LOCAL ECONOMIC DEVELOPMENT LAB

FIELD BOOK

The LEDIab partnership and funding model for social innovation labs

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ABOUT THIS FIELD BOOK

The Local Economic Development Lab (LEDlab) Field Book was born from the regular incoming requests for information we receive about our program model.

This field book is intended for universities, municipalities, non-profits and community development organizations that wish to replicate the LEDIab model, which is at its core a university-community partnership that leverages a large Mitacs research grant for social change.

However, this field book is not a step-by-step guide or a recipe for how to apply the model.

We recognize that every lab is as unique as the problem it tries to solve and the environment it is embedded in.

The LEDIab Field Book is a work in progress as we continue to refine and iterate the model. We invite feedback on its content and design on an ongoing basis. Please send suggestions to info@ledlab.ca.

Our hope is that by sharing this field book, the LEDIab program model may have application beyond the specific geography of Vancouver's inner city.



CONTENTS

What is LEDlab / Context Defining the Challenge Our Approach Process Design Forming Community Partnerships **Engaging Graduate Student Project Coordinators Funding Model LEDIab Structure Managing Information** Evaluation Key Learnings

<u>4</u> <u>8</u> <u>12</u> 17 22 26 29 <u>33</u> <u>36</u> <u>40</u> <u>46</u>





WHAT IS LEDLAB?

- OVERVIEW
- PARENT
 ORGANIZATIONS
- SOCIAL INNOVATION LABS DEFINED



OVERVIEW

- The Local Economic Development Lab (LEDIab) is a social innovation lab embedded in a community context (place-based)
- 3-year university-community partnership initiated and closely supported by <u>Ecotrust Canada</u> and <u>RADIUS SFU</u>
- LEDIab works with a broad network of partners from across the system to support community-led innovation and collective action

Program Goal

Build, test and scale solutions that put money in the pockets of low income residents; enhance the capacity of individuals, organizations, and networks; and shift traditional patterns of power and resource use in the community in service of a more vibrant and inclusive local economy in Vancouver's Downtown Eastside.



PARENT ORGANIZATIONS

LEDIab is a unique collaboration between <u>Ecotrust Canada</u>, <u>RADIUS SFU</u>, and a broad network of inner city community partners.

Ecotrust Canada is a trusted and respected charitable organization that designs sustainable economic alternatives that benefit people in the places they call home. **RADIUS SFU** is a social innovation lab and venture incubator at the Beedie School of Business of Simon Fraser University.





SOCIAL INNOVATION LABS DEFINED

LEDIab is modeled on social change labs worldwide.

Zaid Hassan defines the Social Innovation Lab as Social, Experimental, and Systemic¹.

Social innovation labs vary widely in their exact applications, however, most labs have a number of common components including broad-based research, co-creation of solutions, specialized physical environment, clear process design and facilitation, prototyping and experimentation, multi-disciplinary support staff, and continual learning². **Social:** We bring together a diversity of perspectives and professional capacities from industry, university, government and civil society.

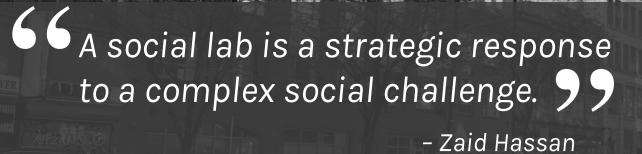


Experimental: We learn by doing. We prototype and test community-designed and driven solutions. Through developmental evaluation we adapt and evolve our processes and strategies.



Systemic: We hold ourselves accountable to a systemic framework: identifying the root causes of problems and aiming to fundamentally shift resource, power, and authority flows in support of the community over time.

¹ Hassan, Z. (2014). *The social labs revolution: A new approach to solving our most complex challenges*. California, USA: Berret-Koehler Publishers, Inc. ² Westley, F., Geobey, S., & Robinson, K. (2012). ChangeLab/Design Lab for Social Innovation. Waterloo Institute of Social Innovation and Resilience. University of Waterloo.



DEFINING THE CHALLENGE

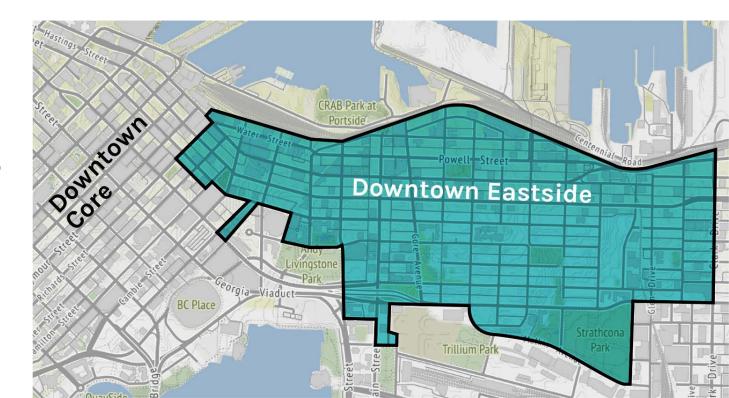
- INTRODUCTION TO THE DTES
- COMMUNITY
 CONSULTATION
- FINDING OUR
 CONTRIBUTION



VANCOUVER'S DOWNTOWN EASTSIDE

Vancouver's Downtown Eastside (DTES) is located on Unceded Coast Salish territory of the Musqueam, Squamish and Tsleil-Waututh First Nations. The truly diverse and connected community is made up of several neighbourhoods and multiple ethnic, cultural and social groups.

- The DTES is a primarily (67%) low income neighbourhood that experiences several complex and interrelated social and economic challenges including poverty, homelessness, mental health and addictions, and intergenerational trauma.
- The lesser told story is that the DTES is also a community of incredible innovation including a rich history of activism, a thriving social enterprise sector, and a resilient and hardworking population.
- Like many urban centres in Canada, the DTES is experiencing extreme real estate speculation.



COMMUNITY CONSULTATION

The design of a social innovation lab should reflect the opportunity and problem context within the system(s) you are trying to change.

We worked to understand the local community's priorities for economic development and innovation through a 4-month consultation phase with representatives from the DTES community.

- Ask if and how the lab can add value to the neighbourhood/system
- Don't be tied to rigid social innovation lab process

When we started engaging in the DTES, the community told us very clearly – 'we don't meet with you, you meet with us.' Community leaders did not want to be 'convened' in multi-day design workshops. Instead, we embedded ourselves into existing community networks

and processes to learn about the work being done, the key players, and the community vision for the future. This approach was a critical step in the necessary process of trust building.

- Kiri Bird, LEDlab Manager

FINDING OUR CONTRIBUTION

Through community consultation we learned the DTES already has a very diverse low-income economy.

Inner-city organizations have been using unique and place-relevant approaches for many years. However, the ability of these communityfocused efforts to replicate, scale, and create systemic impact is often limited by:

- Resourcing and bandwidth
- Lack of connection and alignment amongst service agencies *and* across sectors
- Safe space to try new things or work together

The LEDIab model addresses these constraints by:

- **Providing human capacity** (graduate student project coordinators) to advance project ideas
- A safe space for design and experimentation
- A supported process to develop, test, and evaluate social innovation projects (project incubation).

Lab staff invest in local capacity through a cohort model to enable cross-pollination of ideas, build trust, identify leverage points in the system, and lay the foundation for future collaborative action. Each annual cohort is themed based on the emerging work of community partners in concert with opportunities in the ecosystem.



OUR APPROACH

- OUR APPROACH
- IS THIS MODEL RIGHT FOR YOU?



OUR APPROACH

The LEDIab model addresses the desire to innovate within constrained conditions.



We catalyze economic activity

by pairing paid full-time graduate student project coordinators over 8 months with under-resourced organizations



We develop networks by fostering and supporting high trust relationships that lay the foundation for future collaborations



We build capacity for social innovation among local leadership, organizations, and networks through workshops and experiential learning

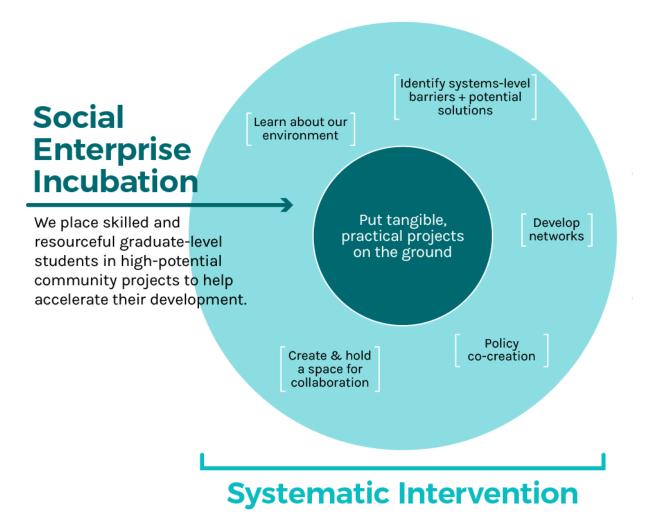


We illuminate complexity by helping collaborators map systems and identify areas with high potential for change

We consistently ask ourselves and our partners, how can we add value? We invest in networks and relationships and are responsive to the needs of the system.

Over time, this approach helps to shift historically siloed groups and lays the foundation for future collaboration and collective action.

OUR APPROACH



- Graduate student project coordinators add capacity to community-led projects and de-risk innovation and collaboration
- Use a cohort model to enable crosspollination of ideas, and identify systemic barriers and leverage points
- Work at multiple scales to align grassroots innovation with government and institutional strategic priorities



IS THIS MODEL RIGHT FOR YOU?

- No one sector, institution, or idea is likely to provide the whole solution to a determined problem on its own
- □ Resources to advance new game-changing ideas are scarce
- There is a rich ecosystem of sometimes disconnected local change agents who would benefit from a coordinated approach
- There is a local university with strong graduate level programs interested in community engagement, social innovation, and community-based scholarship
- The leading partners are committed to an experimental approach to solution-building
- □ The goals of the lab are aligned with (local) government vision

The preconditions listed here may signal if a similar model could be right for you.





PROCESS DESIGN

- TIME-BOUND INITIATIVE
- OVERARCHING LAB PROCESS
- GRADUATE STUDENT COHORT PROGRAM ARC
- WORKSHOPS



TIME-BOUND INITIATIVE

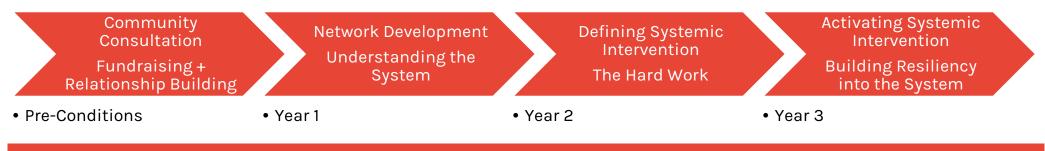
The LEDIab model is time-bound to 3 years. Our intention was to be adaptive and responsive, build local capacity, and then peel back our involvement without significantly institutionalizing ourselves or competing for resources with our partners.

- In part, we designed this model because there are a large number of non-profits operating in the DTES, and we did not want to compete for scarce resources
- The time-bound model creates urgency around working together towards shared outcomes
- The time-bound model makes evaluation more difficult because you are unlikely to see systemic impacts in 3 years, instead we measure early indicators of systemic change (see evaluation section)
- You could choose a longer time period (e.g. 5-7 years) or a continuous lab model



OVERARCHING LAB PROCESS

The LEDIab model includes an overarching 3-year lab process, supported by ongoing learning and Developmental Evaluation.



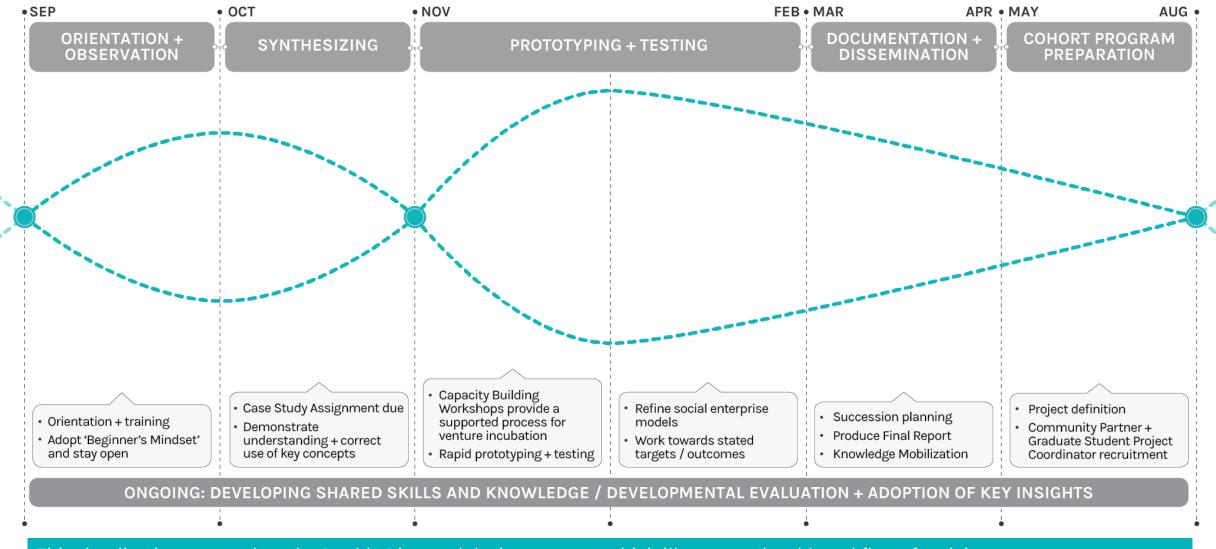
Ongoing Learning + Developmental Evaluation

Within each year, there is an annual cohort of project incubation, placing graduate student project coordinators into community-driven social innovation initiatives. The graduate student cohort program arc is described on the next slide.

Each year the learnings from the annual cohort are used to design the next year of work, in collaboration with community partners.



GRADUATE STUDENT COHORT PROGRAM ARC



This timeline is patterned on the Double Diamond design process, which illustrates the ebb and flow of activity as a program grows and evolves through the stages of Discovery, Definition, Development, and Delivery.

WORKSHOPS

In an ongoing way we offer 3 types of workshops:

Weekly team meetings with project coordinators

Weekly team meetings are used to support graduate students in:

- Learning and skill development
- Reflecting, meaning-making, and documenting key developmental moments
- Providing peer input and supporting each other's work through information sharing, feedback, and teaching from experience

Monthly workshops with project coordinators & community partners

These have included:

- Defining Impact and Strategic Clarity
- Value Proposition Design
- Defining Minimum Viable Product
- Financial Forecasting and Managerial Accounting
- Capital Raising
- Government Relations
- Developmental Evaluation and Impact Measurement

Responsive co-creation workshops with extended network of partners

As needed, in a responsive and emergent way, we convene influencers from across the system around particular projects, challenges, or opportunities.

These have included:

- Strategic planning and co-design workshops for the <u>Urban Core</u> <u>Community Workers Association</u> and the <u>Community Economic Development</u> <u>Strategy Action Committee</u>
- A design workshop for a <u>low barrier</u> <u>income generating hub</u>
- On Income Assistance, Can Work for policy makers and social enterprise employers



FORMING COMMUNITY PARTNERSHIPS

- SELECTING
 COMMUNITY
 PARTNERS
- VALUE PROPOSITION FOR COMMUNITY PARTNERS
- SELECTING PROJECTS



SELECTING COMMUNITY PARTNERS

In order to have longevity, the projects we work with must be led by individuals, groups, or organizations with deep roots in community

Community partners also share our values. As stated in our <u>Request for Relationships</u> document, we look to partner with organizations who:

- Value being able to learn by doing, using an experimental approach to solution-building
- Use strategic partnerships and collaboration to connect and leverage resources around their vision

- Are transparent in their work, embrace vulnerability, and are generous with their knowledge and experience
- Plus, have the capacity to effectively supervise a full-time graduate student project coordinator



VALUE PROPOSITION TO COMMUNITY PARTNERS

What you get

- Full-time (30 hour) project coordinator (graduate student from any discipline, and any university in Canada) paid by LEDlab
- Peer learning community
- Skill development workshop series
- Heightened visibility through LEDlab and partner communications channels
- Student desk space and meeting rooms at our office space
- Project advisors and mentors with diverse technical skillsets
- New networks and relationships

What we expect

- Community partner participation at monthly project incubation workshop series and LEDIab events
- Allow LEDIab to document successes and challenges of scope of work in order to share lessons with others
- The value of participation in the LEDlab program is approximately \$25,000. We ask our Community Partners to contribute a program participation fee of \$500-\$2,500, depending on the organization's means.

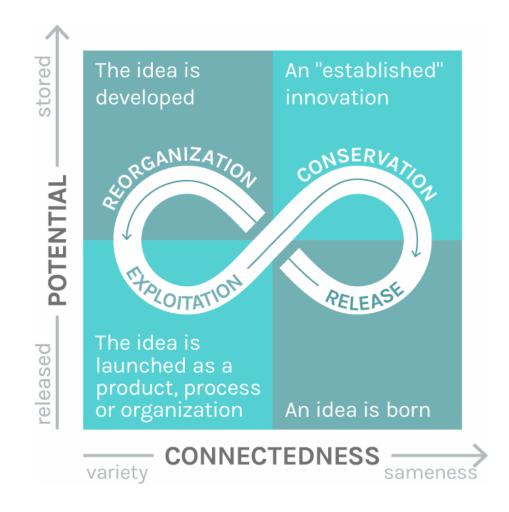


SELECTING PROJECTS

Project preconditions:

- The community partner has a paid staff person who has the capacity to manage a graduate student project coordinator
- The project is in 'start up' stage, rather than 'idea' stage
- Those most affected by the problem are involved in project development and design

<u>Read our blog</u> on choosing our 2016/17 community partners, which includes mapping social innovation projects to the adaptive cycle.³



³ Born, P., & Westley, F. (2009) Innovation and Sustainable Community Change. *Social Innovation Generation Knowledge Hub*. University of Waterloo. Retrieved from https://sig.app.box.com/s/6xeronhbrpjictj19cufjmxja89w0iaf



ENGAGING GRADUATE STUDENTS

- MITACS OVERVIEW
- GRADUATE STUDENT PROJECT COORDINATORS



MITACS OVERVIEW

- <u>Mitacs</u> is a national research internship program. Graduate and postdoctoral students complete 4 to 8-month paid internships, transferring their skills from theory to real-world application.
- Mitacs requires a university to partner with an industry or nonprofit partner
- Mitacs provides matched funding that the partner or their funders have to front
- The LEDIab model leverages a \$400,000 Mitacs Accelerate cluster grant over 3 years to build our core budget for the social innovation lab
- Graduate students provide research and prototyping support (action research) to community-driven projects



GRADUATE STUDENT PROJECT COORDINATORS

Graduate student Project Coordinators are recruited and assigned to a specific project that focuses on problem identification, problem solving and solution-building. Their collective work contributes the overarching 3-year process of the lab, with each subsequent intern placement building on that of those that came before. We hire graduate students who are talented, curious, dynamic, and driven.

We structure these arrangements as follows:

- Graduate student Project Coordinators complete 2 consecutive 4-month internships (8 months total)
- Interns are paid a total of \$10,000 for each internship (\$20,000 total). \$6,000 per internship comes from the industry/non-profit partner (Ecotrust Canada), \$4,000 per internship comes from Mitacs.
- Mitacs pays an additional \$3,333 per student towards administration/project costs
- Funds to graduate students interns flow through university partner

- Administrative funds flow through university partner and are split by the parent organizations
- Each project coordinator is matched with a partner organization with a set of objectives and deliverables. Project management is overseen by the community partner, who also has a role in selecting the student
- We occasionally hire graduate students titled Research Assistants, who conduct more traditional research over a 4-month period.



FUNDING MODEL

- BUDGET BREAKDOWN BY CATEGORY
- BREAKDOWN BY
 SECTOR
- FUNDING SOURCES

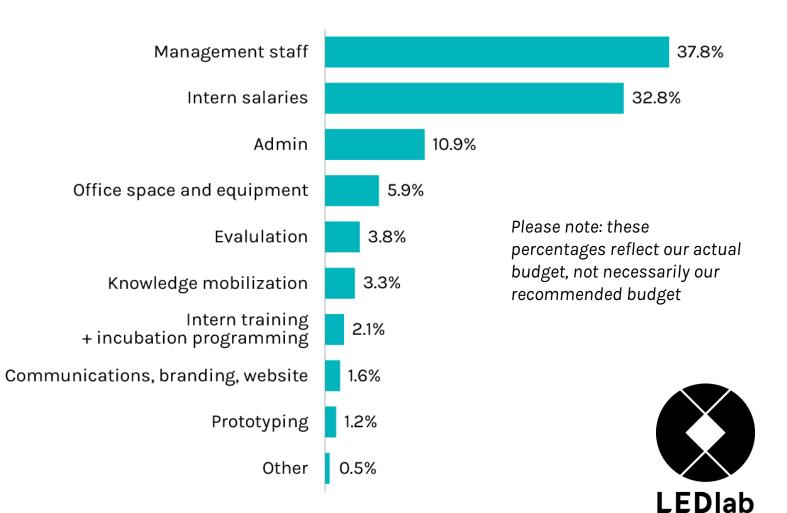


BUDGET BREAKDOWN BY CATEGORY

The total cost of the LEDIab over 3 years is approx. **\$**900,000.

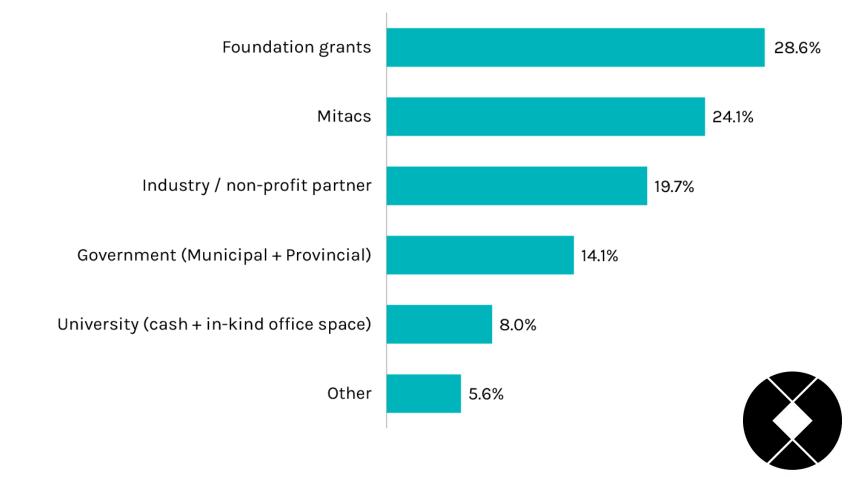
Based on:

- 30 4-month internships
- 1 full-time staff person in Years 1-2 and two full-time staff in Year 3
- In hindsight, we would recommend 2 full-time staff from Year 1



BUDGET BREAKDOWN BY SECTOR

The LEDIab model brings together multiple sectors and multiple sources of funding.



FDlab

FUNDING SOURCES

Annual Funding

LEDIab received an initial 3-year grant provided by the Koerner Family Foundation through Ecotrust Canada which covers graduate student project coordinator costs. <u>Mitacs' Accelerate</u> provided matched funding for graduate student internships.

We received a 3-year grant from the Vancouver Foundation, which covers part of lab staff costs.

We received 3 consecutive years of funding through the City of Vancouver's DTES Capital Grants stream.

Evaluation Funding

Innoweave, an initiative of the J.W. McConnell Family Foundation, provided 3-year funding for Developmental Evaluation.

Other Funding

Grants and awards have also been received from the following sources:

- RECODE Civic Innovation Award
- BC Canada Jobs Grant
- Eastside Community Fund
- SFU Community Engagement Initiative
- SFU Dean's Priority Fund
- Boeing Corporate Citizenship Program

In Kind Contributions

Simon Fraser University's Beedie School of Business provided in kind office space at the Charles Chang Innovation Centre and Faculty supervisory and administrative support

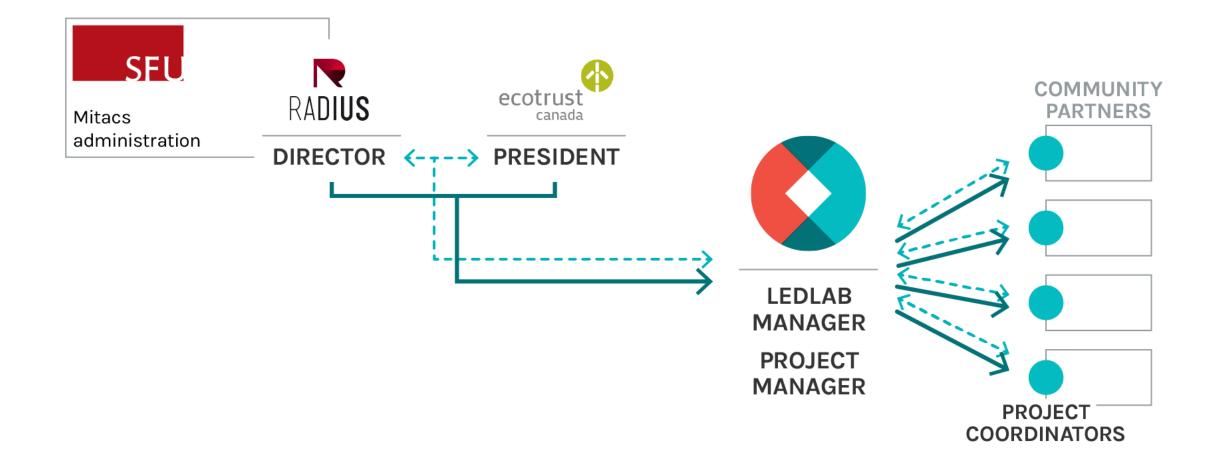


LEDLAB STRUCTURE

- ORGANIZATIONAL
 STRUCTURE
- ACCOUNTABILITY + GOVERNANCE



CURRENT ORGANIZATIONAL STRUCTURE



ACCOUNTABILITY + GOVERNANCE

Work Plan Accountability

- First and foremost LEDIab is accountable to our community partners
- Graduate student project coordinators are accountable to the lab staff and their respective community partners

Governance

- Lab staff report to the directors of parent organizations on strategic direction; parent organizations provide fiduciary oversight
- Parent organizations hold quarterly meetings with lab staff to review organizational, financial, and mission goals

Decision Making

- Lab program focus areas, internship hiring decisions, training, communications and other operational decisions are primarily made by lab staff in consultation with community partners and other local change leaders
- LEDIab strategy is emergent, and informed by the evolving needs of the DTES neighbourhood supported by developmental evaluation





MANAGING INFORMATION

- OVERVIEW
- RESEARCH +
 PUBLICATIONS
- **RESEARCH ETHICS**



OVERVIEW

Being able to successfully work with information from multiple sources and in multiple formats is a core requirement for the lab to succeed. All original research and information generated by the lab is made publicly available via our website, shared in multiple forms and formats, and co-owned by community.

LEDIab created a unique brand (separate from the two parent organizations) and hosts an independent website, which helped to establish a neutral, new player tone.

Externally, <u>our blog</u>, <u>website</u> and <u>newsletter</u> are the primary communications channels for LEDlab

Internally, our developmental evaluation process supports information management and strategic learning.

RESEARCH + PUBLICATIONS

- Most research conducted via the lab is action-research focused on problem identification and solution-building; we hire students who are in disciplines such as urban planning, business, and international development
- We have conducted two public policy research projects with community partners
- Additionally, some of our graduate student project coordinators conduct their independent academic research based on the work of the lab
- All research conducted via the lab are posted to our website
- We have not published any academic literature on our work to date, but we continue to explore connections and are eager to learn about new potential research partnerships



RESEARCH ETHICS

Mitacs Accelerate Canada requires that all projects attain University Research Ethics Approval.

- LEDIab has an overarching Minimal Risk Approval, which allows us to consult and engage in interviews and focus groups with DTES community and organizational leaders within their professional contexts.
- With individual community residents, we recruit only through established organizational partners where there is a pre-existing relationship of trust and respect.
- Biweekly developmental evaluation forms

are completed by graduate student project coordinators and lab staff. This information has ethics approval and may be used in future academic publications.

 Students who seek to publish research based on their experience and data collected during their work with the lab seek additional Office of Research Ethics approval, which we connect to our overarching application with an amendment request.





EVALUATION

- OUTCOMES
- DEVELOPMENTAL
 EVALUATION
- PROJECT EVALUATION FRAMEWORK
- EVALUATING SYSTEMS CHANGE



OUTCOMES

Over 3 years, we expect to see the following outcomes:

Community

- Catalyze new economic activity that benefits the local low-income community
- Equip local individuals, organizations, and networks with the tools and agency to advance future ideas on their own
- Establish stronger networks and opportunities for collaboration and coordination amongst inner city stakeholders, in particular towards systemic change

University

• Help SFU to continue to improve its understanding of how to engage as social innovation problem solving partner in its communities

Students

 Develop graduate student talent for social innovation in Canada through 30 living wage, full-time 4-month internships; <u>learning objectives are available on our</u> <u>website</u>



DEVELOPMENTAL EVALUATION

Developmental Evaluation (DE) is an evaluation approach well suited to an initiative such as the Local Economic Development Lab.

When working with complex emergent projects with a goal of social innovation, it can be very challenging to use traditional evaluation methods that expect a defined strategy and goals.

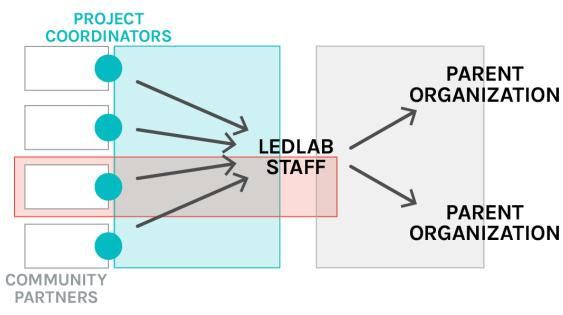
DE focuses on project developments and key pivot points within the project to surface learning for the project team.

- Graduate students and lab staff are responsible for submitting a DE report every two weeks focused on answering the questions:
 - What? (describing what is happening)
 - So What? (implications and learning)
 - Now What? (how to operationalize learning)
- Ongoing strategic learning informs evolution of theory of change, program development and strategic priorities
- Bi-weekly DE Reports are used as a management and strategic learning tool throughout the organization

Bi-weekly DE Reports are used as a management and strategic learning tool throughout the organization.

Graduate student project coordinators complete DE reports every two weeks and send to lab staff and their community partner. Lab staff complete DE reports every two weeks and send to parent organizations.

DE Reports support monthly meetings with lab staff, community partners and project coordinators re: project strategy



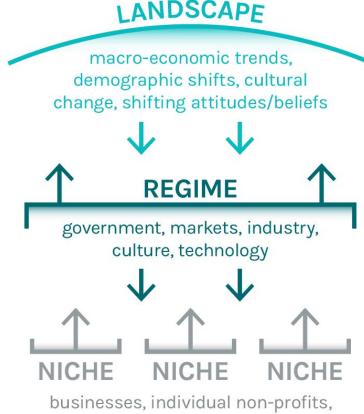
DE Reports support quarterly partner meetings between parent organizations and lab staff re: fiduciary oversight and high level strategic direction



DE Reports support monthly coaching meetings between lab staff and project coordinators re: personal development and growth for graduate students

EVALUATING SYSTEMS CHANGE

- In addition to program evaluation, we want to track how we are impacting systems
- Evaluating impact at levels of:
 - Niche What is the impact of project level innovations?
 - Regime What impact are we having on policy, regulation and institutional change?
 - Landscape How are we influencing broader social and cultural change? What is the impact of political and economic shifts on the LEDlab?⁴
- Part of ongoing PhD research in partnership with UBC⁵



grassroots community initiatives

⁴ Geels, F. W., & Schot, J. (2007). Typology of sociotechnical transition pathways. Research Policy, 36(3), 399–417.
 ⁵ Williams, S. (2016). The Splash and the Ripples: Evaluating Societal Impact of Social Innovation Labs Processes. University of British Columbia.

PROJECT EVALUATION FRAMEWORK

We use a developmental evaluation framework to help us to collect data on project outcomes, and inform, update and revise our impact metrics.

Every lab will have to define their own indicators and metrics according to their goals and focus. As an example, we present below the indicators LEDIab is currently tracking.

Niche

- Total income earned by target population over 8 months
- Hours of capacity building workshops delivered to community organizations and graduate students
- Instances of organizational learning (e.g. idea exchanges, new knowledge or vocabulary, new technology skills, new communication skills, consensus building, decision-making processes

Landscape

- Shifts in public narrative
- LEDIab adaptations to changes in landscape

Regime

- Number of networks strengthened and extended (E.g. collaborative grant application, strategic partnerships, MoUs, space sharing)
- Instances of cross-sector collaboration (business, non-profit, public, academic, foundations)
- Instances of structural socio-economic changes (E..g Policies/laws passed, new public discourse, infrastructure changes)
- Instances of structural organizational changes (e.g. shifts in roles/responsibilities, new jobs, new business models, shifts in collective purpose/vision)



KEY LEARNINGS

- WHAT WORKED?
- WHAT COULD BE IMPROVED?
- SUMMARY OF KEY LEARNINGS



WHAT WORKED?

The Model Worked!

• We are proud of the 8 social ventures we have helped to launch or scale to date and our research and system mapping work is influencing policy and collective action

Work at Multiple Scales

 Worked at multiple scales to understand different perspectives (priorities, constraints) of actors within the system

Interdisciplinary and Inter-institutional

• Recruited grad students from multiple schools and multiple departments leading to interdisciplinary teams and larger talent pool

Network Weaving

- Cohort-based model to build trust, and enhance cross-pollination of good ideas
- Embedded into existing networks and community planning processes, instead of building a parallel (and inherently exclusive process)
- 40% of lab staff time is spent maintaining relationships and supporting networks
- System mapping through research, story, data visualization to help the network see itself

WHAT COULD BE IMPROVED?

Organizational Structure

- Sharing administrative costs: Invest time up front in understanding the budgeting and program management processes of parent organizations and be clear about full cost of support staff and overhead.
- Sharing lab staff: Invest time up front in scenario planning possible challenges e.g professional development pathways for lab staff, how to capture value of lab including intellectual capital and relationships.

Academic Research Support

- Aligning with senior faculty research interests: Ensure there is alignment between publication interests of university and senior faculty researcher. Perhaps conducting internal consultation at the front end.
- A dedicated Research Coordinator might support evaluation, learning, writing and publications for the length of the program, as well as cultivating research and classroom partnerships across the university.

SUMMARY OF KEY LEARNINGS

- **Program design** should reflect the opportunity and problem context
- Time-bound initiative creates impetus for action and trying something new, and forces lab to stay committed to emergence
- Graduate student project coordinators add capacity to community-led projects and de-risk innovation and collaboration
- Use a **cohort model** to enable crosspollination of ideas, identify systemic barriers and leverage points

- Alignment with local government can accelerate implementation
- Developing networks outside of core partners is important for bringing in new ideas and bridging influencers from across the system
- Work at the levels of niche, regime, landscape to help the system to see itself and identify opportunities for grassroots innovation to align with government and institutional strategic priorities



ADDITIONAL RESOURCES

Visit our website for more information LEDIab.ca

Sign up for the LEDlab Newsletter LEDlab.ca/newsletter

We welcome feedback on the LEDlab Field Book. Please send suggestions to **info@ledlab.ca**.

