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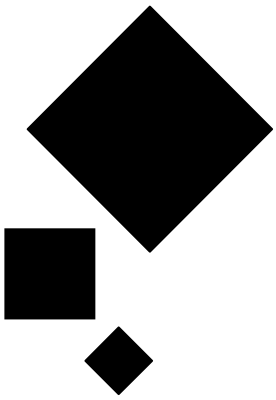
Innovations in Community Development



March, 2002

The Evolving Role of Information Technology in Community Development Organizations

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Prepared by Seedco

March 2002

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Roland V. Anglin prepared the initial draft of this report, which was finalized by Seedco staff members Melissa Magallanes and Leigh Graham. Susan Blank provided editorial oversight, and Hanan Ohayon provided administrative and logistic support.

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INTRODUCTION

Despite a recent decline in the economic fortunes of the technology sector, Information Technology (IT) continues to play an expanding role in our lives. IT's impact has been felt by distressed communities and by the local organizations that seek to improve them. From training that uses tailored software to build the skills of the unemployed, to the use of Geographic Information Systems (GIS) mapping to pinpoint community problems, IT is widely perceived as an instrument of change.

Yet a number of questions concerning IT's role in community development work and its influence on the field remain to be answered. Most important, will IT in fact bring widespread change to the field, or will its function be merely to provide community development organizations with a collection of important but ultimately limited tools?

Seedco's Community Development Technology Initiative (CDTI) is designed to help answer this question. A multi-year project to assess the role that technology plays in the community development process, CDTI is divided into two parts. Phase I consists of research, including a survey, on community-based institutions and their use of technology to carry out their work. In a concurrent Phase II of CDTI, Seedco is identifying and working with eight pilot sites that are using IT creatively in their efforts to revitalize communities.

This report summarizes the results of the Phase I survey of community-based development organizations. To the best of our knowledge, this survey represents the first attempt to systematically assess the depth of use and impact of desktop computers and productivity enhancing software in the field of community development.

Conducted in February and March 2001 by the Baruch Survey Research Unit at the Baruch School of Public Affairs, Seedco's survey was designed to reach a wide range of organizations that use IT to address the problems of distressed communities. Of 701 organizations initially contacted, 353 responded to the survey. Groups in the sample fall into four somewhat different categories of institutions that work on community development issues:

- *Community development corporations* (CDCs) - organizations that are involved in a range of community development economic activities, that are often based in a single neighborhood and that draw most of their board members from their target communities;
- *Community development financial institutions* (CDFIs) - organizations that typically have a wider geographic reach and are lenders of capital;

- *Community-based organizations* (CBOs) - defined as groups that specialize in one or more areas of community development, e.g., workforce development, community organizing, provision of social services, economic development; and
- *Intermediaries* - organizations that mediate between community groups and resource providers, e.g. foundations, businesses and government entities.

Seedco surveyed organizations in the sample about whether and how they use IT to:
- Build their own capacity and that of local residents to further goals for community development;
- Enhance the productivity of workforce development programs;
- Support affordable housing programs; and
- Promote economic development.

Among the organizations that responded to the survey, 59 percent were CDCs; 32 percent, CDFIs; 7 percent, CBOs; and approximately 2 percent were intermediaries. Groups in the sample tended to be small and relatively young, and to have stable leadership.

To supplement the survey findings, Seedco staff conducted 20-minute telephone interviews with a sub-sample of respondents and with an additional set of organizations that it was thought would provide valuable information on how IT is used in community development work.

FINDINGS

Overall, findings from the survey indicate that IT has yet to transform the field of community development. Although the widespread adoption of IT for daily office tasks has had a positive impact on groups in the sample, relatively few of them have gone beyond routine uses of this technology. While the Phase I investigations and Seedco's general knowledge of groups in the field point to a small number of special IT innovations around the country, further research will be needed to determine the extent to which these programs are replicable on a broader scale.

General Use and Penetration of IT

The literature and our initial understanding of the field led us to expect that patterns of adoption and use of basic IT among groups in the sample would be uneven, depending on these organizations' geographic locations, whether they are urban or non-urban, the nature of their work and their areas of specialization. However, these differences did not emerge. Almost all of the organizations that responded have access to computers and basic word processing and database applications. Our results also suggest that the price and availability of hardware have reached a point that allows most of these groups to purchase desktop computers for all their employees, reducing their need to rely on donated equipment for their core computer operations.

Responses from groups in the sample indicate that most of their productivity gains from IT are a result of their use of basic IT systems -- for example, the increased use of word-processing and spreadsheet software and of internal and external e-mail, and greater access to the Internet. The four sub-groups in the sample use these IT tools with approximately the same levels of frequency.

Almost half to two-thirds of respondent groups do not have a staff member or department specifically devoted to IT. Also, almost half say that senior staff pay little attention to IT, and roughly half rely on outside consultants or "no one in particular" for technical support. Approximately 50 percent of organizations in the sample provide little or no IT training for their staff. The median spending for IT as a percent of an organization's budget was approximately one percent for CDCs and somewhat less than two percent for CDFIs and CBOs. When asked if this level of spending on IT was enough to meet their needs, only the CDFIs said that it was.

Use of IT in Specific Program Areas

- **Community Capacity-Building/Organizing**: In contrast to the progress the groups have made in using IT for internal purposes, the survey data do not indicate a similar impact on their capacity to bring about economic change in their communities. For example, the groups are not making significant use of advanced software, such as GIS software, for community planning and networking. The major constraints on the adoption of this kind of software are its high costs and the need for technical assistance to learn how to use it. The survey indicates that groups that do adopt IT innovations are more likely to have established partnerships with colleges and universities that support them in their efforts to use the new technologies.

- **Housing, Economic, and Workforce Development Programming**: In response to questions about how IT has affected these three specific areas of work, groups mainly reported that it had led to improved communications and information. When asked about these three different areas of work, almost 40 percent of every sub-group cited at least one of these two benefits. Furthermore, in every case but one, improvements in communications and information in these areas were mentioned more frequently than any other benefit attributed to IT. Besides these two positive changes, the organizations noted scattered improvements throughout the different programmatic areas, with approximately 20 percent reporting improved ability to provide web-based services, technology training, and online job searches and listings.

CONCLUSIONS

The reliance of survey respondents on basic IT systems for daily office functioning suggests that there is a strong foundation for the expanded use of new technologies and for these technologies to exert more influence on community development programming. Thus far, however, more innovative uses of IT for community development purposes remain quite limited. Partnerships between community groups and institutions of higher education appear to be a promising way to foster IT innovation. But in general community groups, which have many competing claims on their budgets, find it challenging to take the step of adopting new technologies because of high costs – both the direct costs of purchasing applications and the indirect costs of securing the technical assistance to support their use. Another challenge is for groups to engage in the careful strategic planning that is needed to identify IT priorities and to successfully incorporate the use of IT innovations into their ongoing work. Funders and intermediaries can play important roles in helping community groups meet these challenges.

The survey results also suggest that there is a need for broadening the existing dialogue on the use of IT in the community development field. Thus far, much of that discussion has focused on the availability of basic IT in low-income neighborhoods, i.e., the so-called "digital divide." However, these findings indicate that an equally important issue is how best to help organizations maximize the potential of both standard and more advanced IT tools to improve their own functioning, and in the process to strengthen their services to distressed communities.

I. INTRODUCTION

With networked computers, new software applications, and many other innovative tools, Information Technology (IT) is changing our society and economy. And despite recent economic downturns in the technology sector, IT is likely to play an expanding role in the lives of Americans for the foreseeable future. Part of IT's potential is to transform the landscape of social and economic development in poor communities. In recognition of that potential, attention has been focused on how to eliminate the "digital divide" – the gap between the levels of hardware and software resources that are available to poor communities and to more affluent sectors of society.

Far less concern has been devoted to two equally important questions: How well are low-income communities able to take advantage of IT once they have it? And what difficulties and opportunities face these communities when they try to make innovative use of IT?

To help answer these questions, Seedco launched a multi-year project known as the Community Development Technology Initiative (CDTI). The purpose of the project is to assess the role that technology plays in community development work and to learn more about the preconditions for its successful use. CDTI encompasses two concurrent sets of activities. Phase I of the project consists of research, including a survey, on how community-based groups use IT to carry out their work. Phase II involves Seedco working with six to eight pilot sites that are using IT creatively in efforts to revitalize communities.

Seedco undertook CDTI in part because of the project's potential to generate systematic information that can help improve its own technical assistance to locally based partners around the country. Seedco also believes that findings from CDTI will be of interest to others, especially practitioners, policymakers and funders who work in the field of community development. (See Appendix I for a fuller description of CDTI.)

This report summarizes results from CDTI's Phase I survey of community-based institutions. Conducted in February and March 2001, the survey gathered information from organizations throughout the U.S. that are engaged in community development work. To carry out the survey, Seedco initially contacted 701 organizations. While all of the groups are involved in efforts to strengthen low-income communities, they include four somewhat different types of institutions:

- Community development corporations (CDCs) – organizations that are involved in a range of community development economic activities, that are often based in a single neighborhood and that draw most of their board members from their target communities;
- Community development financial institutions (CDFIs) – organizations that typically have a wider spread and are lenders of capital;

- Community-based organizations (CBOs) – organizations that specialize in one or more of the programmatic areas of community development, e.g., workforce development, community organizing, provision of social services, economic development; and
- Intermediaries -- organizations like Seedco that mediate between community groups and resource providers, e.g. foundations, businesses and government entities. (See Appendix II for a fuller discussion of the distinctions between these four types of organizations.)

Seedco analyzed key characteristics of organizations in the sample, including their size, their geographic location and whether they are urban or non-urban, the length of time they have been in operation and the stability of their leadership. The analyses suggest that the sample is rich in variation and that it contains stable organizations pursuing a range of programming. The organizations are relatively small in size, with median annual budgets ranging from $500,000 to $600,000.

Seedco surveyed organizations in the sample about whether and how they use IT to:

- Build their own capacity and the capacity of local residents to further goals for community development;
- Enhance the productivity of workforce development programs;
- Support affordable housing programs; and
- Foster economic development.

The Baruch Survey Research Unit of the Baruch School of Public Affairs conducted the interviews by telephone. A total of 353 interviews were completed, yielding a response rate of 55 percent. Fifty-nine percent of the organizations surveyed were CDCs; 32 percent, CDFIs; 7 percent, CBOs; and approximately 2 percent, intermediaries.

To add texture and depth to survey findings, Seedco staff conducted 20-minute telephone interviews with a sub-sample of respondents and with an additional set of groups that it was thought would provide valuable information about how IT is used in community development work. Executive directors were asked open-ended questions based on the survey questions.

The next section of this report provides a brief overview of the role of IT in the private and public sectors. The survey findings are summarized in Section III. To provide a backdrop for the findings, Section IV presents brief illustrations of innovative uses of IT in the community development field. In another part of its Phase I research, Seedco is producing a series of case studies that will shed further light on IT innovations in community development work around the country.

II. BACKGROUND: IT IN THE PRIVATE AND PUBLIC SECTORS

In the private sector, IT tools such as networked computers, the Internet, high-capacity storage devices and productivity software are helping businesses achieve new levels of effectiveness. IT has facilitated the decentralization of management and production, and in the process, has dramatically changed the structure and form of private sector firms. Through IT the management of information and knowledge is now as expertly handled as other organizational functions such as operations management and fiscal oversight. These changes have resulted in greater efficiencies in the work environment, including expedited launch of new products to market, streamlined customer and supplier relationships, and lower transaction costs, thus improving shareholder and customer value.

Over the past decade, IT has also taken hold in public sector organizations, leading to the rise of "e-government." IT has allowed government at all levels to sift, match and store information in a way that produces better targeting, provision and oversight of services.

IT has also generated new opportunities for direct democracy and public accountability. For example, some jurisdictions now operate public kiosks that allow individuals to renew driver's licenses or secure copies of birth certificates. In addition, almost all state and local governments maintain Web sites describing their departments and services.

Another innovative use of IT in government is the system of Electronic Benefits Transfers. Public welfare recipients who can take advantage of these Transfers receive bank cards, much like standard bank debit cards, that allow them to have their benefits transferred to their accounts. The system has been praised for its capacities to reduce the transaction costs of providing public assistance to welfare recipients, to link recipients to the formal banking sector and to give them more control over the economic side of their lives.

Meanwhile, police departments across the country are using a version of data mapping to identify crime hot spots. Typically, local commanders are held accountable for deploying resources to reduce crime in areas that the IT indicates are trouble zones. Here the innovation is not only the mapping technology, but also the ability to use data to determine the level of management intervention needed to assign accountability and ultimately to design better crime control strategies. This technique is now spreading to other areas of government services, including education, garbage collection, health and housing development. Citizens report that this type of management innovation linked to technology has made government officials and agencies more open and responsive to public concerns.

It is against this background of widespread innovation in the private and government sectors that the Seedco survey has tried to pinpoint the extent to which the use of IT has spread to the field of community development, which is characterized by institutions that face more challenges than either business or government in finding resources to support IT improvements.

III. IT IN THE COMMUNITY DEVELOPMENT PROCESS

The Seedco survey began with a scan of how respondent organizations are currently using IT. The purpose of this scan was first, to assess the extent to which IT has penetrated the community development field, and second, to acquire a clearer picture of the depth and variety of its use in three specific areas of interest to this study – affordable housing, community economic development and workforce development. To the best of our knowledge, this survey represents the first attempt to systematically assess the depth of use and impact of desktop computers and productivity enhancing software in the field of community development.

A. OVERALL AVAILABILITY AND USES OF IT

Given the literature and our initial understanding of the field, we expected to find differences in patterns of the adoption and use of basic IT according to whether groups are located in different geographical areas or are urban or non-urban, whether they have different orientations and purposes, and whether they focus on particular areas of work. In fact, we found relatively few of these differences. For example, Table 1 shows that all of the organizations surveyed and all of their employees have computers to carry out their work.[1]

Most organizations in the sample use word processing, spreadsheets, and database, financial services and accounting applications on their computers. (See Table 2.)[2] A substantial proportion of the staff members of organizations in the sample have regular access to the Internet, and significant shares of them use e-mail for both internal and external communication. Results also show there is widespread use of current, networked hardware. For example, 80 percent of the CDFIs and 67 percent of the CDCs report that they have computer networks – an important tool for strengthening employees' performance and increasing the efficiency of their communications with one another. Organizations in the sample tend to upgrade equipment every two to three years, a competitive timeframe for replacement. (See Table 1.)

Thus, by and large the groups that responded to the survey are well equipped to use current computer technology in their everyday functioning. In addition, as Table 3 clearly shows, IT has made an impact on the organizational life of community development initiatives. A sizeable majority of respondents say that their use of IT has increased over the last five years

[1] Of course, the availability of computers to these organizations does not necessarily mean that access to computers has improved among individual households in poor communities.

[2] Note that this table refers mainly to IT uses based on the use of desktop computers. While other IT platforms such as video conferencing are available, our analysis mainly focuses on this computer platform, which is the predominant one used in the field. From this equipment base, organizations are able to establish other IT platforms to perform larger and more complex IT tasks.

and that it is playing an important role in their organizations. Almost all of the respondents report that IT has improved their organizations' service delivery and internal operations. These positive findings reflect the growing accessibility of IT. With sharp declines in prices for personal computer hardware and software, community organizations can now purchase these tools to store and process information, track clients and perform a variety of other tasks that promote individual and organizational productivity.

But despite these positive trends, our findings also reveal a number of limitations on the IT capacity of responding groups. One is that, as shown in Table 1, approximately one third do not have a Web site. As also shown in this table, many CDTIs, CDCs, CBOs and intermediaries rely on donated equipment to some degree, although among the four categories of respondents, donated equipment predominates only for CBOs. One official of a large CDC discusses the problems associated with donated equipment:

> Donated equipment is not really a blessing…[It] often cannot run the accounting software that we use and … [it] … breaks down at a higher rate. We have to eat the repair costs. After two or three repair calls, you are looking at the cost of a new computer. We accept donations but we usually pass them along to residents where usage is not so heavy. The rest end up in storage or get thrown away.

Respondent organizations are not making much use of Geographic Information Services (GIS), one of the more innovative planning tools available in the community development field. GIS allows CBOs and CDCs to collect community-level data and to use this information to support both direct development projects and advocacy efforts to change public policies. "We know the power of GIS," said one CDC director, "We see how the city planning department uses GIS to zone and make land-use decisions." The director went on, however, to explain why his organization had not taken the step of purchasing GIS software:

> But to be practical, GIS is a sophisticated software tool that needs a certain expertise to use and maintain. It is also expensive. I don't think it's cost-effective for a CDC of our size to invest in GIS software. Since I have a good relationship with the people at city planning, they will construct a map or run numbers for me if I need it for a proposal. Otherwise, there just is not enough work to justify an investment by the organization.

When CDCs and CBOs do want to use GIS, past experience suggests that they should partner with universities or city planning departments. Results from the survey confirm the value of these partnerships: There is a significant correlation ($r = .14 > .002$) between use of GIS by organizations in the sample and a technical assistance relationship with a university. We interviewed another CDC director, who is part of a university/community partnership in which the university provides technical assistance to CDCs and CBOs. One feature of the partnership is access to a unit of the university's planning department that

runs GIS maps that portray various aspects of the community's socioeconomic health. The director commented on the benefits of this kind of data:

> I can't tell you how much these maps help us in community organizing. At a community meeting, I can show the concentration of abandoned property overlaid with crime. The maps are a powerful tool to help residents understand why we need their backing and support to get title for these properties from the city. Getting possession of the properties means we can close the places where prostitutes and drug users congregate. We use GIS for other community development uses, but it is important to note that we could not afford the resources to purchase the software or the training. Our access to university resources makes that possible.

Following the pattern for how widely GIS is used by organizations in the sample, the survey shows that they also make only limited use of other specialized software (see Table 2), suggesting they are quite satisfied with routine productivity software. However, when community groups do try other innovative IT techniques, both the survey data and the interviews indicate that -- just as with GIS -- chances for successful innovation are improved when the groups establish partnerships with institutions such as universities that give them access to an advanced IT infrastructure.

Most of the organizations report that their budgets have significantly increased over the last five years. However, their median spending for IT has not been very large. For instance, the median annual amount for CDC spending on IT was $6,000. CDFIs and CBOs spent almost double that amount, but that is still not a heavy investment, even considering the generally small size of the organizations. In fact, the median spending for IT as a percentage of an organization's budget was approximately 1 percent for CDCs and somewhat less than 2 percent for CDFIs and CBOs. When asked if this level of spending on IT was enough to meet their needs, only the CDFIs said that it was.

The reason for the low levels of spending on IT may be that, even during the prosperous times in which the survey was conducted, these organizations are faced with competing programmatic and operational choices. When asked about spending on IT, one CDC director answered:

> Budgets are about making choices. It is not clear to me why I should be spending more on IT. Beyond replacing computers every few years or so, why should I devote precious resources to the area? Don't get me wrong, I recognize computers have improved how my people work and implement programming, but beyond the purchase of computers what else is there to buy?

Almost half to two-thirds of respondent groups do not have a staff member or department specifically devoted to IT. Also, almost half say senior staff pay little attention to IT, and roughly half rely on outside consultants or "no one in particular" for technical support. Approximately 50 percent of organizations in the sample provide little or no IT training for their staff, and overall, the organizations were evenly divided in their opinions of whether or not the degree of training they were providing was sufficient. These findings indicate that while these organizations are networked and communicating via e-mail for daily functioning, many suffer from a lack of understanding of the full potential of IT to support their operations. This problem should be borne in mind in interpreting findings in the following sections, which discuss the use of IT for more specialized programmatic needs.

B. IT IN SPECIFIC PROGRAM AREAS

As noted, besides examining responding groups' overall use of IT and its impact on their work, the survey took a closer look at the role it plays in specific areas of their programming. Table 4 summarizes responses related to these specific uses of IT.

The table shows that the groups think that IT's primary impact in all program areas is to improve communications and access to information. Responding groups also cite a variety of other outcomes in these areas. Not surprisingly the kind of areas in which change is noted tend to match the type of group responding. For example, 40 percent of CDCs and 30 percent of CBOs think IT has allowed them to generate new outcomes in community organizing, while 41 percent of CDFIs notice change in their ability to provide technical and financial assistance to other organizations. Similarly, 45 percent of CBOs observe improvements in their ability to serve special needs populations, while 35 percent of CBOs say that IT helps them serve young people. The next three sections provide a fuller review of findings on IT's impact in different program areas.

1. WORKFORCE DEVELOPMENT

In addition to IT's positive impact on the communication and information of groups that provide workforce development services, its main effect in this area is that it enables organizations to offer clients computer classes and other technology training. Between 20 and 40 percent of each of the four survey sub-groups – CDCs, CDTIs, CBOs and intermediaries – see their ability to make this kind of training available as a programmatic improvement. As the executive director of a community-based workforce training group reported in one of the interviews:

> One of our training programs uses various computer programs to train participants. We have software programs to train folks to be security guards, health care workers, and even life skills. For the most part, the software programs work. It is a good supplement to our existing efforts to get people job-ready.

The same executive director just quoted cites using Management Information Systems (MIS) as an important way in which database software benefits a workforce development program:

> It is imperative that we track and document each participant to satisfy our performance-based contract. Our software program not only tracks our participants, but also doubles as a payroll processing system for those participants that we pay.

CBOs in particular (27 percent) say that IT enables them to list jobs online and allows clients to conduct online job searches.

2. AFFORDABLE HOUSING

The survey indicates that IT has had a mixed impact in the area of affordable housing. Roughly half of responding CDCs and CDFIs cite only the general benefits of improved information and communications for IT in this area.

Remaining groups also point to more specific ways in which IT has helped them do something different to promote affordable housing. For example, 15 percent of the CDFIs report that a new activity for them is online processing of mortgages -- a use of IT that bears watching over the next few years to see if it becomes a broader trend in the field. In addition, some telephone interviews with CDFI leaders indicate that IT has had an impact on loan activities, primarily on how the loans are processed and monitored.

Among CDCs, which are the largest producers of affordable housing developments in the U.S., a modest proportion (13 percent), say that they feel that IT has had an impact on their operations through web-based services, such as housing counseling.

Surprisingly, IT is not exerting much influence over property management. In one of the follow-up interviews, an executive director of a large CDC provided some insight into the reasons why:

> We invested in a sophisticated property management program. Our property manager feels that the software they now use is helpful in managing our properties. It is like any other piece of software; you need staff commitment to maintain the database. We did not think about that when we first bought the software. My property manager and I had to go back to square one six months into its use. We took time to train the secretaries and the maintenance guys and explain to them that this was going to help them in their work. Bit by bit we have a system in place and the database is kept up to date. Our experience brought home the fact that you have to carefully plan the introduction of information technology into your organization and not just assume that the benefits will automatically appear.

3. ECONOMIC DEVELOPMENT

Among the four sub-groups of organizations responding to the survey, it is the CDFIs that report the most impact of IT on work in the area of economic development. However, those CDFIs that see a role for IT in their economic development activities generally confine their reports on how it makes a difference to the general areas of communication and provision of information. There is relatively little evidence of more specialized use of IT in this area. For example, it does not appear that many of the groups are using IT to promote electronic commerce or any of the other innovative uses of technology for economic development that were discussed earlier. A CDC official explains in very direct terms why his group has not taken this step:

> What would we sell over the Internet? We build houses and we train people. In our part of the world, the local entrepreneurs sell food products, hair care products or run nail salons. Last time I checked, there are not a whole lot of calls to buy these things over the net. Don't get me wrong. I am not a doubter, but even if we had small businesses with a unique product, no one in this part of the world would know how to put in place an e-commerce venture. You can't just one day decide, hey, I am going to sell on the net and be successful at it. This takes strategy and knowledge that none of us around here have.

C. OBSTACLES TO ADOPTING NEW TECHNOLOGY

The survey asked groups in the sample a series of questions about obstacles to adopting new technology. Not surprisingly, cost is clearly a significant factor, as shown in Table 5.

However, as Table 5 also indicates, the need to train staff to use new IT is another hindrance to adopting emerging technologies. Apart from cost, this need was the dominant reason for not trying new IT techniques that was most often cited by executive directors of community development groups in the telephone interviews. In many cases, these managers were aware that their organizations could make better use of technology, but felt they lacked the access to technical assistance to fully incorporate more innovative uses of IT into their work.

IV. INNOVATIVE USES OF IT IN COMMUNITY DEVELOPMENT

Section II of this report discussed some of the ways in which the public and private sectors in general have benefited from IT innovation. But to further an understanding of how the community development field in particular could make more progress in using information technology, this section presents a few examples of innovations that are making a difference in community development initiatives. The examples cover the four areas of community development that are of interest to the CDTI project and to the survey: workforce development, affordable housing, economic development and capacity building for communities.

A. WORKFORCE DEVELOPMENT

The earlier discussion of findings from the survey and telephone interviews alluded to the use of MIS among organizations that operate workforce development programs. In fact, MIS use in the area of workforce development is one of the most powerful technological trends among organizations that aim to strengthen low-income communities.

MIS plays a key role in workforce development efforts, helping local governments, CBOs/CDCs and nonprofit employment training providers become more responsive to the needs of their constituents. Well-designed MIS systems give managers an accurate way to track job placement and retention rates, and make it much easier for them to design efficient methods of accountability. MIS systems are critical to efforts of workforce development providers to not only maintain their databases and job banks, but to communicate with other agencies in the workforce development system.

As noted, our survey findings indicate that the use of software for training purposes among groups that offer workforce development services is quite widespread. Such software can be tailored to teach specific technical skills to hard-to-employ individuals.

- *Focus Hope, Detroit, MI*: Focus Hope is a large community-based development organization, which uses a custom-tailored math program to train high school dropouts. In a short time, trainees improve their math skills to a level that allows them to work in the tool and die industry, where precise estimates and technical knowledge are essential.

B. AFFORDABLE HOUSING

Among the most sophisticated IT users in the area of affordable housing, we find examples of groups that benefit from GIS software that features multiple data sets to evaluate the risk of property abandonment in low-income communities. For example, the University of Pennsylvania and the Department of Housing for the City of Philadelphia have established a system that allows community-based development organizations to get access to information on at-risk properties. Around the country CDCs have also begun using

computerized data for water bill and tax payments, visual records of property and other similar data to formulate their own strategies to save individual buildings or a collection of properties, and thereby stabilize threatened neighborhoods.

- *Neighborhood Knowledge Los Angeles CA (NKLA)*: An initiative of the Advanced Policy Institute of the University of Los Angeles (UCLA), NKLA has added a system for user-created data to its GIS/database systems. Called Interactive Asset Mapping of Los Angeles (I AM LA), the new interface allows community development organizations, residents and others to get access to parcel-level data and develop maps that help in efforts to reduce levels of housing abandonment, deterioration and predatory lending in low-income neighborhoods. NKLA has 5,200 registered users, and in late 2001 the system had 230 users per day.

  The City of Los Angeles has hired NKLA to develop a new digital information system to improve the efficiency of the city's housing inspections. Through this system inspectors are now able to download and input their data directly into hand-held computer devices, so that it can be immediately incorporated into a database.[3]

Also in the area of housing development, software packages are now available for CBOs/CDCs and housing authorities to manage properties. The packages typically consist of relational databases that can track clients, budgets, inventory and patterns of repairs. They make the work of property management more efficient, while offering managers a good tool to help meet the compliance and audit requirements of many government contracts.

C. ECONOMIC DEVELOPMENT

The role technology is playing in the area of community economic development is still evolving. Clearly, however, the Internet will continue to be pivotal to that evolution. While the Internet's promise has sometimes been overstated, it has strong potential to promote economic development. Like other broader trends in the new economy, Internet technology can reduce the distance between buyer and seller, expand opportunities for entrepreneurs by lessening the need for capital to market goods and services, and increase access to information in ways that reduce power imbalances in economic relationships.

In the developing world, a number of countries in South America, Africa, and the Caribbean are using the Internet to directly market the work of local artisans and craft producers to overseas markets in North America, Europe and Japan. In many cases, these local producers are earning more for their labor than would have been possible if they had sold their goods to wholesalers.

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[3] Christopher Conte, *Community Connections: Preserving Local Values in the Information Age*. U.S. Department of Commerce Technology Opportunities Program, Washington, D.C., 2000.

Although our survey and telephone interviews revealed only limited use of the Internet for these purposes, there are pockets of this kind of innovation in the U.S.

- *The Appalachian Center for Economic Networks (ACEnet), OH*: ACEnet is a nonprofit CDC that works regionally to transform the economy of Appalachian Ohio, using a concept called an "incubator without walls." The standard model of a business incubator, which has been used for a number of years, consists of a group of fledgling firms that are located in a common physical space and that share administrative and marketing services. The host of the incubator -- usually a university or government entity -- provides technical assistance and financing to the firms until they are strong enough to exist on their own.

  In contrast to this traditional model, ACEnet offers business-to-business services online. ACEnet's online service is available to help start-up businesses expand in the specialty food and computer technology sectors. ACEnet enables these businesses to grow by linking them to networks of more established businesses, industry professionals and other sources of assistance.

  ACEnet has found that Internet-based commerce produces economic gains for low-income communities by allowing small rural businesses the chance to tap into markets that were previously inaccessible to them. In addition, ACEnet shows that the Internet can offer small businesses the kinds of opportunities to create and take advantage of administrative efficiencies that typically are achieved only by larger companies.

Another way that IT is shaping interventions in the area of economic development is by offering groups GIS mapping and easier access to timely data on market conditions in distressed communities. There is growing consensus that assets and markets in low-income communities are very often undervalued. Part of the problem has been the cost and time involved in presenting opportunities in these communities to investors in ways that attract their attention.

However, with mapping, video and other cartographic techniques, many CBOs/CDCs can now identify trends and markets in their own communities and sell them in a compelling way. For example, a number of CBOs/CDCs are using statistical packages and electronic spreadsheets to make the case to potential investors in national supermarket chains that distressed communities can support a store. These communities no longer have to rely on market studies produced with outdated numbers. Now with a desktop computer, the right software and the assistance of a second-year MBA student, CBOs can make sophisticated arguments for franchises, supermarkets and other investments in their communities.

D. Capacity Building For Communities

Part I of this report has already indicated the extent to which IT has helped to build the capacity of individual CBOs/CDCs. In our examination of organizations that focus on community development we have also found examples of innovative uses of IT to build the capacity of entire communities. For example, many communities are developing web-based information clearinghouses. These online clearinghouses give CDCs/CBOs and residents timely access to information about government programs, jobs, community activities and CDC/CBO resources. Residents can take advantage of a clearinghouse through Community Technology Centers[4], through computer facilities at faith-based institutions and through CDCs.

- *Enterprise Foundation of Cleveland and Cleveland Housing Network, Cleveland, OH*: These two community development institutions have organized a web-based information clearinghouse called the Cleveland CDC Technology 2000 Team (T2K) to build the capacity of the city's CDC's. Project partners include the city of Cleveland, local CDCs, local community development intermediaries and institutions of higher education. The project has become a very important means of information sharing for Cleveland's CDCs, providing these organizations with desktop access to data along with centralized training and support to help them use the information.[5]

[4] Community Technology Centers were developed to meet the information technology needs of low-income communities. Often developed as stand-alone centers, these organizations provide community development organizations and low-income individuals with state of-the-art technology services that include workforce development training, support to build entrepreneurial skills and after-school youth development programs.

[5] Josh Kirschenbaum and Radhika Kunamneni, *Building the Organizational Divide: Toward a Comprehensive Approach to the Digital Divide.* PolicyLink, Oakland, CA, 2001.

V. CONCLUSIONS

This report has presented baseline information on the use of information technology in the field of community development. Our survey of a range of community organizations indicates that IT has made a modest impact on the field. The organizations in our sample are using computers and dedicated software to improve standard office operations and the productivity of their programs. But the results indicate that IT use among these organizations is on the whole routine; in no way do the findings suggest that IT is dramatically transforming either the functioning or the impact of most community development organizations. This untapped potential becomes even clearer when we compare the survey findings with the individual IT innovations that are featured in the second part of this report.

Survey respondents indicated that two main factors limit the use of IT and its capacity to benefit programs. The first is cost. It should be noted that cost of equipment is not the problem. Most organizations can find the resources for single purchases of equipment. Rather, the obstacle is the cost of acquiring or building IT platforms that allow organizations to use technology in an innovative way.

Organizations that wish to try new uses of IT need to dedicate resources to strategic planning processes. One reason to undertake this planning is to initially identify key IT needs for themselves and for their communities. Another is to acquire an understanding of how any IT innovation that they decide to adopt will fit into their broader efforts to improve their outcomes. To develop strategic plans for using new technology, managers must anticipate IT's effects on the organization's structure, programs and staff.

The second main factor limiting the innovative use of IT in community development organizations is lack of access to training. The words of the CDC executive director quoted earlier in this report – that "you have to carefully plan the introduction of information technology" and "not just assume that the benefits will automatically appear" – underscore that groups that wish to maximize IT's potential must be helped to create the conditions in which innovations will flourish. Thus, organizations that adapt new IT tools must have adequate technical assistance to support the use of those tools.

Intermediary organizations, funders, and colleges and universities all have roles to play in helping community development organizations move beyond routine uses of IT. It is clear that widespread use of technology in the community development field will not occur without intermediaries leading the way. Rather than viewing the adoption of IT innovations in such organizations as very difficult to achieve, or an exotic exception to the rule, local and national intermediaries should routinely incorporate IT help into the technical assistance they offer community development groups to build organizational capacity.

Like intermediaries, funders should view creative uses of IT as an expected part of efforts to build organizational capacity. Taking this perspective could mean factoring support for IT innovation into overall support for administrative costs or identifying special opportunities to give community groups some of the resources they need for technical assistance and strategic planning.

Our scan indicates that many of the individual IT innovations among community development groups emanate from their partnerships with colleges and universities, suggesting, in turn, that more of these relationships should be established. Their growth could help to expand the number of IT innovations, which are still somewhat "precious" experiments, to the point where they become part of the day-to-day work of the community development field.

This report on our survey findings is intended to stimulate a dialogue on how best to promote and encourage innovative uses of technology in the field of community development. As noted in the introduction to this report, thus far the dialogue on IT in low-income communities has centered on the digital divide. While important, this discussion has tended to preempt an equally important examination of the difficulties and opportunities involved in using IT in an innovative way. What is needed now is additional discussion and study of all aspects of the role IT can play in community development efforts.

Appendices and Survey Results

Appendix I: Description of the Community Development Technology Initiative

Seedco has a long history of building relationships between anchor institutions (e.g., colleges, universities, and hospitals) and community-based development organizations by assisting them in leveraging resources for community revitalization. Seedco's role as a national community development intermediary places us directly in distressed communities nationwide where we see community based organizations, often in partnership with anchor institutions and other intermediaries, starting to use information technology (IT) in a variety of ways to accomplish community revitalization.

The advent of new and improved information technology is producing wealth in the mainstream economy. Despite the expanding use of information technology in disadvantaged communities, broader policy discussions tend to be narrowly focused. Many policy questions center on two points: access to data transit portals and computer access for the poor. Unfortunately, the dialogue does not go very far beyond these two points. Concentration on these two issues, while important, directs attention away from potentially creative uses of information technology to help revitalize communities.

There have been infrastructure assessment studies of what it would take for poor communities to access the "information super highway". What is lacking is an assessment of the challenges, opportunities and best practices using technology to accomplish community revitalization. Without such a baseline study comparing experiences across functional lines of development and different types of development organizations, funders and distressed communities do not have enough information to make judgments about the use of information technology.

With an initial grant from the Ford Foundation, Seedco conducted a detailed analysis of the role information technology can play in community revitalization called the Community Development Technology Initiative (CDTI).

Seedco's research focused on three thematic areas:

(1) community capacity to undertake development,
(2) use of IT to enhance productivity of workforce development programs and
(3) use of the Internet to foster economic development.

These three themes are by no means exhaustive, but by examining these node points, we can more effectively judge the impact of IT on community change.

As a demonstration project, Seedco plans to identify and work with six to eight pilot sites (over three-years) that are using IT creatively to accomplish community revitalization. Working closely with these sites will afford Seedco the opportunity to add a richer and deeper texture to the analysis proposed in this report.

Appendix II: Survey Methodology and Characteristics of the Respondents

To develop the sample of 701 directors of community-based development organizations who were sent the CDTI survey, Seedco used publicly available lists provided by the Community Development Partnership Network, The National Community Development Capital Association, National Neighborhood Coalition and the U.S. Department of Housing and Urban Development. In developing the sample, we made a strong effort to include organizations that work on community organizing and that provide community-based social services. The sample included Native American organizations and faith-based organizations involved in community development work.

The survey asked a range of questions about the organizations and their use of information technology. Seedco staff developed initial versions of the questions based on reviews of existing studies and previously used survey instruments.

The Baruch Survey Research Unit at the Baruch School of Public Affairs further developed the questionnaire through cognitive testing and live pre-testing with a small sample of directors in the New York area. The Unit conducted the interviews by telephone during February and March 2001.[6] A total of 356 interviews were completed, yielding a response rate of 55 percent.[7]

Supplementing the Survey

As noted in the body of the report, Seedco staff conducted 20-minute telephone interviews with a sub-sample of community-based organizations from the survey and a group of additional organizations that were expected to provide particularly in-depth observations and insights on the use of IT. Interviews were conducted with the executive directors of the organizations. Seedco promised respondents anonymity and did not identify any direct quotations by name or organizational affiliation.

Type and Definition of Organizations in the Survey

As also discussed in the body of the report, we grouped organizations that responded to the survey into four categories: community development corporations (CDCs), community development financial institutions (CDFIs), community-based organizations (CBOs) and intermediaries. All categories were self-reported. Although there is inevitable overlap between the roles of these types of organizations, we used these categories because they are helpful in highlighting the different structures that community development organizations can take and the different kinds of work they perform.

[6] Each organization was called up to 10 times at different times of the day and on different days of the week (including scheduled call backs). The average interview length was 35 minutes.

[7] The community-based organizations in this sample represent a significant proportion of the entire nationwide group of such organizations, but we do not know precisely to what degree the list covers all such organizations in the U.S.

We define CDCs as community-based organizations involved in a range of community economic development activities. CDCs are locally based, often serving a single neighborhood or community. The other defining feature of CDCs is that the majority of their board members are drawn from their target communities.

CDFIs are defined as financial institutions that may be community-based, but have a wider geographic spread and are lenders of capital. Typically, CDFIs do not get involved in the actual development of housing nor do they run economic development programs. Some CDCs may also be CDFIs.

The community-based organization (CBO) category is much more fluid than the other two. For the purposes of this report, we consider CBOs to be organizations that normally focus on specific areas of community development such as economic development, community organizing, provision of social services and workforce development. Organizations that see themselves as CBOs do not describe themselves as CDCs – mainly because unlike CDCs, they do not necessarily follow a practice of making the majority of their board members community residents, nor do they necessarily work in only one community.

An intermediary is an organization that plays a mediating role between CBOs and resource providers, e.g., foundations, businesses and government entities. CDFIs can be classified as intermediaries. However, placing them in this category clouds the special role they play as financial institutions. Given the small number of intermediaries in the sample, comments and conclusions attributed to them in the report are limited.

Staff Position of Individual Survey Respondents

As shown in Appendix Table A, the survey was mainly answered by executive directors and presidents of the organizations. The other significant group of respondents was managers and staff members. Given the topic of the survey, many executive directors felt more comfortable asking the staff responsible for technology to respond rather than answering it themselves. A range of community development organizations responded to Seedco's survey. They vary by geographic region, budget size, number of employees and programmatic areas covered.

The organizations are relatively small in size. (See Appendix Table B.) Most CDCs and about half of CDCs and CDFIs in the sample have fewer than 10 employees. The median approximate annual budgets of all four categories of organizations range from $500,000 to $600,000. All rely primarily on governments and foundations to support their budgets. Not surprisingly, CDFIs are less reliant than the other kinds of groups on government contracts, with more of their revenue deriving from fees for services and from income from investments and capital.

As also shown in Appendix Table B, the median year in which organizations were founded ranges from 1983-9. Thus, these organizations are relatively new to the community development field. The groups have had a median number of two executive directors since they have been established, indicating that on the whole they have experienced limited turnover in their leadership positions.

The Eastern region of the U.S. is heavily represented in the survey. (See Appendix Table C.) This disproportionate representation of the East is to be expected, in view of the fact that community development organizations such as CDCs have a longer history of activity in this part of the country than in others.

The sample contains roughly similar numbers of urban and non-urban[8] CDCs and CBOs. There are, however, significantly more non-urban than urban CDFIs. (See Appendix Table D.)

As noted in the body of the report, we expected that the survey would reveal differences between the degree of access urban and non-urban groups have to technology and between their uses of IT. But consistently, there are no statistically significant differences between responses of urban and non-urban groups to the survey. Thus, the conclusions presented in the report apply to community development organizations in both urban and non-urban settings.

The primary areas of work for the organizations surveyed are affordable housing development and economic development. CDCs, as major housing producers, are very involved in all facets of affordable housing development, while CDFIs are significantly involved in the financing of affordable housing. Overall, CBOs were the only organizations reporting a significant level of involvement in workforce development, with a combined response rate for "very involved" and "somewhat involved" of 84 percent.

[8] The non-urban category is composed of rural organizations (12 percent of the entire sample), organizations in small cities (5 percent), suburban organizations (3 percent) or some combination of the preceding three (34 percent of the sample).

Table 1: IT Penetration and Capacity
(data is expressed as % of total respondents, unless noted)

	CDC	CDFI	CBO	INT
Number of Organizations Responding to Survey (#)	209	113	25	8
Does Organization Have Computers?				
Yes	100	100	100	100
No	0	0	0	0
How Many Computers Per Employee? (#)				
Mean	1	1	1	1
Median	1	1	1	1
Does Organization Have a Computer Network?				
Yes	67	80	64	88
No	33	20	36	13
How Much of Organization's Computer Equipment is Donated?				
Most (or all)	13	8	12	13
Some	14	11	40	13
Only a little	21	19	12	25
None at all	51	63	36	50
About How Often is Your Computer Hardware Upgraded?				
Almost every year (or more often)	22	17	12	25
Every 2 or 3 years	49	56	60	13
Every 4 or 5 years	20	20	12	50
Less often	4	4	8	0

Table 1: (Cont'd)

IT Penetration and Capacity

Does Your Organization Have a Web-Site?				
Yes	59	63	52	88
No	34	33	40	13
What Information is Featured?				
Information -- about the organization	80	85	73	86
Information -- about staff (or officers)	22	21	20	29
Information -- for clients	23	41	20	0
Information -- for volunteers	6	3	7	0
Information -- for members or donors	14	16	0	14
Job openings - at the organization	4	9	7	0
Job listings - outside the organization	2	4	7	0
Publications -- reports, newsletters	21	20	20	71
Links -- to other Internet sites, organizations, and services	24	20	20	43
Percent of Staff with Regular Internet Access				
Mean	80	78	67	100
Median	95	93	80	100
Staff Use of Internet				
A great deal of the time	20	20	16	0
Very little of the time	17	14	12	13
Organization's Use of Email				
A great deal of the time	48	55	38	63
Some of the time	40	34	50	13
Very little of the time	11	9	13	25
Not at all	0	2	0	0

Table 1: (Cont'd)

IT Penetration and Capacity

Staff Use of Email				
Mostly internal communication	44	8	8	13
Mostly external communication	58	44	50	50
Used equally for both internal and external communication	38	47	42	38
How Much IT Planning Does the Organization Do?				
A great deal				
A fair amount	15	18	29	13
Only a little	39	45	21	25
None at all	45	38	50	63
Does Your Organization Have a Written Technology Plan?				
Yes	1	0	0	0
No	17	25	38	13
In the process of development	76	71	58	75
Does Your Organization Have a Primary Individual or Working Group for IT?				
Yes	44	63	54	38
No	55	36	42	63
How Much Attention Does Senior Staff Pay to IT?				
A great deal of attention	0	1	4	0
A fair amount of attention	14	20	25	13
Only a little attention	46	44	42	25
None at all	38	33	29	63

Table 1: (Cont'd)

IT Penetration and Capacity

What Type of Technical Support Does Organization Have?				
On-site person	25	38	42	63
Outside consultant	52	47	29	25
No one in particular	23	14	29	13
Is That a Full-Time or Part-Time Job?				
Full-time	46	56	90	20
Part-time	38	26	10	40
Full time person, but tech support is only part of the job	10	14	0	40
Other	6	5	0	0
How Much IT Training Do You Provide to Your Staff?				
A great deal	8	9	8	13
A fair amount	38	37	46	38
Only a little	46	48	38	38
None at all	8	6	8	13

Table 2: IT Uses by Type of Organization

(data is expressed as % of total respondents, unless noted)

	CDC	CDFI	CBO	INT
Number of Organizations Responding to Survey (#)	209	113	25	8
Number of Staff Using Applications				
Wordprocessing				
Most	59	66	56	38
Some	38	31	40	63
None	3	3	4	0
Spreadsheet				
Most	59	66	56	38
Some	38	31	40	63
None	3	3	4	0
Database				
Most	25	29	16	38
Some	55	52	64	63
None	20	19	20	0
Financial/Accounting				
Most	13	15	4	0
Some	71	63	64	88
None	16	22	32	13

Table 2: (Cont'd)

IT Uses By Type of Organization

GIS				
Most	4	2	0	0
Some	34	26	36	25
None	61	71	60	75
Other applications				
None	41	30	36	38
Desktop publishing	27	31	28	50
E-mail/web browsing	14	15	36	13
Fund raising software	1	2	0	13
Imaging or scanning	5	3	4	13
Project management	4	5	0	0
Property management	1	0	0	0
Statistical software	0	1	4	0
Survey software	0	0	0	0
Web page design	4	5	4	0
Loan processing/management	9	15	4	0
PowerPoint	5	11	8	13
Purpose of GIS				
Maps showing locations	30	32	11	0
Mapping/tracking clients/client outcomes	39	35	33	0
Land use mapping	19	10	11	0
Market studies	10	19	0	50
Housing planning and development	15	10	0	0
Economic development planning	16	3	0	0
Demographic analysis	39	29	44	50

Table 2: (Cont'd)

IT Uses By Type of Organization

How Much Assistance Have You Received from Colleges/Universities?

A great deal	5	3	4	0
A fair amount	11	4	4	0
Only a little	22	19	29	13
None at all	62	73	63	88

Is There Another Institution That Provides Your Organization with IT Assistance?

Government agency (other than a library)	5	10	24	0
Library	0	0	0	0
Business corporation	9	13	12	0
Nonprofit organization (other than a foundation)	24	18	24	13
Consultant	16	15	8	38
Foundation	8	4	8	0

Table 3: Impact on Organization and Program Area by Type of Organization (data is expressed as % of total respondents, unless noted)

	CDC	CDFI	CBO	INT
Number of Organizations Responding to Survey (#)	209	113	25	8
How Important a Role Does IT Play in Your Organization?				
A very important role	66	68	60	63
A somewhat important role	29	27	40	38
Only a little role	4	4	0	0
No role at all	0	1	0	0
How Much Has IT Use Increased in Last Five Years?				
A great deal	66	73	60	50
A fair amount	26	19	24	50
Only a little	5	5	8	0
Not at all	0	1	0	0
Will IT Play a Greater or Lesser Role in Next Several Years?				
A much greater role	47	47	60	38
A somewhat greater role	40	35	36	38
About the same role as it does now	13	18	4	25
Less of a role	0	0	0	0
How Much Has IT Improved Service Delivery?				
A great deal	39	49	54	50
A fair amount	44	35	29	38
Only a little	15	13	17	13
Not at all	1	4	0	0

Table 3 (Cont'd)

Impact on Organization and Programmatic Area by Type of Organization

How Much Has IT Improved Internal Operations?				
A great deal	52	67	42	13
A fair amount	38	25	42	50
Only a little	8	6	13	38
Not at all	2	2	0	0

Table 4: Use of IT in Specific Program Areas
(data is expressed as % of total respondents)

	CDC	CDFI	CBO	INT
Number of Organizations Responding to Survey (#)	209	113	25	8
How Involved is Your Organization in Workforce Development?				
Very involved	19	17	40	0
Somewhat involved	36	30	44	38
Not involved	45	53	16	63
Has IT Allowed You to Do Anything New or Different in Workforce Development?				
Yes	43	40	71	33
No	54	57	29	67
New or Different Uses of IT in Workforce Development				
Better communication	41	52	40	0
Better information management	37	43	40	0
Web-based services	14	10	7	0
Computer classes or other technology training	39	19	20	100
On-line job listing/job searching	14	14	27	0
Telecommuting/telework center	2	5	0	0
Distance learning	4	0	13	0

Table 4: (Cont'd)

Use of IT in Specific Program Areas

How Involved is Your Organization in Affordable Housing Development?				
Very involved	65	51	64	38
Somewhat involved	19	22	16	50
Not involved	16	27	20	13
Has IT Allowed Your Organization to do Anything New or Differently in Affordable Housing Development?				
Yes	55	48	35	29
No	44	52	65	71
New or Different Use of IT in Affordable Housing Development				
Better communication	49	44	43	0
Better information management (databases, client reports,….)	66	59	43	50
Web-based services	13	10	0	0
Provide access to computers/ Internet (community technology)	4	13	0	0
Property management software	4	3	0	0
On-line banking/mortgage applications	11	15	0	50
On-line housing listing	5	3	14	0
Involvement of Organization in Community Economic Development				
Very involved	51	74	64	38
Somewhat involved	39	18	24	38
Not involved	10	8	12	25

Table 4: (Cont'd)

Use of IT in Specific Program Areas

Has IT Allowed Your Organization to do Anything New or Different in Community Economic Development?				
Yes	47	60	36	50
No	54	40	64	50
New or Different Uses of IT in Community Economic Development				
Better communication	49	53	75	33
Better information management	58	50	38	67
Web-based services	22	21	13	0
Incubator for new businesses	3	8	13	0
On-line banking or business loans	3	5	0	0
Electronic links to suppliers/ producers of raw materials	6	8	0	0

Table 5: Obstacles to Adopting New Technologies
(data is expressed as a % of total respondents)

	CDC	CDFI	CBO	INT
Number of Organizations Responding to Survey (#)	209	113	25	8
No real obstacles	4	10	8	0
Hiring/keeping staff with technology expertise	10	15	4	0
Current staff -- need training/better skills	44	42	58	38
Getting technical support	15	10	8	13
Acquiring new hardware or software	10	11	8	13
Clients don't use or have access to IT	5	3	4	0
Money -- don't have enough	66	63	71	75

Appendix Table A

Organizational Titles or Positions of Individual Survey Respondents

Title/Position	Number	Percent
Executive Director/President	240	67
Technology Director/Chief Information Officer (CIO)	15	4
Vice President/Senior Manager	22	6
Other Manager or Staff Person	82	23
Total	**359**	**100**

Appendix Table B

Key Characteristics of Community-Based Development Organizations in the Survey
(data is expressed as % of total respondents, unless noted)

	CDC	CDFI	CBO	INT
Number of Organizations Responding to Survey (#)	209	113	25	8
Incorporated (Year)				
Mean	1984	1981	1971	1980
Median	1989	1987	1985	1983
Number of Executive Directors/CEOs Since Inception (#)				
Mean	3	3	3	3
Median	2	2	2	2
Number of Full-Time Employees (#)				
Less than ten	67	53	44	78
More than ten	33	47	57	22
Approximate Annual Budget ($)				
Mean	$ 1,980,632	$ 3,039,935	$ 6,297,249	$ 1,753,127
Median	$ 500,000	$ 600,000	$ 600,000	$ 575,000
Largest Source of Revenue				
Direct contributions from individuals	2	2	4	0
Grants or contracts from foundations	25	15	17	63
Government grants or contracts	48	31	63	25
Fee for service	15	33	13	13
Interest from endowment and/or permanently restricted funds	2	4	0	0
Other	7	12	4	0

Appendix Table B: (Cont'd)

Key Characteristics of Community-Based Development Organizations in the Survey

Increase in Budget Over the Last Five Years				
Increased a lot	49	47	3	50
Increased some	30	39	42	50
Stayed about the same	15	11	17	0
Decreased some	5	1	8	0
Decreased a lot	0	1	0	0
Annual Amount Spent on IT ($)				
Mean	$ 22,248	$ 41,546	$ 109,287	$ 63,714
Median	$ 6,000	$ 12,500	$ 10,000	$ 30,000
Involvement in Affordable Housing				
Very involved	65	51	64	38
Somewhat involved	19	22	16	50
Not involved	16	26	20	13
Types of Affordable Housing Activities				
Housing development or management	97	65	95	14
Housing counseling or placement	70	46	65	29
Legal or legislative advocacy	49	43	45	86
Technical or financial assistance	84	100	75	71
Employer-assisted housing	13	15	10	29
Involvement in Workforce Development				
Very involved	19	17	40	0
Somewhat involved	36	30	44	38
Not involved	46	52	16	63

Appendix Table B: (Cont'd)
Key Characteristics of Community-Based Development Organizations in the Survey

Types of Workforce Development Activities				
Job training or job placement	92	77	100	67
Legal or legislative advocacy	39	26	43	100
Technical or financial assistance	73	87	81	100
Other	6	9	5	0
Involvement in Economic Development				
Very involved	51	74	64	38
Somewhat involved	39	18	24	38
Not involved	10	8	12	25
Types of Economic Development Activities				
Entrepreneur training or business incubation	60	66	55	0
Development or management of retail or commercial space	46	31	55	17
Legal or legislative advocacy	48	41	27	83
Technical or financial assistance	82	100	86	83
Other Program Activities				
Yes	60	37	80	63
No	39	62	20	38

Appendix Table B: (Cont'd)

Key Characteristics of Community-Based Development Organizations in the Survey

What Are the Other Program Activities?				
Advocacy (legal or legislative)	15	0	0	25
Arts/culture	5	5	5	0
Beautification (gardens, urban design, murals)	10	2	0	0
Child care/Head Start	8	10	25	0
Community organizing (tenant organizing, leadership development)	40	17	30	50
Crime prevention/public safety	7	2	5	0
Environment (pollution control, recycling, clean up campaign)	16	7	5	0
Family support/counseling	7	0	15	0
Health/mental health	7	10	15	0
Research or policy analysis	4	7	5	0
Special needs populations (elderly, homeless, AIDS)	11	15	45	25
Technical or financial assistance to other organizations	11	42	10	0
Transportation	7	0	0	25
Youth programs	23	17	35	0
Social services, education or training	19	12	15	25

Appendix Table C

Survey Respondents by Region of the U.S.

	East	Central	Mountain	Pacific	Alaska	Hawaii
Completed Interviews	196	70	32	48	4	3
Percent of Total Respondents*	55	20	9	14	1	.85

*Total may not add up to 100 due to rounding off

Appendix Table D

Type of Organization by Geographic Service Area

Organization Type	Urban	Non-Urban or Combination	Total
CDC	111	97	**208**
%	53	46	
CDFI	38	74	**112**
%	34	66	
CBO	12	12	**24**
%	50	50	
Intermediary	2	7	**9**
%	22	78	
Total	**163**	**190**	**353**
%	**46**	**54**	