



Neighbourhood Economics

Neighbourhood Economics Learning Journey:

Theory of Change, Learning Questions, Learning Loops, and Indicators



ACKNOWLEDGEMENTS

We Work and Meet on Wadawurrung Country.

We acknowledge the Traditional Custodians of these lands, paying respect to Elders past and present. We recognise the loss of lands and culture, knowing the consequences for people and community.

We also honour the long history of Wadawurrung peoples as the original traders, knowledge-holders, and economic designers of this place — cultivating exchange, stewardship, and relationships of reciprocity long before colonisation.

In seeking to foster community-driven economic growth, we first acknowledge the ongoing connections of First Nations people to these lands, their waters, and the local community, and we recognise that sovereignty has never been ceded.

The Broader Ecosystem Matters.

We also acknowledge the wider ecosystem of organisations we stand alongside. Across the country, people are working to replace extractive systems with regenerative ones, each bringing a different lens, yet all deeply interconnected. From redesigning how capital moves, to building regional enterprise ecosystems, sparking civic imagination, embedding long-term systems thinking, and backing local leadership on the ground, this collective effort forms a far richer movement than any single organisation could build alone.

Regenerative economies don't appear fully formed; they take shape through collaboration, experimentation, and a shared commitment to put people and place first. We honour the organisations, and the communities they walk with, whose courage and creativity continue to show what's possible.

This ecosystem also includes the funders who believe in this work and in the alternate future it is helping to create. For Neighbourhood Economics, that includes VicHealth, who funded this work, as well as the Give Where You Live Foundation, the Greater Melbourne Foundation, and The Difference Incubator.



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INTRODUCTION

There are two significant challenges in attempting to undertake structural systems change.

The first challenge is identifying the signposts that signal change is happening and, if those signposts point in a different direction, the second challenge is having the insight and courage to change course.

The Neighbourhood Economics Learning Journey aims to help us with these two significant challenges by establishing a culture and environment of learning.

We have purposefully designed a Learning Framework that is distinct from a monitoring and evaluation one. While there are elements of monitoring and evaluation in our Learning Framework, a greater focus on learning will provide deeper insights into our work and will encourage adaptation, which is essential in complex systems change.

Our work is heavily informed by our Theory of Change, and, like all theories, our goal is to prove or disprove the various elements. To do this, our work needs to provide practice-based evidence from which we, and possibly others, better understand the signposts of change and the direction in which those signposts are pointing.

Our Learning Framework consists of several elements:

- An understanding and review of the contexts within which we are working.
- Our Theory of Change that identifies the opportunity we see, what needs to be done to realise that opportunity, how we will realise that opportunity, and the outputs, outcomes, and change we hope will flow from this activity. It is our theory of how change will happen.
- A set of critical learning questions with an associated process of learning loops that allow us to continuously accumulate understanding and knowledge, guiding our future work.
- A set of indicators that point to our learning loops and help identify where change is happening.

This Learning Framework is a critical, foundational document for Neighbourhood Economics, and one that we expect to iterate, change, and evolve as we continue our learning journey.



Our Context

It is important to establish our current operating context as this critically affects our assumptions and learning questions.

Across Australia, certain postcodes remain locked out of economic opportunity. In these neighbourhoods, disadvantage persists due to long-standing systemic design. Our economic system has been built around individual gain and mostly extractive growth which means prosperity continues to bypass these places.

The impacts run deep. Economic exclusion affects jobs and income as well as undermining health, personal and collective agency, and confidence. Disconnection from opportunity corrodes individual wellbeing and weakens the fabric of neighbourhoods, making it harder for communities to organise, advocate, and imagine something different.

There are a range of ‘new economy’ frameworks that have been developed across the world that are starting to gain mainstream understanding, and in some cases, traction. Doughnut Economics, the Wellbeing Economy, Community Wealth Building, and Community Economic Development have all made inroads into a new form of economic development that leads to a more inclusive economy where wealth is better shared.

As part of our Learning Framework, we have reviewed these frameworks and each of them has helped inform our thinking and Theory of Change. Similarly, there are several newer organisations that have dedicated their work to using these new economic frameworks and to helping communities build shared prosperity.

Our detailed review of these frameworks and organisations can be found in the appendix to this document, providing considerable context to our operating environment across Australia.

Our context is also deeply grounded in the people, organisations, relationships, and networks that exist across the Geelong region. Neighbourhood Economics’ work will start in the Geelong region, and we hope – through this Learning Framework and the associated reporting against it – that other communities will gain insight and benefits to enable them to start a similar journey.

As with this framework, our context will change over time. As leadership changes, economic transitions occur, new governments and policies are established, and new technologies and ways of operating emerge, our learning will also need to adapt.

Establishing a Learning Framework is our largest risk mitigation against becoming entrenched in thinking that our ideas are right and that our context has not changed.



The Work: What We Did

The work was completed over four months with Neighbourhood Economics entering a ‘critical friend’ relationship with Ingrid Burkett, from The Good Shift. The work had four objectives:

- To develop a learning journey that explored how we will not simply evaluate but learn and share our learnings.
- To develop a road-tested Theory of Change articulating how we think change will happen.
- To explore the broader field in Australia of organisations emerging as practitioners, and where Neighbourhood Economics fits.
- To deep dive into the international frameworks that have been developed, and where Neighbourhood Economics fits.

The work was split into five key stages:

1. Initial Design

This involved a two-day workshop with a series of questions:

- What is the Neighbourhood Economics guiding question that will shape our approach?
- What is the problem in which we are trying to intervene?
- What do we want to learn, and why?
- How will these learnings help address the challenges we face?
- How should we refine our existing Theory of Change?
- How can *Community Wealth Building*, *Doughnut Economics*, the *Wellbeing Economy* and *Community Economic Development* frameworks be applied in this context?
- How important are our ‘What Matters’ statements?
- Are there other frameworks we should consider? What value do they bring?

Out of this workshop, we developed a draft Theory of Change that required considerable further work, maps of the Australian landscape, an overview of the dominant frameworks, and who was using what.

2. Reflections and Research

Also emerging from the workshop was a sequence of work, thinking, and research to be done, including further work to the Theory of Change; research for writing the *Compare and Contrast* documents for the frameworks and Australian field; and the articulation of definitions for Impact Enterprises, generative capital, and anchor organisations.



3. Sense Making

Alongside the reflections, research, and testing stages, we kept a rhythm of ongoing check-ins with Ingrid. These weren't just updates, but spaces for coaching, sharpening our clarity, and pushing our ideas into further cycles of testing and refinement.

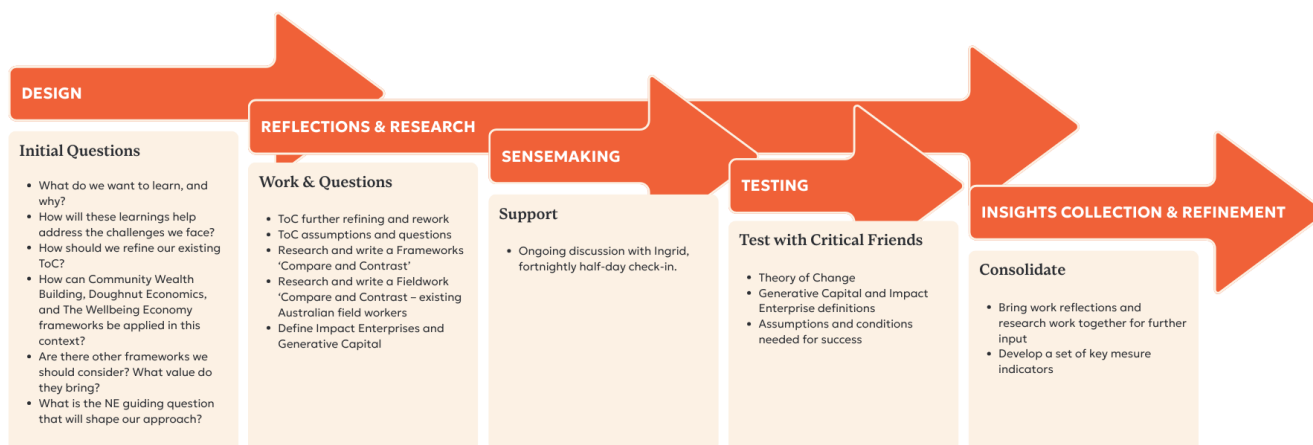
4. Testing

Our Theory of Change went through nine one-to-one testing conversations and two roundtables. The participants were all people who understood Theory of Change, had some level of subject matter expertise, and/or knew us well. The testing participants were given a series of reflection questions. These conversations helped to refine how we were describing things and helped sharpened our Theory of Change.

5. Insight Collection and Refinement

From here, further workshops and conversations were conducted to:

- Collate all the existing learnings and conversations
- Develop indicators out of our Theory of Change outcomes
- Develop four learning questions & our first-year learning loops.



Process Map – Five Key Stages



THEORY OF CHANGE

Central to our learning journey is our Theory of Change. It sets out the challenge we are tackling, the big goal we are working toward, and how we believe change can unfold over time. We stress that it is a *theory* – our current best description of how transformation might happen in places of entrenched disadvantage when viewed through an economic lens. It is not fixed. As we test, learn, and deepen our practice, this theory will evolve.

We also recognise that long-term transformation cannot rest on this work alone. It depends on many other players each doing their part in the system. Our contribution is one piece of this broader puzzle.

This Theory of Change is the culmination of years of practice and reflection. It draws from global movements in community wealth building and integrates economic thinking shaped by frameworks such as the *Wellbeing Economy* and *Doughnut Economics*, and by economists like Mariana Mazzucato. Together, these influences provide a foundation for reimagining neighbourhood economies that are fairer, more resilient, and more generative.

The Theory of Change

Our Theory of change sets out the challenge we are tackling, the big goal we are working toward, and how we believe change can unfold over time. It is visualised in detail on the following page, and a simplified version can be found in the appendices

Our Theory of Change is visualised on the following pages and described in detail further in this section.





ASSUMPTIONS AND QUESTIONS WE ARE HOLDING

INGREDIENTS
A combination of deep systems analysis, capability building and impact enterprises – enabled by trusted relationships, values driven procurement & generative capital - can drive an inclusive neighbourhood economy.

ANCHORS & BUSINESS
Anchors and Business have the willingness and imagination to act beyond CSR and become meaningful contributors to place-based change.
Anchors, Businesses and Impact Enterprises are not just enablers but essential building blocks of a functioning neighbourhood economy.
Local Business activity can catalyse further business – business breeds business

PEOPLE
Neighbourhoods include residents with the capacity and interest to participate in ownership and leadership of economic initiatives. It remains uncertain whether people living in neighbourhoods of entrenched disadvantage can reasonably be asked to take on significant personal or financial risk.

RESOURCES
Philanthropy, government, and other funders are ready to engage in what this truly requires, including long-term, flexible investment. Generative capitalists not only exist, but are willing and able to structure capital in service of inclusive, place-based regeneration.

DOMINANT ECONOMIC SYSTEM
The dominant economic system is slow to act and resistant to change. Its structures, incentives, and power dynamics are designed to maintain the status quo. Neighbourhood Economics does not aim to fix the whole system at once, but to create an island of sanity—a living demonstration of what becomes possible when power is shared, value is rooted in place, and communities lead.

FOUNDATIONS

CONDITIONS FOR CHANGE FOR NEIGHBOURHOOD ECONOMICS

System-wide relationships are in place: Neighbourhood Economics is one player in a sea of players that all need to play their role. Neighbourhood Economics' role is to look through an economic lens.

There is a real, long-term opportunity: Inclusive economic opportunities actually exist and can be identified, developed, and sustained over a ten-year horizon.

The ground is fertile: Neighbourhood Economics builds on strong foundations laid by others who have created enabling conditions for neighbourhood transformation.

CHANGE

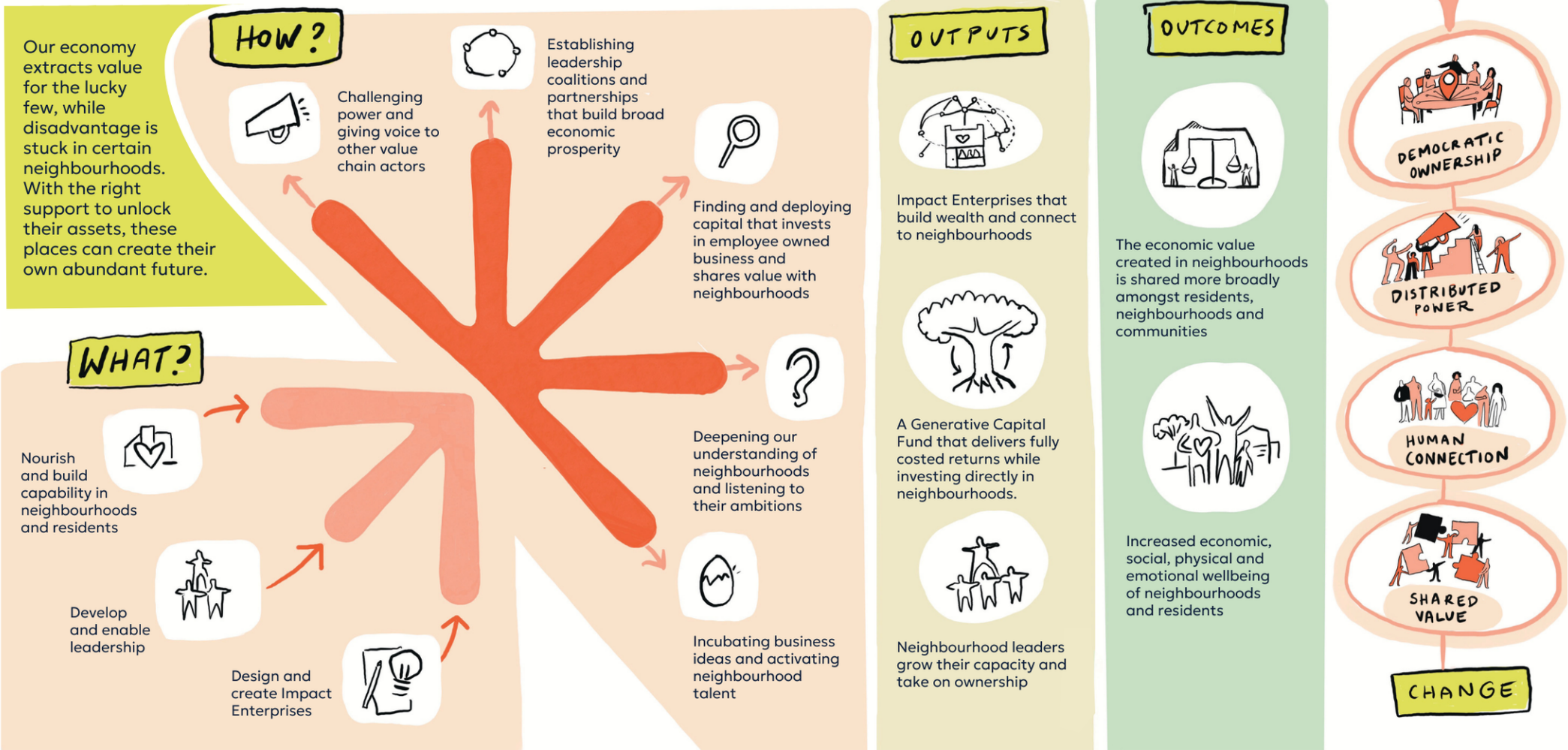
A new kind of neighbourhood economy rooted in:

DEMOCRATIC OWNERSHIP, DISTRIBUTED POWER, HUMAN CONNECTION, AND SHARED VALUE.

An economy where business and anchor institutions serve community, where residents hold real power, and where value is created and stays in place. This is economic development flipped – designed to regenerate, not extract, and to back neighbourhoods, not manage them.

A NEW KIND OF Neighbourhood Economy

ROOTED IN



Foundations

Our Learning Framework and Theory of Change rely upon several foundational elements that have emerged from our thinking, current understanding, and deep discussion.

These elements are:

1. **Our ‘What Matters’ Statements:** A set of items that we believe to be missing but that matter greatly.
2. **Definitions:** We have used or developed several terms that are not generally understood but are critical to our theory.
3. **Assumptions:** We have acknowledged that, as with any theory, there are a set of assumptions we are taking to be true until otherwise proven.

1. What Matters

We see there are important components left out of conversations about our economy. Our ‘What Matters’ statements are an attempt to articulate these components.

Neighbourhood Economics seeks to add these important elements back into the economic conversation.

Human Connection Matters

Human connection is our foundation. It begins with connecting to ourselves, and extends to connecting to others, to place, and to the planet. These relationships shape what we value and how we belong. In strong neighbourhoods, these bonds already exist. They underpin trust, exchange, and economic activity.

But economics today often ignores this, focusing instead on abstract, blunt metrics, and on systems detached from real lives. People, and the connections they have, should be at the heart of economic policy and practice. Whether through work, entrepreneurship, or daily life, these interactions drive innovation, trust, and shared prosperity. Economies should serve people, not the other way around.

Distributed Power Matters

Who holds power determines what gets built, who gets heard, and where resources go. When power is centralised within corporations, holders of capital, or increasingly disconnected governments, priorities often don’t reflect community needs. That leads to economic development based on financial returns, displacing people rather than building and sharing wealth.



To change this, power must be distributed. Through community ownership, participatory processes, and wealth-building strategies, communities can develop the ability to shape their own futures. Distributed power creates accountability, relevance, and long-term resilience.

Democratic Ownership Matters

Ownership isn't neutral, because it defines who benefits and who decides. Democratic ownership ensures that people have real stakes in the outcomes as well as sharing the responsibilities.

Democratic ownership changes behaviour, because when people co-own something, they invest in it. It also changes outcomes by spreading wealth, building power, and strengthening the local connections to place.

Democratic ownership is a structural way to support equity, reduce inequality, and embed prosperity within communities rather than extracting it from them.

Shared Value Matters

Our economy rewards capital over contribution. The COVID pandemic made this clear: essential workers kept society running, but the system didn't value them accordingly.

Value isn't only created by investors with capital, despite them receiving the majority of the returns. Value is created by workers, communities, infrastructure, governments, and care. If we want a fairer system, we need to rethink how value is created, and who gets to capture it. That means distributing value at the point of creation, not trying to fix it later with redistribution.

The Enabling Ecosystem for Economic Change

For Democratic Ownership, Human Connection, Shared Value and Distributed Power to become central to the economy and economic development practice, a set of conditions need to be built and nourished. These are the enabling factors that build towards an economy that places people and place at the centre and creates economic justice and wellbeing.

At a neighbourhood, community, and global level, leadership needs to be courageous to challenge the status quo, and kind enough to value people and place above economic returns. In doing so, economic returns cannot be dismissed as unimportant; rather, they should emanate from **generative capital** invested in **Impact Enterprises** that create prosperity, build neighbourhoods, and accurately value all elements of the value chain. Neighbourhoods need to be empowered to set and create their trajectory while receiving supportive and guiding leadership. This allows **local voices** to be heard, and **capability** to be built to enhance neighbourhood and residents' agency.



Underpinning this ecosystem is a free and robust **democracy** that has strong institutions of protection, and systems that allow for debate and inclusion.

2. Definitions

Generative Capital

Generative capital is financial capital that is intentionally deployed to generate enduring, distributed value for communities, ecosystems, and economies.

Unlike extractive capital, which prioritises short-term returns to investors, generative capital serves the long-term flourishing of people and the planet by embedding principles of equity, stewardship, and shared ownership into the purpose, governance, and flow of financial resources.

Characteristics of generative capital are:

- **Purpose:** Financing that serves life. Restoring ecological health, strengthening communities, and building resilient local economies.
- **Total Cost Calculation:** Including all costs associated with returns and allowing other parts of the value chain to recover costs and make returns, thus sharing value.
- **Patience:** Real value creation takes time. Generative capital remains in place beyond a short-term financial return.
- **Place-based value creation:** Ensuring the creation and sharing of value for the people and communities in which generative capital is invested.
- **Financial Return:** Achieving a financial return once all costs in the value chain are included, and all value chain actors achieve a return.
- **Value Creation:** Demanding a high gross value return made up of social, ecological, and financial returns. Social and ecological returns create value in the place in which capital is invested.
- **Structure:** Ownership and governance models (e.g. cooperatives, community trusts) that prevent extraction and lock in mission.

Impact Enterprise

Impact Enterprises create value for people and places beyond providing employment. The characteristics of Impact Enterprises are:

- **Democratic Ownership:** Ownership is shared by workers and employees who have a voice in the enterprise management and who are building a capital asset while receiving income for their labour.
- **Distributed Power:** Management power is distributed through democratic decision making.



- **Human Connection:** Impact Enterprises foster human connection within the community in which it operates.
- **Hard-wired values:** The values of Impact Enterprises are hard-wired into the ruling documents of the entity to ensure it offers greater support to employees and the community. Examples are:
 - Predetermined expenditure on employee learning and development.
 - Percentage of profits re-invested in community assets, organisations, or groups.
 - Wages ratios that limit the difference between the highest and lowest paid.
 - Procurement practices that bias local neighbourhood suppliers and providers.
 - Clear policies on profit distribution and re-investment.

Anchor Institutions

Anchor institutions are organisations or businesses that are deeply rooted in place and that hold significant economic power, spending capacity, and influence in the regions where they operate.

Anchors typically include:

- Public institutions like universities, hospitals, and local councils
- Large place-based businesses that are unlikely to relocate and that have long-term ties to the local economy.

These institutions are “anchors” because they:

- Are significant employers and purchasers
- Often own land and infrastructure
- Are positioned to influence market behaviour.

In the context of neighbourhood economies, anchors can assist to shift systems. Their procurement decisions, hiring practices, and investment choices are powerful tools to redistribute opportunity, share value, and strengthen local economies.

3. Assumptions

These are a set of assumptions we are taking to be true until otherwise proven:

- A combination of deep systems analysis, capability building, and impact enterprises – enabled by trusted relationships, values driven procurement, and generative capital – can drive an inclusive neighbourhood economy.



- Anchors and business have the will and imagination to act beyond corporate social responsibility and become meaningful contributors to place-based change.
- Anchors, businesses, and Impact Enterprises are not just enablers, but are essential building blocks of a functioning neighbourhood economy.
- Local business activity can catalyse further business: business breeds business.
- All neighbourhoods include residents with the capacity and interest to participate in ownership and leadership of economic initiatives and are prepared to accept the associated personal and financial risk of ownership.
- Philanthropy, government, and other funders are ready to engage in what is truly required, including long-term, agile, and flexible funding and investment.
- Generative capitalists exist and are willing and able to structure capital in service of inclusive, place-based regeneration.
- We can create a living demonstration of what is possible when power is shared, value is rooted in place, and communities lead, even within a dominant economic system that is slow to act, resistant to change, and designed to maintain the status quo.



LEARNING JOURNEY

What is a Learning Journey?

A Learning Journey is a structured, intentional approach for ongoing learning, adaptation, and improvement when working in complex systems, such as neighbourhoods facing entrenched disadvantage. Rather than relying on traditional evaluation models that focus primarily on performance metrics and predetermined outcomes, a Learning Journey foregrounds real-time reflection, testing and learning by doing, and course correction. Its purpose is to build deep, practice-based evidence, provide the flexibility to respond to changing contexts, and allow for continuous improvement of strategies. A Learning Journey is really a structured approach to foster a culture of continuous learning and adaptation.

In the context of Neighbourhood Economics, the Learning Journey acknowledges that transformation of local economies requires multiple forms of knowledge, resilience, and co-creation with stakeholders. The journey is underpinned by a commitment to adapting practice in response to what is being learned – instead of pursuing rigid success criteria – and generating system-level insights for lasting change. A Learning Journey involves creating a framework to identify the signposts that signal change and developing the understanding and courage to adapt the strategy when those signposts point in unexpected directions. It is a commitment to proving or disproving the Theory of Change through practice-based evidence, ensuring the work evolves through learning by doing.

Why Choose a Learning Approach Over Traditional Evaluation?

Complex Systems Require Adaptation

Entrenched disadvantage in neighbourhoods is deeply systemic; change is non-linear and unpredictable. Learning approaches support experimentation, quick feedback, and agile adaptation that traditional evaluation cannot deliver. Learning approaches acknowledge that the Theory of Change is a *theory*, not a fixed blueprint, and must be tested and refined in response to real-world feedback.

Depth of Insight

Learning journeys prioritise practice-based evidence and qualitative shifts, going beyond numbers to understand human connection, distributed power, and democratic ownership – all seen as foundational in the Neighbourhood Economics Theory of Change.



Learning approaches move beyond asking *what* changed to explore *how* and *why* it changed. This focus on process, relationships, and systemic shifts provides richer, more actionable knowledge.

Demonstration Over Measurement

Rather than simply measuring outputs, the priority is demonstrating models, generating new forms of value, and sharing learnings for broader field development. The goal is to learn *how* change is happening and adapt our processes in response to what is working and what is not. This agility is critical to navigating unforeseen challenges and opportunities.

Method

How the Learning Questions Were Developed

The learning questions are the central pillar of the journey. They were developed directly from the foundational assumptions and desired outcomes articulated in the Neighbourhood Economics Theory of Change. Through a multi-stage process involving workshops, research, and testing conversations with experts, the most critical uncertainties and hypotheses were identified. The questions are designed not to be answered with a simple "yes" or "no," but to guide ongoing inquiry into the core drivers of an inclusive neighbourhood economy.

Learning Loops: How Learning Is Embedded into Cycles of Action

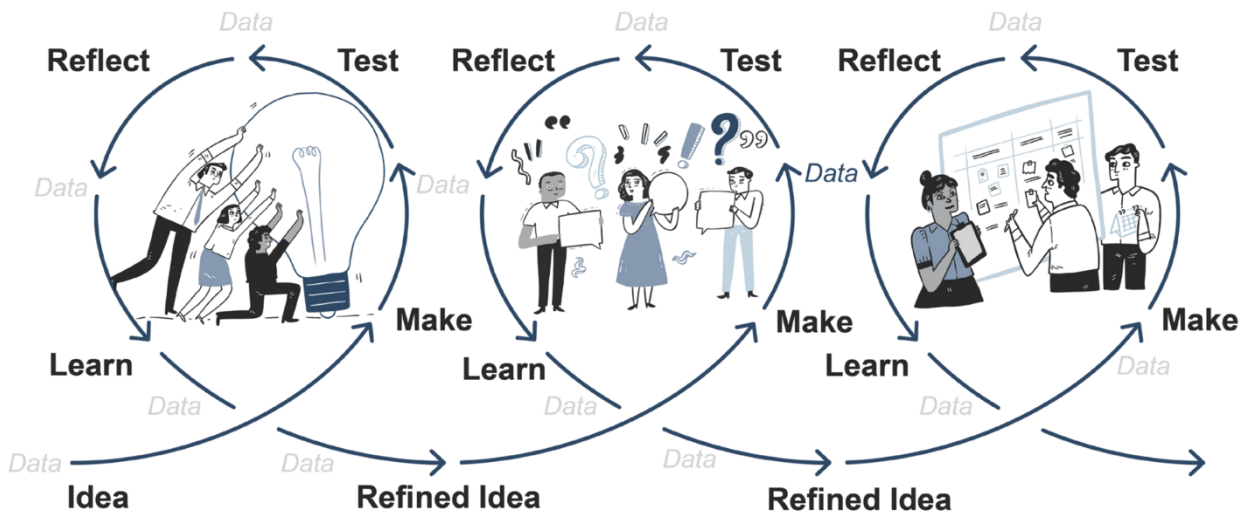
Learning is not a separate activity. Rather, it is woven into the core operational rhythm of Neighbourhood Economics through learning loops. This iterative cycle ensures that learning continuously informs action:

- Action: Initiating actions and strategies based on the current Theory of Change (e.g., seeding an Impact Enterprise, engaging an anchor institution).
- Gather evidence: Intentionally collecting information related to the learning questions, using a mix of methods. This includes tracking indicators as well as gathering stories of significant change from residents, partners, and stakeholders.
- Sense-making: Holding regular, structured workshops and reflection sessions to analyse the evidence collectively. This is where we connect the dots between our actions and the outcomes we are seeing, asking, "What is this telling us about our assumptions?"



- Adaptation: The insights from these sessions are used to refine our Theory of Change, adjust our strategies, and inform the next cycle of action.

Overall, the process is one of learning through experimental cycles.



Learning Through Experimental Cycles – Ingrid Burkett, The Good Shift

Learning Questions

Our learning is guided by a set of critical questions that test the core assumptions of our Theory of Change:

- Under what conditions, and with what support, do anchor institutions move beyond small changes to fundamentally shift their core business practices (e.g., procurement, hiring, investment) so that they build neighbourhood wealth?
- Does democratic ownership of local enterprises impact the economic wellbeing, social connection, and sense of agency of participating residents?
- With the right nurturing and support, will neighbourhood residents become enterprise owners?
- Does creating inclusive enterprises that are connected to place shift the structural conditions of place-based disadvantage?

What Will Be Tested?

In the first year, the learning loops will focus on testing the foundational assumptions of the Neighbourhood Economics model. Specifically, we will test the "how" and the enabling conditions for change:



- **The appetite of anchor institutions:** We will test their willingness to engage in deep partnerships and become active contributors to place-based change.
- **The model for Impact Enterprises:** We will test the viability of seeding enterprises that embed democratic ownership and shared value from the outset.
- **The engagement of residents:** We will explore the capacity and interest of residents to participate in ownership and leadership, and what risks and rewards they perceive.
- **The availability of generative capital:** We will test the assumption that capital can be structured in service of long-term, inclusive regeneration.

Indicators

Why Indicators? How Are They Different in a Learning Approach?

In our framework, indicators are not performance targets but **signposts** that help point our attention to where change is or is not happening. Unlike traditional Key Performance Indicators (KPIs) that measure success against a fixed goal, our indicators are tools for inquiry. They are designed to be proxies for the deeper, systemic shifts we aim to influence, such as changes in power dynamics, trust, and connection. Their primary function is to help us see patterns and provoke questions, thereby feeding the learning loops.

How Indicators Will Be Used in Practice: Adaptive Use, Not Performance Scoring

The indicators will be used to guide learning, not to score performance. If an indicator does not move as anticipated, it is not viewed as a failure but as a critical learning opportunity. It prompts a deeper inquiry into *why* the change is not occurring as expected and may signal that an underlying assumption in our Theory of Change is perhaps wrong or flawed, needing to be adapted. This commitment to learning for adaptation ensures that we remain responsive and avoid becoming entrenched in ideas that are not working in practice. The focus is on understanding the journey of change, not just reaching a destination.

Indicators will be used as learning tools rather than performance measures. This means:

Adaptive Use:

- Indicators inform questions for deeper inquiry
- Unexpected results prompt investigation rather than concern
- Data patterns guide strategy adjustments
- Indicators themselves may evolve as we learn



Not Performance Scoring:

- No targets or benchmarks that create pressure to achieve predetermined results
- No ranking or comparison that could incentivize gaming the system
- No pass/fail assessments that discourage experimentation
- No reporting that focuses only on positive outcomes while ignoring challenges

Instead, our indicators will be used in regular reflection sessions where teams ask, "What is this data telling us about our assumptions? What should we explore further? How might we need to adapt our approach?"

The core overall indicators for Neighbourhood Economics are derived from the outcomes identified in the Theory of Change. They blend qualitative and quantitative measures to create a rich picture of change.

Indicators for Democratic Ownership and Distributed Power:

- Number and type of Impact Enterprises established with shared ownership models.
- Evidence of residents participating in, and influencing the governance of, local enterprises and initiatives.
- Qualitative shifts in residents' reported sense of agency, influence, and power.

Indicators for Shared Value and Human Connection:

- Amount of generative capital deployed into neighbourhood enterprises.
- Value of procurement contracts shifted from anchor institutions to local Impact Enterprises.
- Network maps illustrating increased trust, collaboration, and "bonding and bridging" relationships within and between neighbourhoods.
- Measures of improved wellbeing among neighbourhood residents.

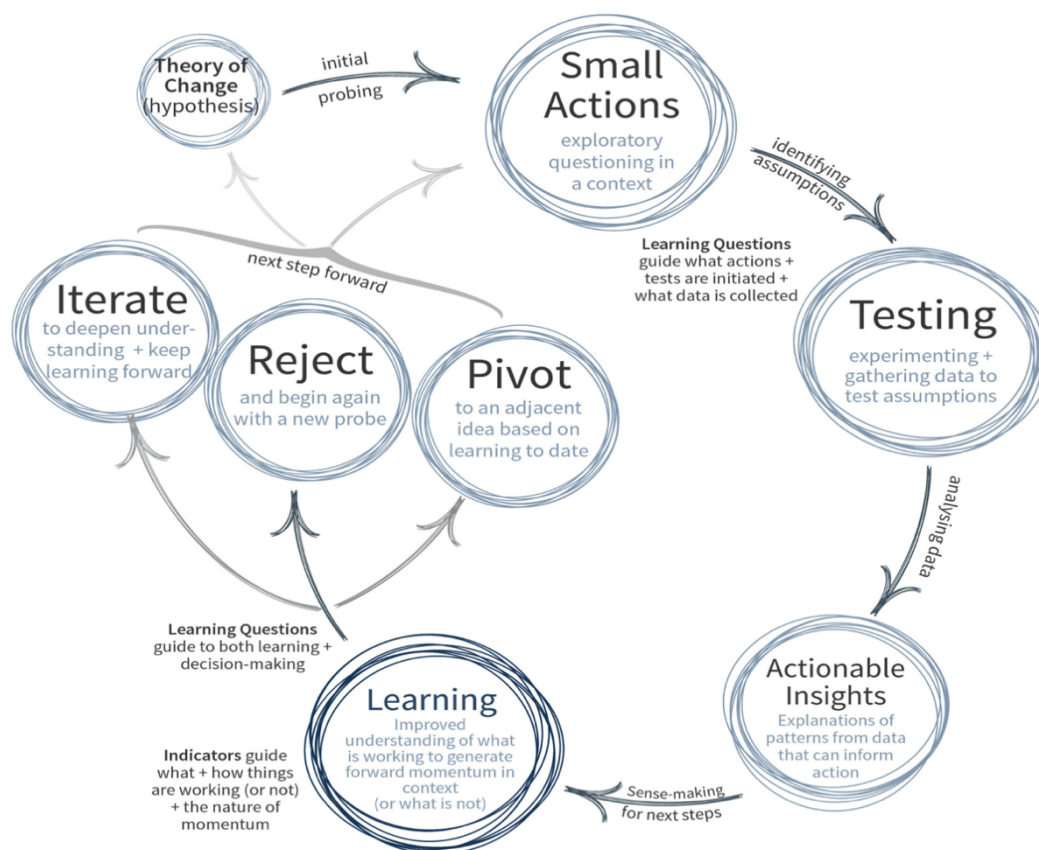
Indicators for an Enabling Ecosystem:

- Number of regional leaders and anchor institutions actively championing and adopting community wealth-building principles.
- Evidence of narrative change in public discourse regarding the local economy.
- Growth in the field of practice, evidenced by other communities drawing on our shared learnings.

Linking Theory of Change, Learning Cycles, Learning Questions and Indicators

Technically, a learning cycle consists of key elements, as depicted over the page.





Learning Cycles (Technical) – Ingrid Burkett, The Good Shift

The Neighbourhood Economics Learning Loop will mirror this process, drawing on the elements discussed in this document:

Theory of Change (Our Hypothesis)

This is our starting point—our best thinking on how change will happen. It posits that combining nurtured leadership, Impact Enterprises, and generative capital will lead to an inclusive economy.

Action (Testing in Place)

We implement specific strategies from the Theory of Change in the Geelong region, such as incubating an Impact Enterprise or forming a coalition of regional leaders.

- **Gather Evidence (Indicators & Stories):** We systematically track our indicators and collect stories of change from people on the ground. This provides the raw data for learning.
- **Collective Sense-Making (The Learning Hub):** In structured workshops, the team and partners reflect on the evidence. We ask: "What does this tell us about our



learning questions? Where are our assumptions holding true, and where are they being challenged?”.

Adapt & Refine (Evolving the Theory)

The insights from sense-making are fed back to refine the Theory of Change and adapt the next cycle of action. This loop ensures that Neighbourhood Economics remains a dynamic, learning organisation capable of navigating the complexities of creating real and lasting economic change.





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**A fair economy
isn't impossible,
it's overdue.**

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