AGENCY OF THE FUTURE – BLUEPRINT FOR DISCUSSION

The document that follows is based on a concept paper that was developed for a meeting held on June 21, 2013. The aim of that meeting was to test an initial set of concepts with individuals from three sectors: the national settlement sector comprised of settlement agencies and umbrella associations, CIC, and the Pathways to Prosperity (P2P) research partnership. The original paper has been revised to reflect the ideas advanced by meeting participants. Two sections were substantially changed: The section describing the structure and functioning of the proposed innovation machinery; and the section detailing the process for moving the project ahead and steering its development. The latter section now contains 'hard' deliverables and detailed timelines.

PROJECT RATIONALE

Canada's immigrant service agencies and umbrella associations are facing major changes and challenges that profoundly impact their opportunity landscape, including their orientation, financing and organization. In the past, faced with such opportunities, settlement organizations have responded in a passive and adaptive manner. The Agency of the Future project is designed to change this pattern and to help the sector chart a more pro-active and strategic course. The project's premise is that settlement agencies and umbrella associations need to open up new territory in place of defending existing turf. This entails re-conceptualizing the business opportunities available to the sector and bolstering its capacity to identify and seize opportunities, winning new clients and fending off competitors. Achieving this will require a focus on excellence and innovation, particularly in areas where settlement service organizations enjoy a strategic advantage. The way forward implicates both individual agencies and umbrella associations. It also implicates governments because governments have a shared interest in bolstering the capacity of settlement agencies in areas where they enjoy a comparative advantage over other organizations.

CORE IDEAS

Three core ideas underlie the proposals developed in this paper. These ideas originate in a pair of research studies undertaken by P2P researchers for CISSA-ACSEI[1]:

1. IMMIGRANT SERVICE AGENCIES ENJOY A STRATEGIC ADVANTAGE OVER OTHER ORGANIZATIONS THAT DELIVER SETTLEMENT SERVICES: This advantage resides in the

---

[1] *Reconfiguring Settlement and Integration: A Service Provider Strategy for Innovation* and *Results* and *Study of Innovative and Promising Practices within the Settlement Sector*. The studies are accessible online at P2PCanada.ca.

expertise that agencies have acquired in combining discrete, complementary federal and provincial programs in order to offer comprehensive solutions to the problems facing immigrant families.   In addition, immigrant service agencies are able to mobilize newcomers and ethnocultural and religious organizations because they have earned their trust through the work they do. Both the specialized program expertise and the trust result from the manner in which settlement organizations perform their role. As such, settlement organizations possess a strategic advantage that other organizations (that do not operate in the same way) find difficult to emulate.

2. THE SIZE AND SPAN OF THE IMMIGRANT SERVICE SECTOR OFFERS A DEEP POOL OF 'EXPERIMENTAL' PROJECTS AND IDEAS FOR ADDRESSING MANY OF THE CHALLENGES FACING THE SECTOR: There is empirical support for the idea of extensive innovation by settlement agencies across the country. Individual agencies have evolved numerous, creative programs based on advantageous partnerships and unique ways of using and combining services. They have done this in an attempt to realize synergies, improve efficiency, and achieve greater effectiveness. A methodology already exists for analyzing the internal and external factors that account for the success of these promising practices. The analytic methods were extensively tested on a range of promising practices as part of the *Study of Innovative and Promising Practices within the Settlement Sector,* conducted for CISSA-ACSEI.

3. AN 'INNOVATION CYCLE' CAN BE FORMED BASED ON A PARTNERSHIP BETWEEN SETTLEMENT ORGANIZATIONS AND THE PATHWAYS TO PROSPERITY PARTNERSHIP: A knowledge partnership between the settlement sector and P2P could promote innovation and business development in areas that are designated as priorities by the settlement sector. Within these priority areas, a formal system of study and replication of (existing) promising practices and techniques would be used to establish an 'innovation cycle'. The cycle would consist of discrete activities designed to identify promising practices, to analyze them in order to determine why they are effective, and, finally, a process for disseminating this information (through a variety of methods) to settlement agencies that want to expand or improve their services.

THE EMERGING SETTLEMENT ECOSYSTEM

Charting a new course for settlement organizations will require a common understanding and assessment (by the sector) of the key factors driving change so the settlement sector can anticipate emerging needs. The following list identifies ten major shifts – some already in evidence, others projected - in the economic, social, demographic, technological, and policy environment. These shifts produce challenges for the sector that will need to be mitigated. They also present opportunities that can be appropriated if the settlement sector acts strategically and coherently. The paper takes up this point in greater detail in the section dealing with business lines.

One relatively recent factor that bears underlining is the very significant restructuring that has occurred in the selection and admission systems governing the entry of economic immigrants,

temporary foreign workers, and international students. This restructuring has significantly altered the source countries, personal attributes, and entry pathways, of new migrants, as well as changing the institutions that engage them. It has *not*, however, had much impact on downstream settlement programs which have remained relatively static in the face of this change. The modernization initiative has yet to realize its potential and programs situated in the innovative community connections stream, notably the LIPs initiative, are exceptions whose overall impact remains small. The Agency of the Future project can play an important role in helping settlement organizations, and CIC, to redress this imbalance by bringing settlement programming into better alignment with the selection and admission changes that have been taking place. An area of particular concern for CIC is youth integration. Below is a list of some of the changes that have been altering (or are projected to alter) the contours of the settlement landscape.

(1) FISCAL CUTBACKS: The sharp expansion in federal settlement funding that began in 2006 has been reversed. CIC's settlement budget has been trimmed by some 30 percent and there is no likelihood of it being restored. In fact, further cuts in spending should be anticipated. The outlook is similar across government: federal and provincial agencies affected by fiscal cutbacks have reacted by refocusing on core mandates. This will make it harder for settlement agencies to access government support outside CIC.

(2) CHANGES IN THE STRUCTURE AND LOCATION OF ECONOMIC ACTIVITY: The decline of Canadian manufacturing, much of it concentrated in Ontario, and the westward shift in economic activity has boosted western demand for immigrants and temporary workers at the same time as the pace of migration to Ontario has fallen off. This large-scale shift can be expected to persist. The changes in migration patterns have been accompanied by corresponding shifts in the demand for settlement services and the allocation of settlement resources.   This has benefited the west but has increased pressure on settlement organizations in regions where absorptive capacity has declined as a result of job losses and belt-tightening by government. Ontario, which has the largest settlement service base, has been especially hard hit.

(3) NEW DESTINATION COMMUNITIES: A growing proportion of newcomers has been moving to metro-adjacent communities as well as to smaller towns and more remote locations. The changes reflect economic shifts linked to the extraction, processing and transport of resources. They also reflect push factors, such as the cost of housing in large metro centres, transportation difficulties, congestion and concerns with safety. On the pull side, smaller centres worried about their economic future and demographic sustainability have increased their efforts to attract new residents.

(4) NEW ADMISSION AND SELECTION POLICIES: The most salient change involve a significant and sustained increase in the proportion of economic migrants within the overall immigration movement. This reflects a fundamental policy decision to privilege economic immigration. Mandatory language requirements, new flow management techniques (expression of interest), and other selection changes will enhance the job readiness of applicants. There has also been an enormous increase in the flow of temporary entrants (workers and, to a lesser extent, international students) accompanied by expanded opportunities for workers and students to transition to

permanent residency, using the recalibrated Canada Experience Class, further enhancing the dominance of economic immigration.

(5) SHIFTING MIGRANT COMPOSITION: Constraints on family class migration, coupled with enhanced language requirements and a greater reliance on temporary workers to fill low skilled jobs, will produce compositional shifts in source countries analogous to those experienced by Australia. The compositional shifts (in source country) will, in turn, affect destination choices amplifying the westward shift of immigration.

(6) ALTERED FEDERAL-PROVINCIAL LANDSCAPE: The earlier devolution of responsibility for settlement services to provinces fuelled provincial interest in immigration and helped settlement agencies to diversify their funding. This was complemented by a favourable fiscal environment that encouraged many federal and provincial ministries to adapt their programs to newcomers, allowing further funding diversification. The fiscal and political pendulum has now swung back. In the face of federal repatriation of settlement services, provincial appetite for incremental spending on newcomer settlement is waning and fiscal pressures are pushing ministries to confine their expenditure to core mandates. Barring counter-measures, this implies fewer dollars, from fewer sources, with greater competition for available funds.

(7) NEW STAKEHOLDERS: The last decade has seen the rise of three stakeholder groups into positions of prominence on migration matters: employers; educational institutions; and municipalities. Employers and educational institutions have assumed a major role in the selection and recruitment of newcomers. Their involvement in settlement and integration, however, has been more rudimentary. Municipalities, especially smaller centres have also focused on attracting and recruiting newcomers, but they have devoted increasing levels of attention to settlement and adaptation in the areas of housing, health, education, social services, and recreation. All three stakeholders require – and regularly access – outside expertise in respect of recruitment and settlement.

(8) NEW COMPETITORS: The sharp increase in settlement funding that took place in 2006 attracted new organizations to the settlement 'business'. These included quasi-public institutions, such as schools and libraries; educational institutions, such as community colleges and technical institutes; and non-profit organizations, such as the Y and women's centres. The new entrants compete with settlement agencies to deliver services to newcomers. Generally, but not always, these services are more specialized and more narrowly constructed than those offered by the settlement sector itself. Despite this (or, perhaps, because of it), some competing organizations have been very successful and have been embraced by CIC. A particular feature of quasi-public institutions is that their core operations are already funded by government and, thus, they only need to cover operating expenses, providing them with a cost advantage.

(9) CHANGES IN FIRM SIZE AND ORGANIZATION: Settlement agencies have evolved considerably from their early days as small, charitable outlets. While they vary greatly in size and capacity, the trend has been to larger agencies that are better able to exploit new opportunities by accessing and combining a wider range of in-house resources and services. Major settlement organizations are

now multi-million dollar institutions, with large staff complements, drawing support from multiple sources, and operating with a considerable degree of independence. Their size and prominence allows them to purchase the buildings they operate from, form partnerships with major mainstream organizations, and assume a prominent role in the local community. The combination of scale and relative autonomy remains to be fully exploited.

(10) NEW INFORMATION AND EDUCATION TECHNOLOGIES: New technologies, new technology platforms, and new methods for conveying and sharing information are transforming the production, dissemination, and organization of education and instructional materials. They are also having a transformative effect on related systems for accessing and maintaining contact with clients and stakeholders. The new technologies have been slow to fully penetrate the settlement sector. Nevertheless, they offer unprecedented opportunities for projecting the settlement expertise and information that is currently concentrated in major centres to remote parts of Canada and abroad.

ESTABLISHING NEW BUSINESS LINES AND NEW SERVICES

A business line can be thought of as a suite of related products or services targeting particular client groups (e.g. immigrant youth or employers) and particular markets (e.g. new destination communities). The business lines can also include new capacities (e.g. distance education or the formation of a training institute – directed either to individuals or to corporate entities).

The Agency of the Future project aims to strengthen the settlement sector's grip on existing business lines as well as helping it to open up new areas of practice. The machinery for doing this (elaborated in the section on the Innovation Cycle) will be based on the systematic replication and adoption of promising practices that *already* exist within the sector. Decisions regarding business directions and expansion will remain with the sector.

Whether to consolidate current areas of business or to develop new business lines represents a strategic decision(s) that will need to take into account changing 'market' conditions (linked to the changes identified above), the availability and quality of promising practices that can be adapted to support entry into new business areas, and overall strategic objectives, such as reducing dependence on individual funders, or mounting a defence against competitors. Decisions may also be driven by reassessments of existing opportunities where it appears that the sector, as a whole, has failed to recognize, and capitalize on, the market potential of particular activities.

The language of business is somewhat alien to the sentiments of the settlement sector. Because of historical origins and orientations, settlement agencies and settlement associations tend to think of themselves not as businesses but as moral engines, committed to advocacy and assistance. This view is, without question, laudable and must not be lost … but it has an operational downside. It has diverted attention from the strategic decisions that need to be made if the sector is to develop and defend its position against competitors. It has also diverted attention away from the fact that governments and commercial enterprises, and not newcomers, are the sector's clients. Newcomers, equipped by the sector with skills and aptitudes, are its 'products'. The result of the prevailing

image reversal is that the sector and sector workers tend to think in terms of 'influencing' and 'helping' rather than 'selling'.

The view of the settlement sector as a charitable domain also finds adherents at CIC which tends to regard the sector as an extension of the department, rather than an independent supplier. Agencies seeking to develop new services, expand their client base, or relieve fiscal pressures by selling services to other levels of government or to commercial enterprises have encountered departmental resistance. The Agency of the Future project will need to address and sharpen up the distinction between purchasing services and funding institutions. CIC has a fiduciary interest in ensuring that its suppliers deliver a timely, high quality product; beyond that, agencies must be free to pursue their own interests (as decided by their boards), providing these do not interfere with their contractual obligations.

The Agency of the Future project will treat settlement organizations as independent businesses (albeit with social objectives) possessing a range of expertise, doing business with a variety of clients, and specializing in particular geographic markets. As an initial step towards identifying the full range of sector activities, clients, and partners, it is proposed that the sector undertake a Canada-wide audit to answer a series of questions, such as those posed below. The answers will help to assess the sector's capacity and the expertise that can be deployed to develop new business lines. The proposed audit is listed as Component 5 in the section entitled 'The Way Forward'.

Sample audit questions:
1) What products and services are produced by the sector, both commissioned and donated? [Note: The Agency of the Future project will treat advisory relationships, such as sitting on consultative bodies or the boards of mainstream organizations, as donated services. Similarly, forms of assistance, such as convening newcomers or providing mainstream organizations with access to ethnic or religious leaders, will also be regarded as services. What is noteworthy about these services is that they are derived from the special connections that immigrant serving agencies have with newcomers and with ethnocultural organizations. These relationships are not available to other organizations.
2) What level of effort is associated with each service and how pervasive are the services across the sector?
3) Which clients consume which services?
4) What commercial arrangements, if any, exist for each service type?
5) Where partnerships have resulted in new commercial opportunities, what form have the partnerships taken and what institutions have been involved?

The services and partnerships identified by the audit would likely be extensive, diverse and innovative. Work conducted by the P2P initiative and its predecessor – the Welcoming Communities Initiative - turned up numerous examples of creative, entrepreneurial projects and partnerships involving settlement organizations across the country. The number and distribution of the associated products and services is important because it suggests that the impediments to growth and new business development do not originate in a lack of demand for settlement expertise; nor do the impediments arise because the sector lacks inventiveness. Instead, the sector appears to have been held back by its current 'business model' and by the absence of a formal,

systematic, and collaborative process for identifying and exploiting business opportunities and for sharing expertise and inventiveness.

The September 16th meeting will include a discussion of business lines, to be further developed through a series of component studies. Below are a number of examples of business lines to aid in that discussion:

a) Services to be marketed to employers of immigrants in new destination communities. The services would focus on employee attraction and retention, and on settlement, including support for families.   Services could also be aimed at employers who utilize large numbers of temporary foreign workers and have an interest in demonstrating compliance with regulations and facilitating future recruitment. The focus would be on basic settlement services for workers and their families.

b) Services aimed at small to mid-sized companies that do not have, or have only rudimentary, HR departments. The services would assist companies to recruit, screen, and facilitate the application and processing of applicants via the 'expression of interest' labour pool. Overseas recruitment services could also be marketed to municipalities, Boards of Trade and employer councils. The services would draw on agency connections with immigrant communities in Canada in order to identify prospective applicants abroad.

c) Services aimed at mainstream non-profit organizations faced with new arrivals (in areas where specialized services do not currently exist) or with a declining, traditional (i.e. non-immigrant) client base. The services could include diversity readiness audits, staff training, orientation materials, and advice on how to reconfigure services.

d) A service package directed to the needs of educational institutions, including services aimed at helping international students access language training, obtain integration services, apply for jobs in Canada and secure Canadian residency (including assistance in accessing the 'expression of interest' pool).

e) Services to be marketed to municipal and regional governments, including municipalities in areas where there are few, if any, specialized immigrant service providers. The clients would be municipal institutions as well as agencies contracted by municipal and other levels of governments. The services could include diversity readiness audits, staff training, orientation materials, and advice on service reconfiguration. Key target areas would be housing, health, education, justice and recreation.

f) Services could be marketed to agencies that assist a variety of population segments, for example, agencies that promote better women's services. The clients purchasing the advice on how to adapt services to better serve particular segments of the newcomer population (such as women) would not be the agencies themselves but, rather, their government funders.

g) Training, orientation and materials aimed at helping quasi-public institutions – such as hospitals, schools, and libraries – improve their response to newcomers. (This could include the services listed under 'e'.)

h) Development of a curriculum and specialized training modules as part of a 'distance education' initiative that could be marketed by existing settlement service providers to clients - such as hospital workers, police and schools – located in areas where specialized immigrant service providers are absent.

i) Development and delivery of overseas counselling, information, and training to be delivered by existing settlement service providers to immigrants, temporary workers and students (and their families!) prior to arrival.

j) Development of specialized itinerant services that would be directed to particular institutions and would be supported and reinforced through distance education techniques.

k) Development of instructional programs that could be marketed to other countries. The programs could be directed to government agencies, to public and quasi-public institutions, and to for-profit companies.

TRANSFORMING IDEAS INTO ACTIONS: THE INNOVATION CYCLE

The following section elaborates the model for institutionalizing innovation within the settlement sector. Innovation is a key driver of greater efficiency and superior program and service outcomes. It is also critical for corporate survival in the face of new challenges, competing entities and competing products. The discussion below provides a blueprint for transforming the ideas contained in the paper into a workable innovation machinery. The blueprint calls for the creation of a new institution, underpinned by a formal partnership between the settlement sector[2] and the Pathways to Prosperity project. This institution would take the form of a social development corporation (SDC) that would preside over an 'innovation cycle'. The creation of the proposed social development corporation and the establishment of the innovation cycle constitute core deliverables of the Agency of the Future Project.

The proposed innovation cycle would involve six distinct stages. These are described below along with the associated partner responsibilities. The SDC would manage the stages, in close coordination with the partners (the settlement sector and the P2P), on a cost recovery basis. The SDC's charter and Board of Directors would reflect the partners' interests.

Stage one: Establishing priorities for new business lines and/or strengthening existing business lines

The SDC would initiate and coordinate an annual planning exercise to establish the settlement sector's priorities for expanding its business lines and/or strengthening existing business lines through service improvements. The protagonists in this exercise would be the provincial and regional settlement umbrella associations, joined by CISSA-ACSEI. The priorities would identify particular target groups, services, technologies, or agency core functions (such as market analysis and planning). The priorities could be further refined through criteria involving geographic location (e.g., northern communities), scale (e.g., community size) and local infrastructure (e.g., the

---

[2] The term settlement sector would need to be formally defined and a representative structure would need to be created for purposes of decision-making.

existence of a Local Immigration Partnership). It is important to underline that the choice of priorities would be determined by settlement organizations.

The SDC's role would include consultation with settlement associations and, possibly, government agencies, followed by the preparation of a discussion paper outlining the settlement context, the sector's preferences, and options for the analysis of promising practices (see stage two below). The paper would form the basis of a discussion with sector representatives, convened by the SDC (in person or via teleconference), leading to the identification of priorities.   Sector priorities could be tested with government organizations using existing structures such as the National Settlement Council or the FPT policy and research committees. (This could be managed by the SDC or by the partners as part of regular consultations.)

Stage two: Identifying promising practices in support of the sector's priorities
Following the establishment of annual priorities by the settlement sector, the SDC would coordinate a panCanadian search for promising practices in the chosen areas. Services based on these practices would form the basis for penetrating new markets or extending existing ones. The proposed model calls for 2-3 new priorities to be chosen each year followed by a selection of five promising practices within each priority area. It is anticipated that agency interests would vary from year to year, depending on the (new) priorities that were chosen.

The process of identifying promising practices would follow a similar procedure to that used in the 2012 study conducted for CISSA-ACSEI by P2P researchers[3]. This entailed the identification of interesting examples by regional and provincial umbrella settlement associations and by governments. A final winnowing, in collaboration with settlement sector representatives, produced a sub-set of promising practices for in-depth analysis.   A similar process is envisioned under the proposed innovation cycle.

Stage three: Interviews and detailed analysis of promising practices
Once the selection of promising practices is finalized, the SDC would assign Pathways to Prosperity researchers the task of conducting in-depth analyses of those practices using a proven methodology developed for the CISSA-ACSEI study[4]. This methodology combines documentary analysis with face-to-face site interviews with executives and managers responsible for the chosen practices. The aim of the analysis is to identify the internal (to the organization) and external (environmental) factors responsible for the exceptionally positive outcomes attributed to the promising practices, with a view to being able to replicate those factors in a different location or for a different service. The site interviews and analyses would be conducted by P2P researchers as part of a process managed by the SDC.

Two points need to be stressed: First, that the promising practice that is the focus of analysis is *not* the service per se but, rather, the underlying factors that contribute to the efficacy of the service.

---

[3] Study of Innovative and Promising Practices within the Settlement Sector; Meyer Burstein and Victoria Esses, June 2012.

[4] As a panCanadian initiative, the P2P is expected to have access to local expertise.

Second, that the service providers who were interviewed were almost unanimous in their favourable assessment of the interview process.

Stage four: Design of instructional resources

Once the analysis is complete, the focus would shift to the creation of instructional material associated with different teaching modes: a summer institute, workshops, on-line instructional resources and webinars. All training would be jointly led by P2P researchers and personnel from the agencies whose practices had been analyzed. The agencies would be responsible for presenting their practices which would be discussed (using the analysis that had been conducted) as case studies, focusing on the implications of internal and external conditions in target regions, and on the possibility of transferring and scaling the promising practices in different contexts. The discussion would seek to break down the steps required for transfer and implementation.

Workshops and in-person training would be offered at a central location, as well as regionally. The workshops would be supplemented by a summer institute and by a program of distance education derived from filming promising practice workshops and instructional sessions in order to create webinars and video repositories that could be viewed asynchronously. These would be available on a website with a dedicated capacity for hosting promising practice information.

To complement the workshops, the SDC would commission instructional primers – about one to two hundred pages each – aimed at a wider distribution of the information gleaned from the analyses of promising practices and their key features. The primers would be detailed guides on how to institute an effective practice, describing important steps in the process. Each primer would focus on a particular area of practice and would start with a review of the literature in the area. Next, the primer would describe the key features that contribute to good practices in the area and how those features could be put into place. The final section of the primer would set out a guide to research that should be conducted before instituting the practice in a particular locale. This would include topics that should be addressed and sample questions that would go into surveys and focus groups with newcomers, agency staff, and other stakeholders. Ideally, the books would be produced in paperback and would be relatively inexpensive. A number of publishers, such as SAGE, are in the business of publishing practical book series, and would be approached for this purpose.

The SDC would be responsible for overall management of the instructional programs, including curriculum design, recruitment of agency instructors and researchers, workshop support, and production of ancillary material to support the programs.

Stage five: Target 'marketing' and identification of agencies

The provincial and regional umbrella associations and CISSA-ACSEI – supported logistically by the SDC – would issue a call for expressions of interest in 'best practice training' by agencies wishing to improve and expand their existing practices, or wanting to introduce new programs in areas linked to the designated sector priorities. The specific forms of training that would be marketed to agencies are described in stage four, above. An attempt would be made to tailor content to agency interests and courses would be delivered by combined teams of researchers and agency peers.

Agencies expressing interest in the learning activities, or agencies targeted by the umbrella associations and CISSA-ACSEI, would be contacted by the SDC to discuss their potential participation in instructional programs. As the process evolves, the partners in the enterprise – the sector and the P2P – may wish to adopt a more proactive approach in which potential business opportunities are actively marketed by the SDC to designated agencies, along with the training that would enable expansion.

Stage six: Evaluation
The entire process starting with the establishment of priorities and ending with the delivery of training and publication of primers would recur annually, and would comprise the innovation cycle. Periodic evaluations would be undertaken to assess the validity of the promising practice analyses and the benefits that had accrued to instructional clients. The evaluations would be developed by the SDC, in collaboration with the settlement sector and the Pathways to Prosperity partnership. CIC and other government agencies would be consulted with respect to the evaluation methodology.

SDC governance and operating principles
Social Development Corporations (SDCs) are a relatively new and malleable entity. They do not enjoy charitable status and are distinguished from for-profit corporations by their mission, charter, and governance. SDCs have been associated with a variety of new and experimental social projects, including the use of social impact bonds. The rationale for proposing an SDC to manage the innovation cycle is linked to the following considerations:

- Implementation of the innovation cycle will require dedicated intellectual and organizational resources that are not presently allocated. Consequently, new financing will need to be arranged and managed;
- The improvements in service outcomes resulting from the operations of the innovation cycle will result in better programs and greater efficiencies, which accrue as benefits to governments (in the form of enhanced value for money), new grants and contracts for agencies, and direct benefits for newcomers. These improvements have commercial value which can be appropriated (at least, in principle).
- The creation of an SDC would place the majority (though not all) of the activities associated with the operation and management of the proposed innovation cycle on a disciplined, market footing. This discipline would extend to interactions with the principal partners, namely the settlement sector and the Pathways to Prosperity initiative. All projects and activities of the SDC would be undertaken on a cost recovery basis, with amounts subject to approval by the Board of Directors. Similarly, profits realized by the SDC for services provided outside the settlement sector (for example, training provided to agencies outside of Canada) would be redistributed by the SDC to domestic projects or to capacity building, as per decisions by the Board. Board members would be drawn from the settlement sector and the P2P initiative.
- The SDC's charter would define its mission and objectives and would delimit the corporation's sphere of operation. The charter would also clearly describe the obligations

of the settlement sector and the P2P in respect of specific undertakings and commitments essential to the operations of the SDC. The SDC would be managed by two executives, one appointed by the settlement sector and the other appointed by the P2P. Strategic decisions by the executives would be vetted by the Board of Directors.

- Strategic decisions regarding the prioritization of business lines and the selection of areas of practice for study have been located outside the scope of the SDC's mandate and operations, ensuring that control over the settlement sector's strategic directions remains with the settlement sector and sector associations.
- The participation of governments in the SDC's operations, including coordination with government policy and program development teams and SDC financing, remain to be addressed and are the subject of a brief proposal in the following section.

THE WAY FORWARD

To attain its goals, the Agency of the Future project will need to move ahead on two fronts: it will need to advance on the conceptual front, and it will need to progressively engage a wider audience, starting with the settlement umbrella associations and expanding to include member agencies, CIC, and provincial ministries. The September 16th meeting will solicit ideas for advancing the agenda on both fronts.

To progress rapidly, and to broaden participation, the September meeting will be asked to endorse the formation of component work teams, each focused on a particular area. The work teams would be chosen with an eye to geographic (region, community size and community type) and linguistic balance. Periodic contact across work teams as well as an oversight body would be required to ensure that the work remains integrated and that overall strategic directions are consistent. Below is a proposed work team configuration based on five work components:

COMPONENT 1: MAPPING THE EMERGING SETTLEMENT LANDSCAPE AND DESIGNING BUSINESS LINES AND RELATED BUSINESS PROCESSES

Work team 1would be charged with creating a detailed map of the changing economic, demographic, fiscal, business and policy landscape confronting the settlement sector. This would underpin an assessment by the team of new opportunities for settlement organizations to market their services and to fend off competition from other organizations.

As part of the mapping exercise and the assessment of emerging opportunities, the Component 1 work team would be responsible for identifying and estimating the potential size and value of the market for new business lines and new (or improved) services or capacities. These assessments would be required by the sector in order to decide whether or not to invest in the development of new service lines for potential clients.

In subsequent rounds, the analysis would become more specialized, expanding in three directions: one would involve new or improved services contracted to governments to respond to new policy directions; the second would involve products aimed at other institutions, both private and public; and the third would focus on selling high-end services to both prospective applicants and new immigrants.

COMPONENT 2: ELABORATING THE INNOVATION CYCLE AND ASSOCIATED MACHINERY

The Component 2 work team would undertake three main tasks:

i.   The team would be responsible for the design of the Social Development Corporation, including the SDC's mandate, responsibilities, management, social charter, and relations with its Board of Directors. It would also examine how the SDC might be resourced through a mix of in-kind support, direct financing, and revenue generation.

ii. The work team would focus on 'mechanizing' the various stages of the innovation cycle with a view to describing, in some detail, the nature and timing of the specific activities that would be performed by each of the Innovation Partners (as identified in the section on "Transforming ideas into actions: the innovation cycle".

iii. The work team would develop a draft partnership agreement between the settlement sector (the associations participating in the innovation cycle) and the Pathways to Prosperity initiative. The agreement would set out the mutual undertakings required of the Innovation Partners in order to implement and successfully manage the Innovation Cycle.

COMPONENT 3: COLLABORATING WITH CIC: BUILDING ON SHARED INTERESTS

Component 3 will need to be fleshed out through further discussions with CIC, primarily the Integration Branch (the Innovation Team and the team developing the New Settlement Policy for Canada). These discussions will have both policy and operational significance.

At the policy level, the Innovation Cycle could help CIC to realize its policy objectives by directing attention to CIC's strategic priorities and by supplying innovative practices that can aid in program design, partner recruitment, and financial leverage of third parties. At the operational level, the Innovation Cycle can help CIC to obtain value for money and to establish outcome-based performance targets and standards. More generally, the Innovation Cycle would introduce a process of continual improvement resulting in superior integration outcomes; the Cycle would also extend the range of services and agencies engaged in newcomer settlement; and the Innovation Cycle would, over the medium to long term, result in a higher return on CIC's settlement and integration investments. Clarifying these 'returns' would also clarify the scope and extent of CIC's shared interest in building the sector's innovation capacity.

In terms of financing the Innovation Cycle, the partners (participating settlement organizations and the P2P) will need to approach CIC for financial support along the following lines:

- Direct support for the SDC based on specific undertakings and investigative activities that can be linked to demonstrable improvements in operational performance (borrowing on ideas advanced by advocates of social impact bonds).

- Indirect support for the operation of the Innovation Cycle through enabling, blocked allotments to agencies or umbrella associations for purposes of training in promising practices, linked to proposed expansion into new markets or service improvements.

13

The work team would attempt to clarify CIC's shared interest in promoting the Innovation Cycle and would identify opportunities for the SDC and the innovation partners to apply to CIC for support under forthcoming Calls for Proposals.

The work team would also seek to identify and resolve conceptual impediments, on the part of CIC, to the operation of the Innovation Cycle and the subsequent expansion by immigrant settlement agencies into services that fall outside CIC's mandate, including undertakings that generate revenues used for self-directed agency programs.

COMPONENT 4: INVESTIGATING THE POTENTIAL USES OF NEW TECHNOLOGY

The Component 4 work team would examine the potential uses of new technology and social media for creating new services and for improving or extending the marketing and sale of existing ones. This would include an examination of the potential for settlement agencies and umbrella associations to project expertise to remote destinations, including overseas, and to make use of new distance learning techniques and technologies to support training for both newcomers and institutions wishing to serve newcomers.

Along with examining how technology might be used to create and disseminate new products and services, the Component 4 team would look at user preferences. This would include the tendency by users to access the internet via mobile devices - phones and tablets - as well as user preferences for accessing information asynchronously, at a time and location of their choosing.

COMPONENT 5: DESIGN AND INITIATION OF SECTOR AUDIT

This component has been described above under Establishing New Business Lines and New Services.

PROJECT TIMETABLE AND STEERING BODY

The proposed timetable for completing the design phase of the Innovation Cycle, including the SDC, is eighteen (18) months or February 2015. To achieve this, all five component studies would need to be completed by October 2014. For discussion purposes, the following dates are proposed for key stages:

a) Approval of the basic 'Innovation Cycle' design and project orientation by October 2013.
b) Staffing of Component work teams by November 2013.
c) First draft reports from the work teams to be received by August 2014.
d) Consultations on the draft work team reports (with umbrella associations, agencies, P2P, CIC) in August 2014.
e) Consultation with CIC and submissions to CIC Calls for Proposals – to be initiated as early as possible and ongoing.
f) Initiation of the process for incorporating the Social Development Corporation in September 2014, followed, as appropriate, by essential appointments to prepare the ground for staffing and organization.
g) Final reports from the Component work teams in early October 2014.

h) Design and organization of the analytic and instructional infrastructure, notably the identification of suitable research expertise, tentative arrangements for the proposed summer institute, and initiation of contact with prospective publishers for publication of primers – all prior to February 2015.

i) Delivery of final report in February 2015 followed by initiation of the priority setting process. Depending on the length of time required to incorporate the SDC, a 'mock corporation' would be established to emulate the SDC's activities. Workarounds would need to be devised to compensate for the fact that the 'mock corporation' would be restricted from undertaking certain financial transactions.

To ensure that the design phase of the Agency of the Future project adheres to its timetable and design parameters, a small *steering body* with representation from the Innovation Partners needs to be formed. CIC may wish to participate in this body. The steering body will take direction from, and will act on behalf of, the larger group that is convened for the September meeting.   The following functions will be included in the work of the steering body:

- The steering body will be responsible for ensuring coordination among the various project components, as well as ensuring that the larger group (from the September meeting) is consulted on key questions;

- The steering body will help to coordinate appointments to the Component work teams and will assist the teams in assembling the necessary resources (intellectual and otherwise) to carry out their missions. In particular, the steering body will assist the work teams in enlisting the support of analysts, business development specialists, technology experts, and experts in the use of social media and new communication technologies;

- The steering body will maintain a watch over all project timetables and report progress to the larger group;

- The steering body will support umbrella associations in their campaign to inform and enlist the participation of member agencies in the project; and

- The steering body will be responsible for engaging government policy and program officials in the Agency of the Future project.