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COMMON  
GOOD  
SOLUTIONS

**SOCIAL  
IMPACT:  
MISSION  
CRITICAL**

**The Impact Report**

2023

## EXECUTIVE SUMMARY

# SOCIAL IMPACT: MISSION CRITICAL

Social Purpose Organizations (SPOs) are **the organizations working to tackle some of society's most vexing problems**—poverty, homelessness, hunger, and much else—at a grassroots and systemic level.

This work is important, and difficult. And it is made all the more difficult in Atlantic Canada because **SPOs face an array of challenges** in how they go about getting their work done.

Over the past year, Common Good Solutions has dug into the social impact sector in Atlantic Canada, collecting the input of **more than 220 stakeholders from more than 90 SPOs** to gauge the state of the social impact ecosystem in Atlantic Canada.

We sought to understand **what is working and not working for SPOs**. We sought to understand **how they are dealing with tectonic shifts** in the post-pandemic worlds of work, the economy, and

the growing imperative towards meaningful equity, diversity, and inclusion. **We sought to understand the outsized roles SPOs play in the region, and their communities, and how they might be better supported.**

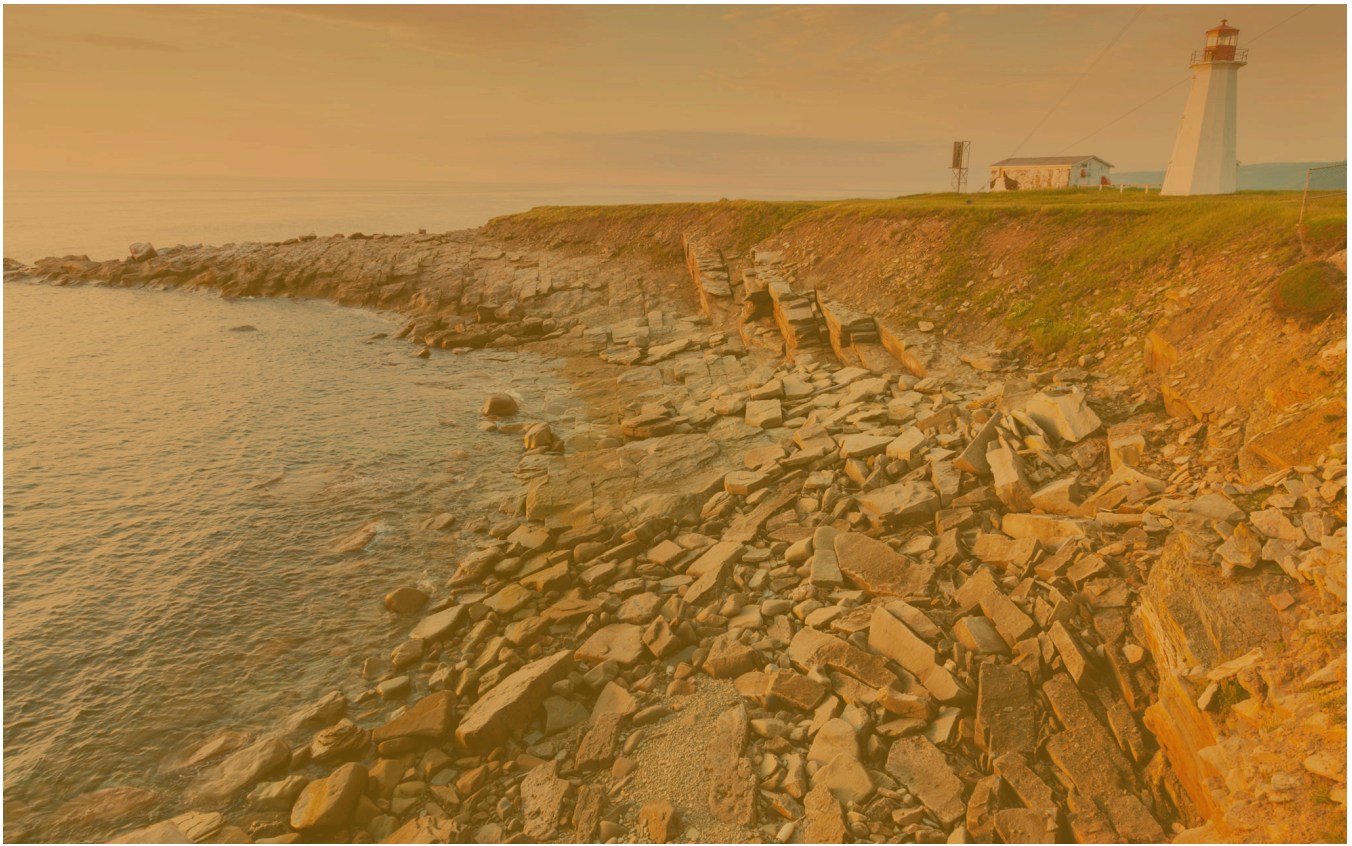
Again and again, we heard the same thing: **SPOs of all shapes, sizes, and missions struggle to find the resources and capacity to do their work.** They are, almost without exception, strapped for cash, struggling to find the right people, ideas, and know-how, and laden with administrivia.

Through this assessment, it has become clear that **investments in coordination, capacity, access, knowledge, and a new approach to finance are mission-critical** for SPOs to succeed in their work of making our communities better places to live for everyone.

## Strategic Recommendations

# 4 ways to transform the Atlantic Canadian Social Impact Ecosystem

- 1 Invest in a regional impact ecosystem builder** to convene, coordinate, and create the capacity necessary to develop the impact ecosystem.
- 2 Build new competencies** in organizations through start-up, incubation, and acceleration of impact initiatives to meet current and future opportunities.
- 3 Strengthen data, evaluation and impact measurement** among existing and emerging impact organizations and companies.
- 4 Start an Impact Atlantic Investment Fund.**



## THE FUTURE

# THE POTENTIAL OF SOCIAL FINANCE IN ATLANTIC CANADA



BY CHELSEY MACNEIL, PRESIDENT,  
COMMON GOOD SOLUTIONS

I believe that people can and do make a difference in the lives of their communities. I believe that people are the experts in their own challenges and therefore should be the architects of the solutions. And I believe that Atlantic Canadians are mobilized and ready to create a generative, democratic, and Atlantic Canadian social finance ecosystem.

A whopping \$755 million will be deployed in the next ten years into social impact activities. An opportunity to move the dial on complex challenges, getting capital to where it needs to be to catalyze change. But who will access it if those on the ground, making the change (and dealing with the current crisis) are drowning in the capacity crunch of under-resourced and over-extended social purpose organizations? Are we really investing in new solutions? And if they are not part of the design, are we going to blame them if the solution (social finance) doesn't work?

In Atlantic Canada, the persistent language of “have” and “have not” labels have unfairly dominated our thinking. We are often told there “isn't enough” of something to make it worth doing. I disagree. Once we can shake off this “less than” and recognize that we are enough. Our power is not determined by population or GDP. Our power is more than that. We just need to start believing it.

This power emerges when we work together, strategically aligned. Atlantic Canada isn't a passive observer in the national discourse on social innovation and social finance—it's leading the way. It is critical that we assert ourselves, amplify our voices, and unite to shape what social finance and social innovation looks like in our region.

We traveled across the four provinces this past year and underscored a common thread: there is unrecognized leadership, courage, and resilience that fuels Atlantic Canadian communities. These individuals are confronting pressing issues head on—such as poverty, inequality, and climate change—while simultaneously invigorating local economies, with little resources and mounting constraints. This is the moment where we need to build our own ecosystem. Understand and articulate what we need, cultivate and invest in skills, and lay the groundwork for a thriving Atlantic Canada.

Looking internationally, the Place Principle from the Scottish government centers around the idea that, to address the complex challenges we face, we must work together in a more integrated, collaborative, and participative manner. It urges us to shift our focus to what truly matters: the individuals who make up our communities and the places they call home.

This principle serves as a unifying force, bringing together various facets of service delivery, resource allocation, and infrastructure development under one cohesive framework. It's a way of ensuring that all efforts, investments, and actions align with a shared vision for our region's future.

Back home, the inaugural Atlantic Social Impact Exchange Summit has convened social impact leaders, policymakers, investors, and community stakeholders. It's a platform for discourse, collaborative endeavors, and the exchange of knowledge—an opportunity for Atlantic Canada to step into the forefront of national conversations on social innovation and social finance.

It's our opportunity to collectively define the purpose and aspirations of our communities and regions and collaboratively chart the course forward,

making decisions that reflect the unique needs and goals of our localities. By doing so, we hope to create a more resilient, inclusive, and prosperous region that is truly shaped by the voices and aspirations of its people and communities.

In an ever-evolving world, we in Atlantic Canada hold the keys to our own potential. Our course isn't solely

dictated by antiquated metrics, but by our unwavering determination to determine how capital, capacity, and strong policy can act in concert to stimulate the future Atlantic Canadians deserve.

There is nothing innovative about money—it is the process that we design and deploy that has potential for changing the narrow ways that capitalism has indeed failed so many that we serve. Social finance can serve as a catalyst, unlocking the potential of Atlantic Canadian solutions. This potential shines most brightly when these solutions originate, evolve, and are overseen by the very hands that call Atlantic Canada home.

THIS ARTICLE ORIGINALLY APPEARED AS AN OP-ED IN *FUTURE OF GOOD*.

**“Social finance can serve as a catalyst, unlocking the potential of Atlantic Canadian solutions.”**



## THE PRESENT

# HARNESSING THE POWER OF SOCIAL FINANCE

In the realm of social finance, it's easy to be captivated by the tools—the capital markets, investors, and innovative financial instruments—that promise to catalyze transformative change. However, it's essential to recognize that social finance is but a means to an end. To truly unlock its potential and generate the impact we so desperately need, we must shift our primary focus to those individuals and entities on the demand side—the champions of change. In doing so, we embark on a journey of doing finance differently—one that democratizes capital, shifts power dynamics, promotes inclusion and equity, and mobilizes local and regional communities.

At its core, social finance represents the fusion of financial resources and social purpose—a mechanism for channeling funds toward ventures and

projects aimed at addressing society's most pressing issues. Yet, its potential to effect lasting change hinges on our unwavering commitment to building and nurturing the demand side.

At the heart of the demand side are the champions of change—social entrepreneurs, nonprofit organizations, community leaders, and visionaries. These individuals and entities are not merely beneficiaries of social finance; they are the architects of innovative solutions. They are the ones who dare to dream beyond convention, thinking outside the box to develop solutions that have the potential to reshape entire communities.

Investing in the demand side is akin to fueling the engines of progress. By empowering these change agents with the necessary resources, skills, and

knowledge, we enable them to steer the course toward genuine impact. We unlock their potential to dream big, think innovatively, and implement solutions that can create waves of positive change.

Democratizing capital is a fundamental shift in how we approach finance. It means recognizing that financial resources should not be confined to the privileged few but should be accessible to those who are best positioned to address societal challenges. This democratization embodies the idea that solutions can emerge from anywhere, and with the right support, they can change the world.

Moreover, doing finance differently shifts power dynamics. Traditionally, capital has been concentrated in the hands of a select few, granting them significant influence over societal decisions. By investing in the demand side, we redistribute this power, ensuring that it rests with those who understand the nuances and intricacies of the challenges they aim to solve.

Inclusion and equity lie at the heart of this transformation. Building the demand side ensures that a diverse range of social entrepreneurs from different backgrounds and communities have access to the

resources they need. This promotes inclusive and equitable growth, fostering a society where opportunities are not bound by privilege but are open to all.

Furthermore, doing finance differently involves local and regional mobilization. It recognizes that solutions to complex challenges often emerge from the very communities grappling with those issues. By empowering local initiatives and grassroots efforts,

we tap into the collective wisdom and resources of communities, catalyzing change from the ground up.

In conclusion, social finance is not an end in itself; it is a means to an end—a tool that can be harnessed to drive transformative social change. Its true potential is realized when we prioritize those on the demand side—the changemakers who are driving innovation, inclusion, and

equity. By democratizing capital, we change the dynamics of power, promoting local and regional mobilization, and create a world that is more just, sustainable, and prosperous for all. In doing finance differently, we recognize that solutions can emerge from anywhere, and with the right support, they have the power to change the world.

**“Social finance is...  
a tool that can be  
harnessed to drive  
transformative  
social change.”**



## THE PAST

# THE SOCIAL IMPACT ECOSYSTEM IN ATLANTIC CANADA

### THE EVOLUTION OF SOCIAL PURPOSE ORGANIZATIONS

Social Purpose Organizations (SPOs)—organizations or institutions that, at least partially, have it their mission to improve the social, environmental, cultural, or economic conditions of their communities, however defined—have evolved over time.

Initially, most social impact work was done by religious organizations, charities, and social clubs. As society grew more secular, so did SPOs, with the advent of secular charities and government institutions beginning to offer more social impact services in the early part of the 20th century.

This model existed for a number of years until the early 1990s when governments, seeking to cut spending, began off-loading services to not-for-profit organizations and charities. This drastically

changed the social impact landscape in Canada and has defined the grant-based funding model for many SPOs for decades.

However, this model is beginning to shift once more. In response to a growing appreciation for the notion that complex problems require sophisticated and collaborative solutions, and the fact that the grant-based funding model has always been based on providing barely enough; SPOs are looking for new ways to both expand their impacts and their budgets. Not to mention the very nature of SPOs are expanding and changing.

Once the realm of the public or non-profit sector, social impact is increasingly becoming of interest to for-profit businesses of all sizes as they look to models like corporate social responsibility, corporate giving, triple bottom line reporting, B-Corps,

and more-than-profit to not only recognize and account for their extra-market impacts, but to grow these impacts for the good of their communities. This can be seen in businesses from large national corporate campaigns like Bell Let's Talk (about mental health), to the small business that participates on local community development committees, to the small investment firm that issues angel investment to non-profit social enterprises.

As well, collaborative, multi-stakeholder approaches to complex challenges through models like collective impact, stakeholder engagement, social determinants of health, and field catalysis have begun to move the needle on the impact of the work of different SPOs, with great work being done in communities across Canada in such fields as homelessness and food security.

Likewise, great strides are being made in diversifying funding sources through a range of approaches from crowd-funding, to social investment and finance, to social enterprise. We are seeing these approaches in activities like the non-profit who works with adults with developmental challenges running a thrift shop as a way to train clients for employment and raise funds, to networks of investors who guarantee repayable loans to networks of non-profits who collaborate to tackle shortages in affordable housing in communities.

Lastly, the dual sea-changes of social media and the COVID-19 pandemic have forever changed the nature of SPOs (and all else).

Social media has given SPOs direct access to both clients and supporters like never before—just think of the Ice Bucket Challenge and the huge, lasting impact it has had on ALS research.

On top of this, the pandemic has changed the nature of work, the economy, and laid bare or exacerbated many of the long-hidden inequalities and injustices in society, revealing both the inherent complexity

in many of our major challenges—which we were only beginning to understand before the pandemic—and the necessity of tackling these challenges in ways we never have before.

## THE UNIQUE CIRCUMSTANCES OF ATLANTIC CANADA

Communities in Atlantic Canada have to contend with a set of complex, vexing problems like many other communities across the country do. But particularities of the local context require particular approaches in adapting or developing solutions.

For instance, the availability and affordability of housing across the country is at a crisis point right now (mid-2023), but this challenge must be considered alongside the demographic realities of many Atlantic communities—small, rural, aging and

shrinking populations—and the nature of local economies—often seasonal industries, remote work or long-distance commuting, small labour pool, low-incomes, etc.

This means, approaches to solving problems cannot be one-size-fits-all. What works elsewhere likely won't work the same here. Not that they ever did, but now we cannot ignore the facts of our unique circumstances.

Likewise, our increasing understanding of the complexity of our challenges is better understood than ever. Any one issue cannot be conceived of, nor tackled in a vacuum. Problems that ultimately, or mostly, impact individuals or families, like hunger or food insecurity, aren't simply due to a lack of food in the home, but the result of a complex array of systemic and society-wide factors, such as public health, urban design, economic prosperity, employment, access to transportation, education, income equality, etc.

This fact has made clear that not only does one-size not fit all, but no one organization nor approach will make the needed impact either.

**“Social Purpose Organizations are looking for new ways to both expand their impacts and their budgets.”**



Instead, it is now clearer than ever, impact—better lives for all—is dependent upon strong networks of stakeholders working towards a common goal across all elements of society.

Take the food security example once again, ensuring people have enough to eat—a necessity of life and basic human right—requires the work of governments, community organizations, an array of private sector players (farmers, wholesalers, grocery stores, restaurants, etc.), health and education institutions, and others to even begin to tackle the problem in a meaningful way.

Inherent at the core of this new reality is the ever-present need for SPOs—those whose very job it is to shepherd meaningful impact into existence—must be equipped with the ability and resources to do so. Or, in the parlance of the sector, the capacity.

### **THE SOCIAL IMPACT CAPACITY GAP IN ATLANTIC CANADA**

The effectiveness, then, of any complex, high-potential social, environmental, cultural, or economic initiative depends upon the wherewithal of those involved to act meaningfully and effectively.

Stakeholders must be able to work together—which means not only that they have the comportment and attitudes to do so, but also the means to. That is to say, they have the time, personnel, expertise, and, yes, money, to do the actual work—e.g. attend meetings, complete activities, dedicate time to both thinking deeply and doing effectively.

For initiatives that depend upon the concerted efforts of all stakeholders involved, will suffer and ultimately fail if certain stakeholders are not able to contribute as much as they need.

This capacity crunch is particularly acute for SPOs.

Budgets are always tight, good people are always hard to find, and there is never enough time to get all the things needing doing done, let alone take the time to learn and think needed to grow expertise and abilities.

This is a challenge facing SPOs right across the country, but many of the factors creating these constraints can be multiplied in Atlantic Canada where populations and economies have been shrinking for decades.

This leaves not only the consequences of poverty, for instance, being felt much more deeply than in some other jurisdictions, but it also limits the ability of SPOs in the region to contend with these challenges.

Now multiply those challenges again for SPOs trying to operate in a rapidly changing sector that constantly demands new competencies and funding.

### **TRYING TO DO MORE WITH LESS**

None of this is to take away from the great work that many organizations across Atlantic Canada have done and are doing. There are scores of SPOs of all shapes and sizes across the region that are some of the most capable, advanced,

and innovative organizations working in the country today.

But their success is largely a product of the desperate hard work of many passionate people. Hard work that exacts a steep toll. The social impact sector in Atlantic Canada is littered with underpaid, overworked, often burnt out professionals barely hanging on and trying desperately to do more with less.

This leads one to imagine, then, if this much good work gets done under such trying and difficult circumstances, just imagine what would happen if

**“[Social Purpose Organizations’] effectiveness... depends upon the wherewithal of those involved to act meaningfully.”**

those in the sector were better supported and given the means to work at a higher level for a lower personal cost.

Seen through this lens it becomes clear that the stickiness of our big, sticky social, environmental, cultural, and economic problems isn't a result of some kind of inherent impossibility within them, but has more to do with the impossible conditions we place on the attempts to unstick them, so to speak.

## **A SECTOR MOST-IMPORTANT, A SECTOR MOST-SQUEEZED**

This is the message we heard time and again from those in the sector.

Over the past year, Common Good Solutions consulted with over 220 individuals from more than 90 SPOs of all different shapes and sizes across Atlantic Canada.

Over and over we heard from those on the ground that there is never enough time, money, nor people. That real headway is being missed by the sheer exhaustion that comes with just keeping the lights on. That new trends in the social impact sector that could have great benefits, such as social finance, cannot be fully understood, let alone enacted due to lack of capacity. That prevailing attitudes are stunting innovation and change. And that knowledge and resources that would be helpful are inaccessible.

Through our analysis of the sector, we also understand that the economic importance of the sector is massive.

The social impact sector accounts for over 11 per cent of the GDP of the Atlantic Provinces, or more than \$13 billion. Which is larger than oil, gas and mining in the four provinces combined.<sup>1</sup>

It also employs 191,000 people. That's 7.5 times more than fishing, aquaculture and seafood sectors combined. Not to mention the roughly 125 million volunteer hours that help sustain the sector.

At the same time, the incomes of workers in the non-profit sector, for instance, according to Statistics Canada, are considerably below the national average [\$38,716, compared to \$57,137].

As well, workers in the non-profit sector tend to be older, more educated, and more likely to be women, and/or racialized individuals than other sectors of the economy.<sup>2</sup>

## **A NEW APPROACH IS MISSION CRITICAL**

The big social, environmental, cultural, and economic issues SPOs grapple with are too important, and the sector itself is too valuable for it to be so wrought with such daunting circumstances. Precious impact is being left on the table.

SPOs in Atlantic Canada are not being equipped to keep up with the shifting social impact landscape, let alone innovate and find Atlantic-grown solutions like so many other sectors, which see millions of public and private investment in innovation each year.

To address this, a new approach is critical. An approach similar to that taken to buoy Atlantic Canadian tech entrepreneurs—invest in building a support ecosystem that regularly creates out-sized success stories.

This means increasing sector coordination, building organizational and individual capacity, increasing risk tolerance and creative courage, providing access to knowledge and data, providing access to investment opportunities, and growing awareness and appreciation of new trends in the space, such as social finance.

Through our consultations and analysis, we believe that there are four steps that can be taken immediately to radically transform the social impact ecosystem in Atlantic Canada to one that is rich in organizational capacity, collaborative spirit, and takes full advantage of shifting funding trends.

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1. According to Statistics Canada, Community Profiles, 2021 Census.

2. According to the 2022 Imagine Canada Report, *Diversity is Our Strength: Improving working conditions in Canadian non-profits*. [[Accessed 26 July 2023](#)]

# GLOSSARY OF SOCIAL IMPACT TERMS

**B-Corp:** A B-Corp is a particular class of corporation that exists to create a social benefit.

**Collective Impact:** Collective impact is an approach to social change popularized in the 2010s that lays out a method of coordinating and mobilizing an array of diverse stakeholder groups and organizations to tackle a specific complex social challenge. Collective impact tends to include five key elements: common purpose, shared measurements, mutually reinforcing activities, constant communications, and a backbone support organization.

**Corporate social responsibility:** Corporate social responsibility are actions or approaches taken by corporations to have a positive social, economic, cultural, or environmental impact.

**Crowdfunding:** Crowdfunding is a type of online fundraising that solicits many small donations directed towards a specific goal.

**Field Catalyst:** A field catalyst is an approach to social change that sees a flexible, purpose-built entity with the power to coordinate and mobilize the efforts and resources of diverse stakeholders and organizations to take on a complex social challenge. This generally takes the form of purpose-built organizations made up of a coalition of stakeholders all dedicated to a shared vision and/or mission. Often, the field catalyst organization will only exist so-long as necessary to fulfill its purpose.

**More-than-profit:** “More-than-profit” businesses are those who seek to have a positive social impact beyond merely the earning of profits.

**Social determinants of health:** The social determinants of health are the non-medical conditions that determine one's health. These can include a range of systemic factors such as income, education, work conditions, food security, housing, environment, and others. Generally, the lower the socioeconomic position, the worse the health of individuals. The social determinants of health also show the correlation between socioeconomic inequality and health inequality. As such, they are a useful set of metrics for gauging social impact.

**Social enterprise:** A social enterprise is a business whose activities have a social impact and/or profits are directed to the execution of social impact activities.

**Social finance/investing:** Social investment is a financial tool that seeks a measurable social, cultural, and/or environmental impact as well as a financial return for investors. This differs from grants and donations that do not require a financial return, and traditional investments that only emphasize financial returns.

**Social impact:** Social impact is the effect a particular activity has on the social, economic, cultural, or environmental well-being of a community. This is often connected to the intention of an organization, individual, or company to create positive change. Social impact can sometimes be intangible and difficult to measure.

**Social Purpose Organization:** A social purpose organization is an entity whose mission and mandate includes some element of intentional social consciousness. This includes charities and non-profits whose entire purpose is social impact, as well as companies and other organizations of which social impact may make up only a small part of their activities or purpose.

**Stakeholder:** A stakeholder is an individual or group who has an interest or experiences the impact of an activity.

**Stakeholder engagement:** Stakeholder engagement is the method by which those affected by an activity are included in the design, development, and execution of the activity. This may range from not being engaged at all and just experiencing the effects, to being informed of the activity or its impacts, to being consulted earlier in the process, or acting as a collaborator in all elements of the activity as to influence the impact it has on the stakeholder group.

**Triple Bottom Line:** Triple Bottom Line accounting refers to the business practice of including social and environmental impacts in business decision making along with profitability. This refers to the bottom line on income statement accounting documents that is traditionally profits.



# **ATLANTIC CANADA'S SOCIAL IMPACT SECTOR AT-A-GLANCE**

**\$13B**

**ECONOMIC IMPACT**

That's roughly the same as the oil and gas, mining, and quarrying sector in Atlantic Canada.

**191K**

**EMPLOYMENT**

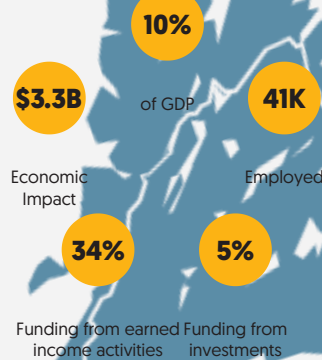
That's more than seven-and-a-half times the number of people employed in the fishing, seafood, and aquaculture sector in Atlantic Canada.

**125M**

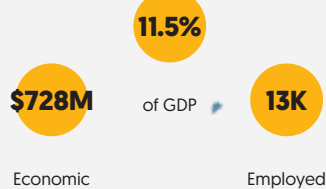
**VOLUNTEER HOURS**

That's more than two full days—48 hours—for every of the 2.59 million Atlantic Canadians each year.

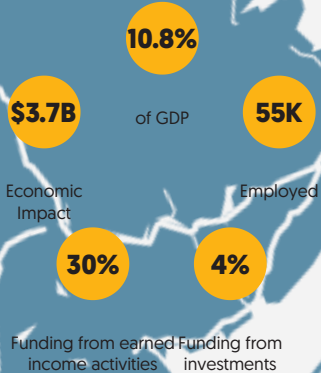
**NEWFOUNDLAND & LABRADOR**



**PRINCE EDWARD ISLAND**



**NEW BRUNSWICK**



**NOVA SCOTIA**



## WHAT WE HEARD

# A COMMON GOAL

Over the past year, Common Good Solutions has consulted with over 220 individuals from more than 90 SPOs.

Throughout the consultations, it was clear that the SPOs in impact sector across Atlantic Canada are **working hard to enhance the quality of life for all in our communities.**

These SPOs are tackling complex problems such as poverty, inequality, and environmental degradation, through innovative initiatives, and maintaining a social justice lens on the work.

Throughout the consultations, we have heard stories of resilience, and innovation, as well as a deep desire to improve.

### Who we heard from

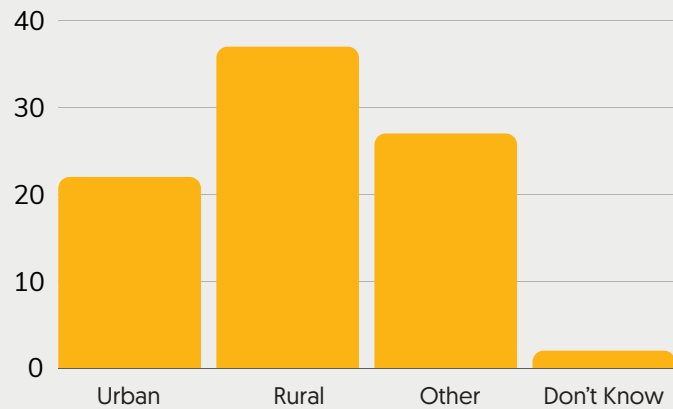
# 221

Participants

# 90+

Social Purpose Organizations

### Service Region



### Social Finance Readiness



Not at all

Very well

My SPO is able to measure progress and show that we are making meaningful contributions to our intended outcomes.

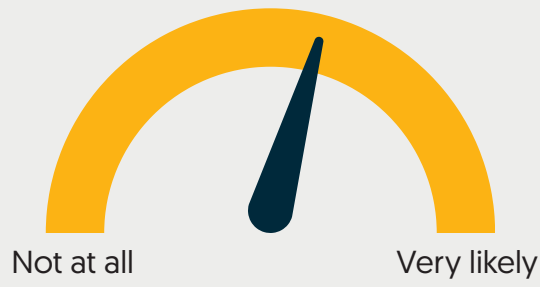
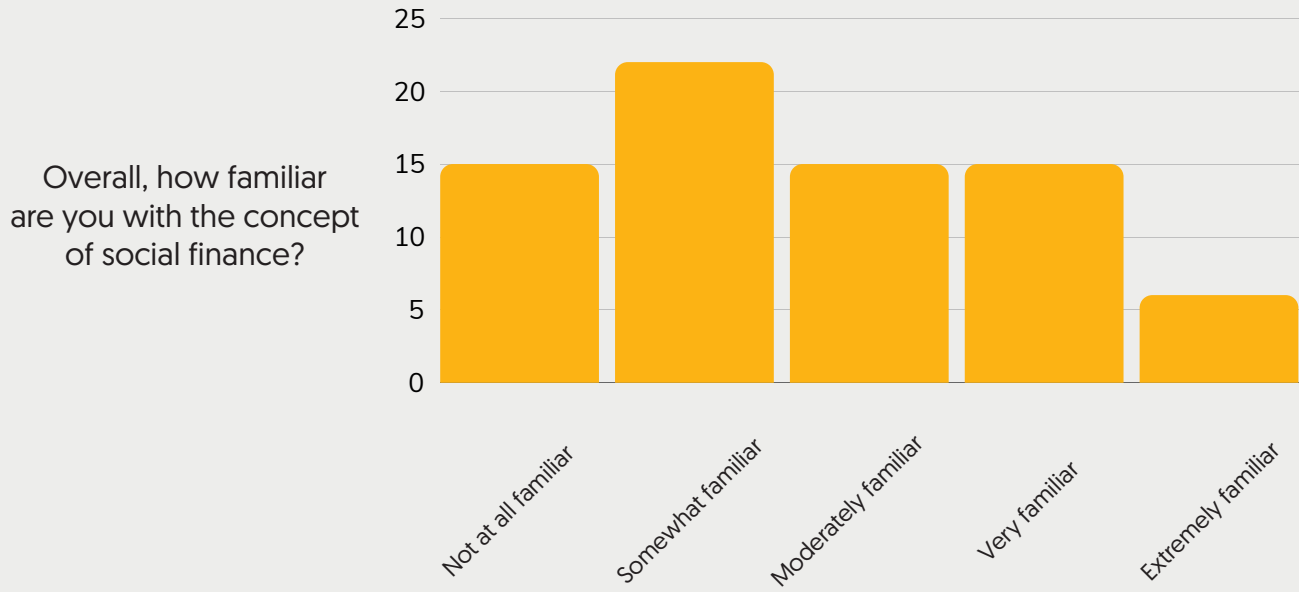
# 69%

of organizations surveyed generate revenue from enterprising activity.

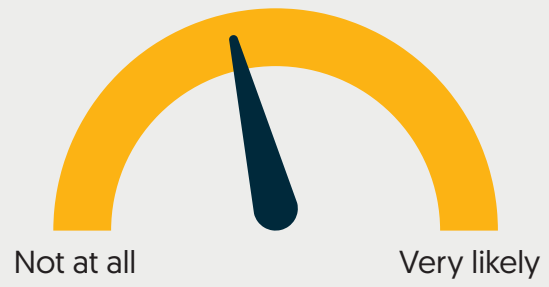
# 59%

of organizations surveyed generate 25% or less of their revenue through the sales of goods and services.

## Current views on social finance

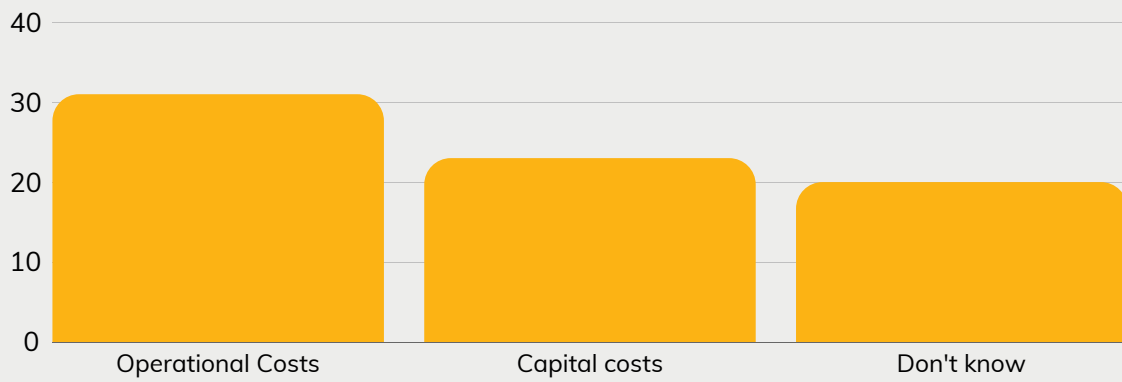


I believe that repayable finance is likely to significantly improve the financial sustainability of social purpose organizations.



Assuming a repayable loan were to be made available via social finance, how likely would your organization be to borrow the money?

## How would your organization use social finance?





“Social finance is new and exciting for organizations like SmartICE that combines community impact, tech, sustainability, and commercialization.

The Atlantic Canadian ecosystem needs support to fully realize the opportunity. We also need to recognize that it is going to take time and investment in our ecosystem and mindset shift of the whole sector - from governance, risk-tolerance, funders, and how we work as a sector.”

– Carolann Harding, CEO, SmartICE

## WHAT WE HEARD

# NEWFOUNDLAND & LABRADOR

**10%**

of GDP

**\$3.3B**

Economic Impact

**41K**

Employed

**34%**

Funding from earned income activities

**5%**

Funding from investments

Data source: Imagine Canada Provincial Datasheet

### Major Challenges

- Organizations struggle to find “**sustainability, funding, and runway.**”
- There is a “**lack of knowledge** of various social finance tools.”
- A **lack of “coordination, convening, [and] building capacity,”** has led to a “**fragmented ecosystem.**”
- There is a “**lack of information getting to those that are busy doing the hard work.**”
- There is a “**mindset, [or] culture (of scarcity)**” holding us back.
- There is a high sense of “**risk aversion** in the sector.”
- There is limited “**HR capacity and [high] turnover**” within the sector.
- Proving impact is difficult with “**missing data, and [lack of] research, benchmarking, and evaluation.**”
- “**Municipalities don’t have resources** to support pressures on communities or to capitalize on opportunities.”
- There is a “**lack of coordination** on [social finance] policy.”
- And, “**social finance progress is stalled;**” and “needs energy and strategy.”

### Opportunities

- “**Establish a regional voice** to prioritize the Atlantic Region in social finance dialogue.”
- “**Invest in capacity** to support organizations through backbone support and strategic initiatives.”
- “**Scaling out**—building proof of concepts and supporting in-place application.”
- “**Vision setting, alignment of strategic priorities, and defining our collective impact.**”





“We have a \$223 million portfolio under management, have supported over 4,200 enterprises, created over 20,000 jobs, while proving affordable housing, community transportation, green economy initiatives and much more.

What is most exciting is the majority of our financing is to female entrepreneurs, youth, immigrants, minority groups & persons with disabilities.”

– Dianne Kelderman, President & CEO,  
Nova Scotia Co-operative Council

## WHAT WE HEARD NOVA SCOTIA

**12.5%**

of GDP

**\$5.3B**

Economic  
Impact

**82K**

Employed

**30%**

Funding from earned  
income activities

**4%**

Funding from  
investments

Data source: Imagine Canada  
Provincial Datasheet

### Major Challenges

- Organizations **lack “capacity, time, and resources.”**
- **“Systems are complex and require approaches that recognize the interconnectivity.”**
- Impact is being limited due to a **“lack of knowledge and awareness”** of opportunities.”
- **“Current methods of evaluation and compliance are not driving change,”** as they “don’t tell the full picture of impact.”
- **“Growing and scaling [SPOs] requires support** on legal, HR, and finance—backbone capacity that is not always available to SPOs.”
- And while there is never enough funding to go around, there is **limited “financial capacity** in SPOs to take on repayable resources” and other social finance approaches.

### Opportunities

- “Invest in capacity to **host impact network** support and development of social innovation and social finance in Atlantic Canada across sectors, governments, and institutions.”
- “Anchor work around **social determinants of health** as an evaluation framework intended to improve quality of life for all.”
- **“Invest in navigation;** ensure that local and diverse voices are included and amplified.”
- **“Embrace a ‘for-more-than-profit’** perspective, leaning into abundance approaches to enable collaboration across sectors.”
- “Uncover and **support new ways to express what impact is** and provide the capacity to create strong data, evaluation, and impact storytelling.”



**“In 1999, we were a small community loan fund, lending to individuals to help them start a business or get back to work. Today, we manage three major activities: social finance; skills training; and social purpose real estate. Our dedicated team use these different tools to assist in building inclusive, vibrant communities. It is this kaleidoscope of people, ideas, and outcomes that gives us our name.”**

kaleidoscope  
social impact

– Kaleidoscope Social Impact, 2021 Annual Report

## WHAT WE HEARD NEW BRUNSWICK

**10.8%**

of GDP

**55K**

Employed

**30%**

Funding from earned  
income activities

**\$3.7B**

Economic  
Impact

**4%**

Funding from  
investments

Data source: Imagine Canada  
Provincial Datasheet

### Major Challenges

- There is a **“lack of knowledge and awareness”** of opportunities in the sector.” To the point that many SPOs “don’t align with the label of SPO.”
- There is no **“regional body”** to regulate social finance and innovation” to help grow the sector.
- More work needs to be done to ensure **“inclusion of equity-de-**

**servicing groups** in the work of organizations.”

- As well, SPOs **lack particular specialized capacity and supports**, which stunts their growth, as “organizations require capacity on legal, HR, and finance.”

### Opportunities

- **“Invest in developing varied capacity to support SPOs—**intervention of CBDCs, more impact and bridge funding.”
- **“Develop better and more consistent communications within organizations** to communicate their impact better, [and] to access funding opportunities.”
- **“Innovative financing models** to provide flexible funding to organizations that can be deployed to create impact rather than increase

pressure on organizations—funding that helps them focus on goals.”

- **“Work with ecosystem partners to further the ability of organizations to take on capital and develop enterprise.”**
- **“Atlantic Canada needs a regional voice** that can steer conversations in the sector and create SPO structures that will serve and grow the sector.”



PRINCE EDWARD ISLAND  
**REACH**  
 FOUNDATION

**“Reach takes pride in the quality of support and essential life and employability skills training provided to youth as they transition to the workforce or back to school. Reach offers a unique opportunity for youth to learn and practice employability skills through hands-on experience in the social enterprise streams. Reach provides educational sessions and hosts a support group for parents and families in addition to being an access point and resource center for youth in recovery.” – PEI Reach Foundation, “About Us”**

## WHAT WE HEARD

# PRINCE EDWARD ISLAND

**11.5%**

of GDP

**13K**

Employed

**31%**

Funding from earned income activities

**\$782M**

Economic Impact

**5%**

Funding from investments

Data source: Imagine Canada Provincial Datasheet

### Major Challenges

- There is never enough time or people to get work done and grow organizations, as “time challenges to apply for grants,” or **“lack of time or personnel** to implement new projects.”
- A **lack of funds** is constraining to SPOs, particularly in regards to “HR support” availability.
- There is a **“lack of understanding** about what classifies as a Social Purpose Organization.”
- Related to this, a “lack of understanding about **how social finance works.**”
- “Board members and staff members still have a **funding mindset** rather than a revenue generation” mindset.
- And there there is a “lack of acceptance about **evolving needs of organizations.**”

### Opportunities

- **“Collaboration between organizations** having similar objectives to pool resources and personnel to access financing to fulfill their goals.”
- **“Collaborate more closely with the government** to better educate and to align the support with the needs of the organizations.”
- **“Invest in training** the team to better understand governance, and social finance to transition from funding to entrepreneurial mindset.”
- **“Find and promote innovative approaches to describe impact,** and provide people with the tools to produce solid data, evaluations, and impact narratives.”
- **“Invest in navigation** and accessibility of funding sources; ensure that the details are readily available to organizations.”
- **“Provide HR and administrative support** to organizations to arrange their internal systems and improve efficiency.”



## WHAT WE HEARD

# EQUITY DESERVING GROUPS

**“Without knowledge, there is no equity”**  
—Consultation participant from 2SLGBTQIA+ serving agency

### Major Challenges

- Groups that are serving equity-deserving populations are often under-funded and are **struggling to meet mounting needs**.
- There is a **knowledge gap** in understanding what social finance is and how to access it.
- Information is not often available in an accessible manner and/or in both **official languages**.
- Agencies serving equity-deserving groups often **need support with social finance readiness** and the application process due to limited organizational capacity.
- Funding processes are often **very bureaucratic**.
- **Applications are often daunting** for agencies that have big needs but smaller capacity.

### Opportunities

- **Social finance** could provide the opportunity to **unlock more readily available funds** for vulnerable clients (e.g. micro-lending).
- **Social Finance** could help **provide supportive employment** opportunities for clients through social enterprise.
- **Social Finance** could **provide stability for program and staff** continuity, which then supports client outcomes.
- **Social Finance** could unlock potential to **invest in owning own space**, which could be rented out to other social services providers
- **Training opportunities** for SPOs and social enterprises exploring social finance could help bridge the knowledge gap.
- There is an opportunity for **enhanced networking opportunities** to support capacity building and knowledge exchange.



## NEXT STEPS

# FURTHER RESEARCH NEEDED

### DEEPER CONSULTATIONS

This consultation process took a geographically focused approach, with an emphasis on urban and rural communities. Following the data analysis, it is clear that deeper consultations are required, particularly with equity-deserving groups.

In using the nationally-driven research from organizations representing equity-deserving groups, we have identified a need to generate local conversations with groups and strategic partners that will support the development of impact networks as they evolve.

### LACK OF ATLANTIC CANADIAN-SPECIFIC RESEARCH AND DATA

Research is a big part of how strategic decisions are made. However, there is a lack of coordinated, regional research in the social innovation and social finance space in Atlantic Canada.

As part of future efforts, it is important to set a research agenda that supports the collective vision and strategic priorities emerging from the needs of communities, and of the sector more broadly.

We are currently engaging the research team at St. Mary's University and Mitacs to complete a three-year research project to generate that depth of knowledge and create a road map to how to act on the needs and opportunities facing the social innovation and social finance sector in the Atlantic region.



## STRATEGIC RECOMMENDATIONS

# Invest in a Regional Impact Ecosystem Builder.

### WHAT IS IT?

Having a designated impact ecosystem builder in Atlantic Canada will better support and amplify the work of SPOs by providing a much-needed platform for networking, collaboration, and problem-solving on a larger scale.

### HOW IT WORKS

**1. Convene the sector**, including SPOs, academics, economic development NGOs, all levels of government, and the private sector to coordinate, collaborate, capacity building, and ultimately, impact.

**2. Create a shared understanding of where we are and where we want to go** to create a collaborative vision of a more supportive and empowering ecosystem.

**3. Cultivate relationships, and coordinate efforts** including shared workspaces, mentorship programs, and cross-organizational activities.

**4. Build a strong culture of impact measurement** based upon robust data and state-of-the-art knowledge to help set priorities, refine work, and make decisions.

**5. Foster an entrepreneurial culture** to support and encourage SPOs to move from a funding mindset to a revenue one.

**6. Leverage technology** to help SPOs grow their impact, collaborate with one another, and build the capacity to operate much more smoothly.

**7. Share our stories** of success, and failure, to inspire others to keep pushing an agenda of change.

**8. Facilitate a shared policy agenda** to smooth out policy road bumps and foster greater regional collaboration, and more meaningful impacts.



## STRATEGIC RECOMMENDATIONS

# Build new competencies in SPOs to seize new opportunities.

### WHAT IS IT?

#### **Supporting Community Economic Development in Atlantic Canada**

Community economic development is a critical area of focus for social finance and social innovation in Atlantic Canada.

It is a process through which residents and organizations in a community work together to create economic opportunities, address social and economic challenges, and build strong, resilient, and sustainable communities.

### HOW IT WORKS

**1. Support local and diverse entrepreneurship and small businesses**, which are drivers of economic growth and job creation in the region.

**2. Promote community ownership and control of economic assets**—including those that support community-owned businesses and cooperatives—as they are important to unlock investment opportunities.

**3. Invest in community infrastructure and amenities** such as social impact hubs, community centers, and transportation systems that create economic opportunities and enhance the quality of life for residents.

**4. Strengthen and diversify local supply chains**, including those that promote local sourcing, social and local procurement, and distribution of goods and services.

**5. Encourage local investment** in community-based initiatives and organizations, including through social finance and impact investment strategies.



## STRATEGIC RECOMMENDATIONS

# Strengthen impact measurement among SPOs.

### WHAT IS IT?

Investing in building a culture of impact measurement in Atlantic Canada will ensure that the impact of SPOs is properly understood, communicated, and enhanced.

Data-driven organizations can also take greater charge of their resources and make better decisions about resource allocation, as well as build a sense of accountability within the organization.

### HOW IT WORKS

**1. Training and capacity building** help organizations and individuals in the sector develop the skills and knowledge needed to effectively measure and communicate their impact.

**2. Sharing and scaling best practices**, including the use of standardized frameworks and metrics, ensure consistency and comparability of impact data.

**3. Investment in impact measurement tools** and technologies improve the accuracy and efficiency of impact measurement and data collection.

**4. Sharing of impact data and insights** to build a more robust understanding of the impact of social finance and social innovation in Atlantic Canada.

**5. Incorporation of impact into decision-making** to ensure that SPOs' strategies and initiatives are aligned with their goals and have the greatest possible impact.

**6. Development of a common approach** to impact measurement will allow the sector and decision makers to better understand local, provincial, and regional collective impact





## STRATEGIC RECOMMENDATIONS

# Start an Impact Atlantic Investment Fund.

### WHAT IS IT?

The world of social impact is changing rapidly, and for Atlantic Canada's SPOs to ensure they are leading the way on behalf of their communities, a social impact investment fund is necessary.

### HOW IT WORKS

- 1. Focus on outcomes** that benefit both investors and society as a whole to support the improvement of quality of life for all at a community level.
- 2. Build upon the Principle of Subsidiarity**, which recognizes that local solutions are often the most effective and efficient way to address community needs.
- 3. Bolster the ecosystem** by providing organizations with financing along with access to a vibrant and supportive ecosystem to increase their impact.

**4. Engage the private sector** to demonstrate that investments can be a force for good, promoting economic growth and social and/or environmental impact hand-in-hand.

**5. Develop Potential Products** that meet investor and SPO needs, including variable interest loans tied to social, cultural, and environmental outcomes, and partial loan guarantees for SPOs accessing funds from traditional lenders.



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## About Us

Common Good Solutions helps individuals and purpose-led businesses start, grow and make a meaningful impact. Our vision is to see every business enrich its local community and the lives of its customers and employees. Our everyday aim is to transform the way business is done to build strong community based enterprises that nurture the health and sustainability of communities across Canada.

