## **Community Wealth Matrix**

Building wealth[[1]](#footnote-1) equitably and inclusively is a long-term prospect. Measurement helps to ensure that strategies are executed and result in expected outcomes. Documenting change over time through measurement holds partners accountable for their efforts and validates the time and resources dedicated to a strategy. Measurable outcomes also demonstrate to outside investors, partners, supporters, local officials, legislators and the public that the organization takes its work seriously in creating meaningful change. Measurement helps stakeholders prioritize their efforts, by showing which activities and investments have resulted in the building of wealth, and which need to be refined. And measurement often requires partners, from determining how to measure progress on regional strategies, to collecting information, to analyzing information and making decisions about future work.

The community wealth matrix is a tool to help determine the best ways to measure impacts on multiple forms of wealth and local ownership and control. Steps to completing this community wealth matrix:

1. **Identify the region’s existing and planned wealth-building strategies**. **Define the desired outcomes**.
2. **Relate the outcomes to the eight forms of capital** by asking for each strategy: How does the strategy build wealth and what forms of wealth are strengthened? How is the strategy building wealth for low-income people? How does the strategy increase local ownership and control?
3. **Identify indicators**, which are the conditions being changed by a wealth-building strategy. How do you know whether progress is being made? What changes does that strategy result in? Determine the direction of change.
4. **Create a measure, which provides a way to actually count or value the status of an indicator.** Focus on the actual desired outcome that improves the stock of wealth, rather than completion of tasks or milestones. Measure information that is important to your strategy. **Determine where the information about the indicator/measure exists and who is responsible for collecting it.**
5. **Using the most recent existing information or collecting data for the first time** **sets the baseline**, the value of the information at a point in time.
6. **Determine the target and a time frame for achieving that target,** based on historical data or what is achievable based on present resources.
7. **Begin recording and tracking information** as it becomes available.
8. **Set up a process for communicating and using results**. Some uses may include promoting and evaluating the work of the organization and prioritizing strategies.
9. **Analyze measurements over time.**

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| **Name of Organization:** | | | **Date:** | | |  |
| **Type** | **Strategy** (What actions will you take?) | **Indicator** (What is the change you’re seeking?) | **Measure** (How would you measure that change?) | **Baseline** (This is the first time you measure.) and **Target** (What are you working toward?) | **Methodology** (How will you measure and use the data?) | **Partners** (Are there any key partners needed?) |
| **Individual** |  |  |  |  |  |  |
| **Social** |  |  |  |  |  |  |
| **Intellectual** |  |  |  |  |  |  |
| **Natural** |  |  |  |  |  |  |
| **Type** | **Strategy** (What actions will you take?) | **Indicator** (What is the change you’re seeking?) | **Measure** (How would you measure that change?) | **Baseline** (This is the first time you measure.) and **Target** (What are you working toward?) | **Methodology** (How will you measure and use the data?) | **Partners** (Are there any key partners needed?) |
| **Built** |  |  |  |  |  |  |
| **Financial** |  |  |  |  |  |  |
| **Political** |  |  |  |  |  |  |
| **Cultural** |  |  |  |  |  |  |
| **Structures of**  **Local Ownership** |  |  | . |  |  |  |

Defining Wealth: Forms of Wealth

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|  | Built capital is the stock of fully functioning constructed infrastructure. |  | Natural capital is the stock of unimpaired environmental assets (e.g., air, water, land, flora, fauna, etc.) in a region. |
|  | Financial capital is the stock of unencumbered monetary assets invested in other forms of capital or financial instruments. |  | Political capital is the stock of power and goodwill held by individuals, groups, and/or organizations that can be held, spent or shared to achieve desired ends. |
|  | Individual capital is the stock of skills and physical and mental healthiness of people in a region. |  | Social capital is the stock of trust, relationships, and networks that support civil society. |
|  | Intellectual capital is the stock of knowledge, innovation, and creativity or imagination in a region. |  | Cultural capital is the stock of practices that reflect values and identity rooted in place, class, and/or ethnicity. |

1. Adapted from Measuring Rural Wealth Creation: A Guide for Regional Development Organizations. By NADO Research Foundation. 2016. <https://www.nado.org/wp-content/uploads/2016/12/MeasuringWealthCreationRDOsFinal.pdf> [↑](#footnote-ref-1)