Community Capitals: A Tool for Evaluating

Strategic Interventions and Projects

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To understand how communities function, Flora and Flora (2004) developed the Community Capitals framework. Based on their analyses of entrepreneurial communities, they determined that the communities that were successful in supporting healthy sustainable community and economic development (CED) paid attention to seven types of capital: natural, cultural, human, social, political, financial and built. Beyond identifying the capitals and their role in community economic development, this approach focuses on the interaction among these seven capitals and how they build upon one another.

This framework is used not only as a tool for analysis, but also as a way to assist project managers in identifying key boundary partners. By identifying which agencies or organizations link to each of the community capitals, project managers can determine which organizations with which to partner. Once partners are identified, the framework can then be employed to determine what each partner may need to do in order for the partnership to be successful.

Using the Community Capitals framework, project managers and evaluators can trace how an investment in human capital, for example leadership training, might impact financial capital as leaders use their skills to acquire new funds and better manage existing funds. Social capital may then be impacted as members of the leadership program develop new bonds among themselves and new bridges among the groups with whom they interact. The same leadership course might consequently expand political capital by providing information about how the political system works and how to access resources within the community; it could also help participants develop key linkages to other sources of political power.

Finally, the interaction with representatives from different community groups may expand the cultural capital in the community as people learn to value the voices and heritages of others.

The Community Capitals model has become an invaluable tool in the North Central Regional Center for Rural Development's work with the National Rural Funders' Collaborative.

This framework helps project staff and funders better understand the strategic nature of the funded programs and their impact on reducing poverty, creating wealth, supporting family self-sufficiency, and expanding local leadership. NCRCRD's research focus with the Benedum Foundation addresses the question: Is CED possible in rural communities with populations less than 10,000 people? By measuring the investments in each of the capitals and the changes resulting from that investment, the framework provides a means by which researchers begin to understand the impact of CED on rural people and places.



COMMUNITY CAPITALS

Context

Pre-existing conditions and structures

Community Characteristics— Impetus for Community Economic Development (CED) Efforts

Natural Capital:

Air quality, land, water and water quality, natural resources, biodiversity, scenery

Cultural Capital:

Values, heritage recognition and celebration

Human Capital:

Population, education, skills, health, creativity, youth, diverse groups

Social Capital:

Trust, norms of reciprocity, network structure, group membership, cooperation, common vision and goals, leadership, depersonalization of politics, acceptance of alternative views, diverse representation

Political Capital:

Level of community organization through the use of government; ability of government to garner resources for the community

Financial Capital:

Tax burden/savings, state and federal tax monies, philanthropic donations, grants, contracts, regulatory exemption, investments, reallocation, loans, poverty rates

Built Capital:

Housing, transportation infrastructure, telecommunications infrastructure and hardware, utilities, buildings

Process

Actions, investments, intervention

CED Investments in Seven Capitals to Change Community Characteristics

- *What:* CED projects focus on strengthening capitals
- *Who:* Actors (groups involved)
- *How:* Actions to address CED
- *When:* Year effort initiated; duration of CED effort

Natural Capital Investments:

Preserving, restoring, enhancing, conserving environmental features in the CED effort

Cultural Capital Investments:

Sharing cultural identities (heritage, history, ethnicity, etc.) to drive CED effort

Human Capital investments: Work expertise contributed to CED effort

Social Capital investments:

Risks taken to express differences of opinion on CED issues; organizations involved in CED effort; involving youth in CED; public participation/input in CED effort; organizational link with non-local involvement; actions linking community to the outside; local and non-local organizations involved in CED effort; organizational representative on CED decision-making board; number of different groups on CED board

Political Capital Investments:

Relationship presence and nature of relationship between CED board and local, county, state, federal, tribal, regional governments

Financial Capital Investments:

Type of materials contributed to CED effort; presence and sources of both local and external financial support; mechanisms used for leveraging financial support

Built Capital Investments Infrastructure used for CED effort

Outputs and Outcomes Results of Actions

Positive Changes in Community Characteristics

Changes in Natural Capital:

Indicator: Healthy ecosystems with multiple community benefits

Measures: Landscape, scenery, outdoor recreation opportunities, soils, air quality, water quality, wildlife, vegetation preserved, conserved or restored; land development policies adopted

Changes in Cultural Capital:

Indicator: Cultural consciousness

Measure: New community festivals

Changes in Human Capital:

Indicators: Increased use of the skills and abilities of local people (critical thinking, innovation, problem solving); increased initiative, responsibility and innovation

Measures: New skills acquired, new training programs established; health care improved; childcare improved; youth and adult education improved; workforce improved; community population and median age changes post-CED effort

Changes in Social Capital:

Indicators: Increased networks, communication, cooperation, trust

Measures: New groups involved and partners in CED; new groups formed from CED effort; more community cooperation; increased local and non-local participation; local strategic plan formed; new leaders; more effective leaders

Changes in Political Capital:

Indicator: Increased ability to secure resources for the community through elected officials Measures: New community and government connections at various levels

Changes in Financial Capital:

Indicator: Appropriately diverse and vital economies

Measures: New financial instruments established, new bond issues passed; outside funding obtained to improve infrastructure and business development; poverty reduction

Changes in Built Capital:

Indicator: Appropriately diverse and vital economies

Infrastructure improved and strengthened (including telecommunications, education facilities; government buildings; community buildings; transportation; business district; health care facilities; industrial park; indoor rec facilities; cultural facilities; housing; churches; city services; energy services, etc.)