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## UNDERSTANDING THE IMPACT OF COMMUNITY BASED NONPROFIT ORGANISATIONS

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Jessie Harman  
Centre for Regional Innovation and Competitiveness  
University of Ballarat  
[j.harman@ballarat.edu.au](mailto:j.harman@ballarat.edu.au)

Professor Julian Lowe  
Director, Centre for Regional Innovation and Competitiveness  
University of Ballarat  
[julian.lowe@ballarat.edu.au](mailto:julian.lowe@ballarat.edu.au)

### Abstract

This research provides a ‘work in progress’ report on the development of a theoretical framework for understanding the impact of community-based, nonprofit organisations on the communities they serve. It identifies the complexities associated with defining and measuring impact at the level of the community and proposes some strategies to address these challenges. The research has broader implications for nonprofit organisations and for communities; especially with regard to the way resources are allocated.

The research is based on a longitudinal study of the impact of six community-based organisations, in six different rural communities in Victoria, Australia. Established in 1999, initially to promote the use of ICT in communities, these organisations have impacted on their communities in a range of ways; in many respects beyond their original scope and purpose. The study, which uses both qualitative and quantitative research methods conducted over a three year period, seeks to answer the following questions: What is the impact of these organisations on their communities? How does one go about objectively and accurately measuring and assessing such impact? The study highlights the difficulties associated with defining and measuring the impact of community-based organisations, and demonstrates the current lack of appropriate theoretical frameworks available either in the community informatics literature or the nonprofit literature, generally. To that end the authors report on progress towards developing a model for understanding the impact of these organisations on their communities, which is both theoretically robust and pragmatic, and which has applicability for a range of community-based nonprofit organisations operating in regional communities. They posit that governance structures and control measures, often based on the private sector model of accountability, need to recognize the particular nature of community based nonprofit organisations and service delivery.



At the same time the study also provides important insights into the challenges facing nonprofit organisations operating in rural communities.

The study has significance in a number of ways. Firstly, it advances our knowledge of the important role that nonprofit organisations play, particularly in regional communities. Secondly, it has significant implications for the way in which nonprofit organisations deploy their resources to achieve organizational effectiveness. Finally, it has important implications for community development, particularly in those rural and regional communities which are threatened by decline.