What works well for innovative service providers and the voluntary sector

Rural and small town places are experiencing an accelerating pace of change. Yet, as residents are coping with economic and social restructuring, the foundation of services to help them cope with transition and build towards revitalization is being withdrawn. This withdrawal of services only intensifies household stress, something which may exacerbate service needs and out-migration. Many of these places will have to explore new options for service delivery.

Economic transition needs to include recognition of the social economy's contribution to innovative and adaptive local economies that are flexible and responsive to the rapid pace of change that now characterizes globalization. Within this context, voluntary organizations and innovative service providers are two ways for rural and small town places to move forward in the transition to a new economy. These groups are exploring cooperation between services, clustering of services, and new public-private-volunteer partnerships. In the summer of 2003, researchers visited 4 sites to conduct a total of 40 interviews with key service providers and

voluntary organizations as part of the "Building Rural Capacity in the New Economy" project. These sites included Mackenzie, B.C., Wood River, Saskatchewan, Tweed, Ontario, and Springhill, Nova Scotia.



A key research finding is that organizational structures are important for facilitating communication, decision-making, and fundraising. A board of directors can play an important role in organizational operations. For example, board members may be able to access diverse sources of information and reduce uncertainty by developing

relationships with external organizations. Boards of directors or advisory groups with appropriate community representation are also encouraged by many funding agencies. When looking at all 4 Sites, 68% of the surveyed organizations had a board of directors.

In confronting the challenges and service needs associated with local change, most of the innovative service providers and voluntary organizations we spoke with felt that their organization provided an important contribution to community well-being. Overall, 62% of the organizations in our study focused their services within their community and the surrounding area, although 30% of the organizations provided services widely beyond their own community. The geographical reach of services can have important implications

for the range of services that can be provided.

Many organizations have responded to the challenges facing their organization by developing a series of local and external partnerships. These new working relationships have enabled groups to deliver services that otherwise might not be possible. In all 4 Sites, responses showed that

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partnerships with other voluntary groups, businesses, institutions, or government departments, both within and outside the community, were important. Overall, 63% of the organizations noted that they had partnerships within their community, while 68% noted partnerships outside of the community. Many of these organizations not only had volunteers and paid staff, but also a board of directors, which may have provided these organizations with additional contacts upon which to develop networks.

With funding cutbacks through the 1980s and 1990s, governments moved towards strategic partnerships with voluntary organizations and service providers. Groups were encouraged to develop partnerships to demonstrate that they were showing initiative and proposing activities that had appeal in the larger community. The organizations we spoke with that had local or external partnerships were more likely to have a range of private funding resources. In particular, only groups with partnerships seemed able to access corporate funding support. Organizations that did not have partnerships were more



likely to rely on revenue from the services they provided or from membership fees.

Findings also indicate that the organizations we spoke with that had local or external partnerships were more likely to obtain funding from government grants and programs. In general, these groups were also more likely to have both partnerships and access to private funding sources. Organizations with a board of directors were also more likely to receive provincial government grants, as well as funding from federal and provincial programs. As such, the support provided from a board of directors may impact the capacity of an organization to successfully pursue funding.

In providing for local needs, innovative service providers and voluntary organizations confront problems that require multiple services, coordination, public support, and varieties of strategies. Such responses may be beyond the capacity of individual organizations, especially when those organizations are also confronting government cutbacks and declining human resources. In such circumstances, partnerships may be particularly critical for obtaining sufficient financial and human resources to ensure the successful delivery of these services over time.

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