and local ownership and control. This will form the basis of the value chain's measures.

There may be several different methods of thematic coding that help you make sense of a large amount of qualitative information. Try color-coding with a highlighter, using the comment function in an electronic document or sticky notes on flip chart pages, making lists in a separate document, or setting up a spreadsheet. Any of these analysis methods can help connect the outcomes of strategies that stakeholders discuss with categories of wealth, livelihoods, and local ownership and control.

The coded data may look messy at first, but the next step is to glean only the relevant information to combine similar themes in a document or spreadsheet. This document should identify for each of the value chain's strategies: expected outcome (the indicator or actual condition being changed), type of measure (capital, livelihood, ownership and control, or some combination of these), and what the information or source of the data will be to track change, and who is responsible for tracking and reporting back to the group on progress.

In the Piedmont Together comprehensive planning process, the Piedmont Triad Regional Council and Piedmont Authority for Regional Transportation provided place mats to participants with a space for them to draw or write their vision for the region and outcomes they would like to see occur as a result of the planning process. The partners hired an apprentice to assist with the project, including analyzing the drawings and notes for themes and developing a digest of those themes to prioritize strategies and measures.

Source: Personal communication with Elizabeth Jernigan, September 2016.

Spotlight on Cultural Capital

Courtesy Northern Maine Development Commission

Many RDOs have questions about how to measure cultural capital and whether it should be measured. Cultural capital includes the traditions, customs and beliefs shared by the community, including the way you see the world. Investments in cultural capital can help to preserve tradition while also helping to shift and align beliefs in ways that help people develop shared values and history.

Cultural capital comes from the notion of culture, as a bounding box that surrounds people and influences the decisions that individuals and communities make. Culture is a complex concept, but one definition that may help to understand cultural capital is: "Culture is a shared and negotiated system of meaning informed by knowledge that people learn and put into practice by interpreting experience and generating behavior." (L.E. Lassiter, *Invitation to Anthropology*)

Simply put, culture is shared among people, changes over time, is learned through observation and experience, and influences people's decisions and behavior. Culture emphasizes the beliefs and behaviors of people in a social, rather than individual, context, and cultural capital strengthens a value chain's process.

Cultural capital measures might track how existing values or traditions are maintained or increased through value chain strategies. However, some regions may choose not to explicitly measure cultural capital, if there are not specific measures that relate naturally to the value chain's work. If your region chooses not to adopt measures on cultural capital, use the concept of culture as a way to check the applicability of the strategies and measures your region chooses. For instance, consider questions such as, does our work connect to traditions? Does our work build upon shared values and a sense of history? Shared values might include strong social bonds, enjoying open space in the landscape, or investing in vibrant town centers. These shared cultural viewpoints may or may not be directly related to the outcomes of a given wealth-building initiative. But, it is important to recognize that community and economic development involves some change occurring over time in order for livelihoods to improve, which might also change some aspects of culture and how cultural viewpoints are expressed.

Ultimately, a central question relating to cultural capital is: Do the strategies that are chosen—and the measures to track progress—maintain, enhance, or at a minimum avoid harm to the ways that local traditions, history, and values are understood and shared?

Sources: WealthWorks Initiative Partners and the Aspen Institute Community Strategies Group; personal communication with Barbara Wyckoff, October 2015; personal communication with Melissa Levy, October 2016.

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