

**EVALUATION OF THE
ECONOMIC AND SOCIAL IMPACTS
OF THE KATIMAVIK PROGRAM**

*Final Report
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To Katimavik-OPCAN Inc.

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1 EXECUTIVE SUMMARY

Étude Économique Conseil has been mandated by the Katimavik-OPCAN organisation to assess the social and economic impacts of the Katimavik program on its participants and community partners, in particular, as well as on the Canadian economy as a whole.

The Katimavik program aims to provide Canadian youth participants with a rare learning experience through volunteer work in communities located all over the country. Over the seven-month course of their experience, participants are stationed in three different regions of the country, immersed in a range of community related projects in which they assist not-for-profit organisations in need of volunteer help.

The major objectives of the Katimavik program are to provide a valuable personal, social and developmental experience to its participants as well as to promote community service. It is with both of these objectives in mind that the relevant impacts to be measured in this study were identified.

The fundamental approach of the assessment will be to discern how the program generates additional value which would not have existed in the absence of the program.

A key methodological consideration was therefore finding ways to measure this *value* on all parties involved in the program. In areas where economic impact can be directly observed, such as on the activities of community organisations or on various parts of the economy, the challenge simply consists of finding reliable data and relevant benchmarks to undertake the analysis.

However, in areas where economic impact cannot be so directly or immediately detected, such as gaining self-assuredness or learning a new skill, other methods of measurement are necessary. EEC Canada decided to measure such social and economic value in terms of their ability to assist participants make better career choices (thereby wasting less time) as well as by providing a personal and professional environment where participants can acquire skills and abilities that ultimately increase their employability.

1.1 SUMMARY OF IMPACTS

It was found that the Katimavik program generated significant economic outcomes for participants and community partners.

This Global impact can be summarized as follows:

- Amount saved with participants making the right choice: \$2,674,000;
- Amount saved from participants' increased employability: \$1,388,000;
- Program impact on Canadian economy: \$13,200,000;

Total economic impact: \$17,262,000.

Cost of the Katimavik program: \$11,600,000.

Net impact: \$5,662,000.

Net impact as % of total budget: 49%.

On a per participant basis, this impact works out to:

- Amount saved in participants making the right choice: \$3,095;
- Amount saved from participants' increased employability: \$1,606;
- Program impact on Canadian economy: \$14,442;

Total economic impact: \$22,238.

Cost of the Katimavik program: \$13,426.

Net impact: \$8,812.

1.2 IMPACT ON PARTICIPANTS

The social and economic impacts of the Katimavik program on participants covered the following categories: impact on youth activity, impact on career planning, acquisition of professional skills, acquisition of budgeting skills, knowledge of a second language, knowledge of Canadian geography, acquisition of social qualities and skills, community involvement and the environment, eating habits and physical activity. Finally, participant's satisfaction with various aspects of the Katimavik Program was also considered.

➤ *Impact on Youth Activity and Career Planning*

It was found that participant activities (i.e. studies, work, travel, etc.) a few years after the program correspond almost identically to their intentions prior to the program. After the program, many participants who would have gone to school had they not participated decided to prolong their time away from school in order to work, travel or even participate in another exchange program prior to going back.

Sixty-four percent of participants and 57% of applicants (those who applied but did not participate) claimed not to have a clear idea of their career path at the time of their application. For them, Katimavik is perceived as a temporary break from traditional paths during which they may experience something useful while reflecting upon a future direction.

The youth participating in the program have a greater probability of choosing, or otherwise altering, their career path (type of school program, type of job, etc.) than a youth not participating in the program. Indeed, 67% of participants claimed that the Katimavik experience altered their career plans; while only 14% of applicants claimed that they either chose a job career or experienced a change in job career aspirations during the year they would have been in the program.

➤ *Acquisition of Professional Skills*

The program has a very strong impact on the acquisition of important professional skills. Indeed, while over 50% of participants rated their leadership, work experience, conflict management, team work and communication skills as "poor" to "fair" prior to the program, the same percentage rated those very categories as "good" to "very good" following the program.

With the acquisition of such key professional skills, participants felt that they were more "employable" following the program than before. Indeed, past participants overwhelmingly perceived themselves to be more employable thanks to the Katimavik program, 95%, compared to 5% who didn't.

➤ *Acquisition of Budgeting Skills Social Impacts*

Almost all participants declared that they acquired at least some budgeting skills as a direct result of the program. Furthermore, with 74% of participants claiming their budgeting skills to be “good” to “very good” after the program, compared to only 32% before, it would seem that the extent of the budgeting skills acquired through the program are not negligible.

➤ *Knowledge of Second Language*

Fifty-seven percent of participants improved their second language skills “significantly” or “very significantly” over the program period; despite the fact that only 45% of them actually had that intention prior to their participation. In contrast, despite their good intentions, only 29% of applicants felt that their language ability improved either “significantly” or “very significantly” – the remaining 71% felt that their language ability improved either “insignificantly” or was merely “noticeable”.

Furthermore, approximately twice as many participants had an opportunity to use their second language “often” or “very often” after the program than have applicants.

➤ *Knowledge of Canada*

Given their close contact with people from across Canada within the volunteer group, as well as having the opportunity to visit and inhabit various areas of the country, **participants demonstrated a greater increase in knowledge of Canadian geography and culture than did applicants.** Indeed, 90% of participants expressed a “good” to “very good” knowledge of the country, as compared to only 27% only one year previous.

➤ *Acquisition of Social Qualities and Skills*

The program was found to have a high impact on the following social facets: confidence, communication skills, self-assuredness, inter-personal skills and cooperation.

The program’s positive impact on confidence levels has repercussions on other socio-economic aspects of the lives of the participants – from the ability to take on responsibility, communicate with others to setting a career path and getting a job.

➤ *Community Involvement and the Environment*

More participants were prone to practice the 3R's (Reduce-Reuse-Recycle) after the program than before. Indeed, 92% of participants claimed to practice the 3R's, as opposed to only 74% before.

➤ *Eating Habits and Physical Activity*

Close to two thirds of respondents who expressed an improvement in the nutritional eating habits immediately and a few years after the program claimed they were due directly to the program. Similarly, 43% of those who expressed an increase in physical activity claimed it was a result of the program as well.

➤ *Satisfaction with the Katimavik Program*

The overall level of satisfaction of past participants for the program was overwhelming. Seventy-nine percent expressing high satisfaction with the opportunity to visit various regions of the country; 74% claiming to be highly satisfied with their group living experience; while 68% and 66% expressed the utmost satisfaction concerning the program's duration as well as with the skills that they obtained through the program, respectively.

Approximately 10% of participants felt their workload was unsatisfactory (too much or too little) while the overwhelming majority were either satisfied (55%) or very satisfied (34%) with the amount of work assigned.

To establish the economic value of the above portrait, two underlying elements served as economic generating activities:

- I. The value of not having wasted time in school by participating in the Katimavik program. Then returning to school a few years after in a school program that corresponds to your career path. Or, the value of making the right choice.
 - This was valued at: \$2,674,000; or \$3,095 per participant.
- II. The value of being more employable, and thus, less likely to be unemployed. Or, the value of not being unemployed.
 - This was valued at: \$1,388,000; or \$1,606 per participant.

1.3 IMPACT ON COMMUNITY PARTNERS

For the community organisations, measuring the impacts of the Katimavik program involved assessing any additional value brought to the organisation or the community that would not have otherwise occurred without Katimavik's involvement.

➤ *Profile of Community Organisations*

The findings indicate that the predominance, or 92%, of community organisations are service-oriented in nature

Almost half (49%) of all the community organisations included in this survey fund their operations via some form of sales, in addition to receiving outside assistance. This is followed closely with 40% of organisations deriving their funding solely from an exterior source, either public or private.

Over half of the community organisations who participated in the Katimavik program rely primarily on paid personnel, while 34% of organisations utilise both paid and unpaid employees. Only 15% of organisations stated that volunteers provided their primary source of labour. Nevertheless, it is noteworthy that almost half of community organisations depend on some level of volunteer assistance to achieve their goals.

Eighty-eight percent of projects were already in existence prior to any Katimavik involvement.

➤ *Impact on Productivity and Product Quality*

Seventy percent of organisations said that the participation of Katimavik volunteers led to an increase in their overall level (quantity) of productivity. Moreover, while not all participants contributed to *quantitative* increases in project outputs, **92% of organisations felt that their participation nonetheless elevated their project's quality.**

➤ *Duration of Contribution*

Sixty percent of community organisations' surveyed felt that the Katimavik participants' contribution extended beyond the actual time they were present helping out. It is notable that, despite the fact that many of the organisations involved have service-based projects, they still felt the participants' input endured past their departure.

➤ *Impact on Project Goals*

Sixty-eight percent of organisations felt that their project's goals were either 'Successfully' or 'Very Successfully' reached with the participants' assistance. Correspondingly, 21% of organisations thought the participants had been 'Reasonably Successful' in realising their project's aspirations. In contrast, only 2% of organisations deemed their projects a failure.

➤ *Experience with Katimavik*

Eighty-two percent of the community organisations surveyed declared that their experience working with Katimavik participants had been 'Positive' to 'Very Positive'.

➤ *Appreciation of Katimavik and Areas of Improvement*

Ninety-one percent of organisations said that, based on their experience, they would recommend the Katimavik organisation to others.

Eighty-seven percent of organisations stated that they would utilise Katimavik participants again themselves, given the opportunity.

Interestingly, in terms of potential improvements, only 37% of organisations felt that their experience could have been enhanced due to improvements in their own organisations' project management, while just over half (53%) of organisations thought that the Katimavik organisation could stand to make some improvements in their program operations with a more rigorous screening procedure during the application process.

1.4 CREATIVE-LABOUR COMPARISON

A primary intention of EEC Canada throughout the study was to test whether a correlation, or some other sort of connection, could be made between the nature of the work projects and the level of impact that they had on both groups.

As such, the hypothesis put forward is that projects involving more creative characteristics have a greater impact than those that do not. For the sake of testing this hypothesis, participants responding to the survey were delineated into two distinct groups according to the nature of the program activities in which they participated. Those who participated in at least one project that called upon their creativity was considered to be in the "Creative group" while those participants who did not, were considered to be in the "Labour group".

➤ The results from the creative-labour analysis revealed:

Over 30% more of those who participated in Creative projects were to be found in school than those who participated in Labour projects. This finding would seem to indicate that working on more challenging projects has an impact on the choices made by volunteers with respect to the pursuit of their education once out of the program.

Thirty-four percent of volunteers participating in the Creative group stated that their Katimavik experience had a direct impact on their eventual choice of career plan. In comparison, only 20% of Labour participants felt the same way. This seems to indicate that there greater probability (based on this survey, over 70%) that volunteers exposed to intellectual and social challenging projects will develop a career plan directly as a result of the program than do volunteers exposed to less challenging and more repetitive projects – a significant difference.

Ninety percent of the Creative group expressed a very high level of satisfaction with respect to the workload associated with the program. In contrast, 66% of the Labour group expressed satisfaction. Such a difference in response can be interpreted by the fact that the more stimulating and challenging the work environment; the less one tends to complain about the workload.

1.5 IMPACT OF KATIMAVIK

Measuring the economic impact of the Katimavik program on the Canadian economy involves putting value on the impacts already identified on past participants as well as on the impacts identified on community organisations. Finally, this value will be added to the value added by the collective activities of participants to community organisations over the course of the program.

Value added represents the total economic value generated by both human and capital resources of a given industry on the economy. This approach to assessing economic impact goes far beyond simply estimating the sum of the salaries that the volunteers would have earned had they been remunerated for their efforts. The added value approach has the advantage of not only estimating the value of their remuneration, but of the value of their *activities* as well.

A starting point in determining the added value of Katimavik volunteers on the industries in which they worked is to consider the added value per worker in those very same industries. To do so, we must draw on two factors – the respective contribution to the gross national product of each industry and the total number of workers that they employ.

However, it would be mistaken to assume that a Katimavik volunteer working on a community health care project would generate the same added value as a trained professional employee with ten years experience. It is therefore necessary to adjust industry added value levels accordingly.

The basis for EEC Canada's industry adjustments were made according to information revealed by community organisations at a project level as well as information gathered from Statistics Canada on industry output and employment structure, public expenditures on education, household expenditures on tuition, and youth unemployment.

EEC Canada's experience with the types of organisations and industries Katimavik programs involve, coupled with the types of responses provided by the community organisations with respect to the perceived impact the program had on their productivity, permitted us to establish three scenarios (low/medium/high impact) with respect to economic impact. The scenarios represent the proportion of the daily added value of trained professional worker a Katimavik volunteer can achieve.

The assessment reveals that the annual global economic impact on communities for the year 2001 ranges from \$7.3 million, according to the low impact scenario, to \$13.2 million, if we consider the high impact scenario. Based on our evaluation of the program, along with responses provided by community organisations regarding the impact of the volunteers on their respective activities, it is the position of EEC Canada that the real impact is probably closer to the high impact scenario than it is the low one.

1.6 IMPLICATIONS FOR FUTURE PROGRAMMING

Through the present impact assessment, it has come to light that certain Katimavik projects, such as those in the information and cultural industries, as well as those in public administration have a greater economic impact than those in the other industries – such as arts, entertainment and recreation, health care and social assistance, educational services and waste management and remediation services. This is due to the internal dynamics of the respective industries; and as such, has little or nothing to do with the Katimavik program itself.

Consequently, EEC Canada suggests that Katimavik could adopt a “portfolio” approach to its programming. Some activities could be undertaken for the social and economic benefits that they bring to volunteers and/or particular populations, while others could be undertaken for the high levels of economic impact normally associated with their respective industries. If Katimavik is able to strike such a balance – and all indications seem to point to the fact that they are, indeed, not very far off – then one can say that they have managed to maximise their overall impact, given the limited resources at their disposition.

The following recommendations were outlined for a more effective, ongoing assessment process in the future:

- The inclusion of the names of the projects worked on by each participant in their electronic database as well as to include some details pertaining to the nature of the work undertaken.
- The administration of questionnaires (such as the ones used in the course of the present study) to participants and community partners before, immediately after and a few years after the program. In addition, the same questionnaire for all three time periods should be used in order to facilitate the comparison of the responses.
- The incorporation of questions specifically designed by industrial psychologists, in addition to questions employed in the current study, which call upon a less subjective diagnosis.

Although these recommendations encouraging Katimavik to develop an ongoing feedback, and social and economic impact assessment process represent initial set up costs, EEC Canada maintains that the medium to long term benefits associated with such a process make the enterprise worthwhile. Indeed, once in place, an ongoing assessment process is relatively cost efficient, including the following benefits:

- A continuous flow of information from participants and community partners will enable Katimavik to make iterative adjustments on an ongoing basis, which in turn will assist them in increasing their overall impact.
- An ongoing impact assessment process would enable Katimavik to receive a continuous flow of feedback from participants and community partners at different stages of their association with Katimavik.