



The Community as a System:

The “One Square Mile”
Approach in Orange County

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Introduction

A new approach dedicated to the overall wellness of communities is needed if significant progress is going to be made in improving the lives of Orange County’s poorest residents. The current preoccupation with deep silos of activity focused on specific programs must be replaced with an approach that embraces the holistic needs of the community.

To transform these communities, current models need to be altered, and in some cases jettisoned, and new leadership skills need to be deployed and, in some cases, new leaders recruited and nurtured.

The result will be an efficient leveraging of resources that make health, education, safety, jobs and other programs currently in place be more efficient and more accountable to the ultimate metric: long-term, sustainable improvements the lives of the residents.

The Situation

Social service programs have worked to change many individual lives. However, the communities and environments that spawn the conditions which produce poverty in the first place have changed very little since World War II.

In addition, many of the “blighted” geographic communities that have managed to renew themselves have become gentrified, driving out the original residents to create even more “blighted” neighborhoods in different locations.

Twenty-first century demographics are likely to drive the destiny of these neighborhoods – and particularly the prospects for their children. The children of poor neighborhoods will soon enough become the adults called upon to provide the services, including health-care services, and pay the taxes to support the retirement years of the baby boomers.

The Complication

Most social service initiatives are delivered as programs or "products" designed to alleviate a particular situation such as health, education, jobs and housing. Most programs are narrowly designed services delivered through specific government agencies. These agencies have their own agendas, regulations, bureaucracies, and competencies. Most non-profit charities, agencies and foundations often follow the same functional lines of services as do the government programs. These functional lines, or silos of service, were developed to foster accountability but have resulted instead in the fragmentary delivery of services that are often unaccountable to the multiple needs of either communities or individuals.

The Problem

A community's natural connections – family, work, play, friends – often run counter to the organization structures of those institutions designed to serve us. This disconnect lessens the impact and effectiveness of programs or services. This absence of integration of programs and services is a major contributor to the gaps in quality of life between communities and the degree of urban hardship experienced in many communities.

The removal or lack of function of any one characteristic, or sub-system of the community, results not only in the entire system breaking down, but to other, non-intended consequences or problems.

What is a systemic way?

Conventional wisdom holds that problems are solved by breaking them down into their component pieces and organizing solutions around those fragmented pieces. Seldom is the problem then re-examined to determine if the solution around each piece "solved" the original problem. Indeed, as is often the case, the "solution" often creates unintended consequences which present newer, often more challenging problems than the one presented in the first place.

A systemic way of looking at problems recognizes that we are all connected to form a "whole" or a system. A systemic way of examining problems causes us to focus on the "whole" and to recognize that the "whole" or the system is greater than the sum of its parts. A systemic way of thinking about a community requires that we first focus on the community and then the linkages of cause and effect relationships between the subsystems or other characteristics of the community. The pieces of the "whole" which constitute the system or the community often include:

Public safety and security	Health
Culture and relationships	Jobs
Creativity	Housing
Trust	Technology
Education	Finance and Commerce

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The Solution

First, we must come to think of a geographic community as a system of interconnected and interdependent pieces of the "whole."

Second, approaching changes to the condition of a community, and ultimately its residents, through a system approach requires:

1. Efforts to be focused on a community with geographic boundaries. Those boundaries may indeed be artificial and arbitrary; however, for resources to be specifically aligned and integrated, the focus must be concentrated and precise. Larger, wider boundaries result in less focus, precision, and accountability for results.
2. Resources to be aligned and integrated around the specific, needs, wants, and expectations of the community rather than a particular program, product, or service. Those resources must be allocated in a manner that they reinforce each other to create a value-added set of activities or subsystems within the community that are appropriate to that community.
3. Activities fit together to make the whole greater than the sum of its parts, and result in the community taking on the characteristics of a system.
4. Communities that have achieved focus, alignment and fit, regardless of economic circumstances are thriving, vibrant, exciting places to live, work, and to raise families. Communities that are characterized around programs or pieces of the "whole" continue to be dysfunctional sources of urban blight.



Empowerment: A vision for communities as systems

Healthy systems, communities, and people are characterized by an interdependence and cooperative reinforcement of their parts.

Research across multiple communities around the globe has revealed many communities that have reinvented, revitalized, or otherwise renewed themselves. The same research has also identified communities which, as a result of not considering the basic principles of systems thinking, have continued their downward spiral.

Those communities which have been successful at renewal have first focused their efforts at a community level, vs. a program or functional level, and have aligned their resources to make a significant impact on a particular, well-defined geographic area. The characteristics of community renewal which are shared across all environments have been summarized and consolidated into four common ideas:

1. Collaboration, wherein the members of the community work together to seek solutions to common problems and approaches to change.
2. Choice, meaning that more alternatives are available and open to all.
3. Creativity, which unleashes the natural talents and innovation of all community members.
4. Commerce, which provides an outlet for creativity and innovation in the form of enriched jobs and incomes necessary to renew and sustain the community.

The vision of empowerment is a bottoms-up view of community change and renewal based on the needs, wants, and expectations of the community. Such empowerment results from effective, energetic leadership at the community level. Such leadership not only musters the forces of the community but holds itself responsible and accountable for the emerging change.

Leadership

It is no surprise then, given the structure just described, that new leadership models and skills will be needed.

For every issue, success will start with the answer to this question: How would this initiative/program/idea meet the integrated needs and aspirations of the customers – the residents of the community?

To understand the needs of the community, this new leader must apply the techniques of high-end marketers to deeply understand the fears, hopes and goals of residents. This knowledge must become second nature for the new leader.

To practically deliver on this question, the new leader must synthesize a wide variety of information to efficiently - and creatively - link current resources. This is a critical skill.

To improve the prospects of community residents, the successful leader in this model will need to recruit fresh partners far beyond the typical education, health and social services fields. The usual suspects – and expectations – will no longer do.

This new leader will have to be able to create new combinations of public and private resources. They will have to be able to speak the language of many disciplines. In addition to understanding the needs of program officers, they will need to be able to communicate with private sector figures such as bankers, developers and retailers as well as economic development, school, health, police and other government officials. Understanding the dynamics at play in residents' lives – and therefore the neighborhood's life - will be more important than detailed understanding of individual programs.

Using the linkages between many partners, this new leader will need to stage a revolution in outlook and expectations for residents/customers by creating:

- Vision for the community that embraces the realities and possibilities for the neighborhood.
- Mission whose urgent purpose is to sustain long-term change and progress for these communities.
- Culture of success and ownership for community residents and partners, both inside the and outside the community.

Drawing on the Noel Tichy leadership framework, these leaders will need to take direct responsibility for the neighborhood's performance, much like a chief executive officer is responsible for a corporation's marketplace performance.

The new leader, in conjunction with residents and partners, will develop a set of metrics that reflect the reality of the neighborhood – and its future. Accountability will no longer be judged on an isolated metric – say test scores or crime rates - but instead on an index of measures that reflects the quality of the neighborhood’s life blood.

Among the fundamental tools the new leader will need to master is the ability to recognize a relevant “teachable moment” and be able to teach residents these critical lessons. This way, over time, the residents of the neighborhood are investing for themselves in the solution instead of being somewhat passive recipients of services, which is often the case in the current program-driven mode.

This “teach to invest” model is a key to sustainability because it will help break the cycle of the same programs being delivered to one generation after the next.

These new leaders must think big and teach members of the community to do the same. A few commonly shared “quantum ideas” will help the leader’s define themselves and their work as well as define the neighborhood and its aspirations. These definitions – of the leader, of the neighborhood – need to match to avoid misalignments and the missed opportunities to build a culture and create meaningful partnerships.

Moreover, the common purpose shared by the leader and the neighborhood will give both the courage to follow the hard, and maybe even unpopular, but necessary path.



A Metrics Approach

With a new model and new expectations and skills for leaders, it clearly follows that there is a need for new metrics – to gauge and create standards for accountability

In the past decades, much effort has been placed in social program evaluation. Frequently, improvement of social programs are based on logic models which emphasize data planning, collection, and analysis of client/participant changes before and after program implementation. These program evaluation efforts are limited since individuals and families experience complex social, economic and health deficiencies. For example, an obesity prevention health program can measure each family member’s blood pressure levels, calorie intake, eating habits, and other risk factors. Nonetheless, this program neither reveals the economic capacity of the family to purchase nutritional products in an ongoing basis, nor counts variance in the family income level, nor the educational advancement of each family member.

Most recently, there have been some fragmented efforts to start analyzing social changes at the community level. Current publications and studies emphasize a few aspects of social change and community development. Some of the most significant nationwide publications include the Health Performance Measurement in the Public Sector (Perrin; et. al); Urban Hardship (Rockefeller Institute); Misery Index (Department of the Treasury); Poverty Guidelines (Health and Human Services Department); Poverty Thresholds and Guidelines (Office of Management and Budget); and Self-sufficiency Standards (Insight Center for Community Economic Development).

Snapshot

Low income demographics in Orange County and one of its neighborhoods.

At first blush, it would seem odd to non-Californians to use Orange County as test market for this new paradigm. But it turns out to be a near perfect testing ground.

Although often characterized as an affluent area, Orange County has approximately 126,000 households making an income between \$25,000 and \$40,000 and, worse yet, an additional 150,000 households with an income less than \$25,000 (2000 Census). This amounts to almost 9% of total county population. While these households live amidst one of the country's most vibrant regional economies, deficiencies in health disparities, lack of education, safety issues, and scarcity of affordable housing certainly hinder their opportunities to prosper. Table 1 shows the ages of the heads of households measured for the 2005 census. We can see that 82,000 or about 49% of low-income heads of households are between the ages of 15 and 44.

Table 1: Age of Low-income Heads of Households in Orange County (2005 Census)

Age Category	Total Low-income Households (\$20K-\$40K)	Percentage of total LIHs
15-24	11,303	6.7%
25-34	35,190	20.9%
35-44	35,085	20.8%
45-54	27,753	16.5%
55-64	21,722	12.8%
65-74	17,066	10.1%
75+	20,590	12.2%
Total	168,709	100%

The low-income households that remain in Orange County beyond 2010 will face several challenges. First, the cost of living continues to increase due to inflation and the economic slow down. Second, the housing foreclosures have affected low income families more than any other group. Third, many low-income households will have to make the difficult transition to lower-wage jobs than presently perform. Compounding the ability to secure a more lucrative job are health issues, overcrowding areas, linguistic and educational deficiencies -- which are common throughout the county -- but more prevalent in the areas with large numbers of low-income households.

In keeping with the precept that this systemic, integrated approach should be tightly focused on a specific geographic area, consider the Oakview neighborhood in the city of Huntington Beach.



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Oakview

A mile square, Oakview is a poor neighborhood, by any standard.

	OC	Oak View	Gap
Public Safety & Security (per 10,000 population)			
Domestic Violence Calls	37	443	1100%
Crime Rate	8.4	239	271%
Gang Related Crime	6	20	23%
Property Damage	67	84	115%
Education			
Current Graduation Rates	78%	63%	21%
Population 25 or older without a high school diploma	83%	48%	42%
Health			
Average Fitness Among Children	79%	68%	14%
Childhood Obesity	19%	38%	98%
Housing			
Median income spent on rent	27.5%	26.0%	5%
Owner occupied	59.3%	11.1%	81%
Household size	3.0	5.7	
Occupancy greater than one person/room	15.7%	40.7%	160%
Jobs/Income Security			
Unemployment rate	5.4%	10.0%	85%
Cash assistance	2.7%	6.0%	122%
Percentage below poverty line	10.3%	29.2%	183%
Self-sufficiency - percentage dependent (0-17, 65+)	36.9%	38.5%	4%
Per capita income	\$30,512	\$12,561	59%

Yet, the social fabric in Oakview is strong and resilient. It is an empowered community, as described above. The fruits of the four Cs – collaboration, choice, creativity and commerce – are evident on the streets of Oakview every day.

These factors naturally lead to choosing neighborhoods like Oakview as a model for new ways of judging the success of a neighborhood, beyond gentrification – and the displacement of the current residents.

Proposed Community-level Measurements

In order to have a more comprehensive and accurate reading of community improvement, a new Community Wellness Index (CWI) must be established.¹ The CWI index should include measurable factors within the following five areas: Health, Safety, Income, Housing, and Education. Each area combines equally weighted indicators into an overall ranking or index. The indicators under each area are listed below.

Public Safety Index

- Violent crime
- Gang activity
- Property damage
- Juvenile crime
- Domestic violence
- School discipline (suspensions and expulsions)

Education Index

- Number of individuals without a high school diploma
- Percentage of adults 25 or older without a skill (vocational, career/tech or college)
- Number of linguistically isolated individuals
- Academic Performance index (API) scores (for children and youth)

Health Index

- Children without access to health care
- Adults without access to health care
- Utilization of health services (Oral Health and Prevention Services)
- Chronic Disease Prevention (Asthma, Type II Diabetes, Overweight)²

1: The Community Wellness Index (CWI) should be used as a barometer for the quantity of life. After the baseline is established, the indicators can be measured once or twice per year.

2: Not easy to measure unless done through individual household interviews.

Housing Index

- Density
- Individuals per household
- Home price to median income spread
- Cost of rent

Income Security Index

- Median household income
- Median disposable income
- Number of unemployment adults
- Household size
- Free and reduce price school meals
- Self-sufficiency standard level (measured by the OC Self-sufficiency Calculator)

Call to Action

What can be done? What needs to be done?

There are four immediate steps that can, and should, be taken in at least five “one square mile” communities in Orange County. The four steps are:

- Hire a chief executive officer for each community. The “community CEO” would embody the attributes in the Leadership section above. But the most important measure of success is simple: narrow the gap in the “quality of life” metrics of the community’s residents when compared to adjacent communities.
- Create a robust evaluation tool to track the community’s overall wellness. This evaluation tool, once tested and refined, can be replicated across the country. The findings of the evaluation can be a guide for the residents, leaders and the community’s donors and partners.
- Create a training program for community residents on how to effectively work the multiple systems – public safety, education, health, housing and employment – to address their families’ holistic needs and aspirations.
- Create a communication plan that has two equally robust tenets.
 - External: Trumpeting these innovations to the larger community.
 - Internal: Empowering residents to transfer their new-found knowledge and confidence to their neighbors.

Conclusion

As a country and society we are faced with two choices on the critical decision on how to eradicate poverty and the poor in the 21st Century.

One choice on is to "stay the course." We will keep doing the same things that we have been doing for the past half century – and then be surprised when we get the same outcomes. This is often characterized as a kind of madness. This approach will result in yet another underclass – one in 10 of our people living in ever larger urban areas demanding resources that are not available. It is not a pretty picture.

The other choice is to stay focused on "One Square Mile" communities where residents are empowered to change their own conditions and leaders are responsible and accountable for outcomes that are critical to a meaningful and fulfilled life. These outcomes are:

- Public Safety and security
- Education
- Health
- Housing
- Employment

The overarching goal is this: Narrow the gap between the "one square mile" community and adjacent communities on these "quality of life" metrics. When this gap begins to close, the 20th Century cycle that traps generation after generation in poverty begins to disintegrate and the 21st Century demographics can begin to work in favor of the well-being of all.

The choices are clear. The decision is ours.

About the Authors

Jack Shaw

Jack Shaw is a philanthropist, business leader and social visionary who is helping communities break the cycle of poverty. Jack is the founding chairman of three not-for-profit organizations and serves on the advisory boards of several more.

The inspiration behind his community service came from a 50-year business career, which was built on the discovery and promotion of his simple principles for serving others. In his seminal book, "The Service Focus," Jack helped industrial age companies rethink their organizations to compete in the new service economy. In his most recent book, "Corporate Governance & Risk," Jack helps management teams make decisions in uncertain times -- but in a way that protects customers, employees, partners and shareholders.

To honor his contribution to business, Jack Shaw received an Honorary Doctor of Commercial Science from American International College. He spent 45 years in management consulting, serving as a practicing consultant, and as Senior Partner and Vice Chairman of Deloitte & Touche. He has served in the Office of the Chairman for WellPoint Health Networks and as Dean of the Peter F. Drucker Graduate School of Management. In 1997, he founded The Shaw Group, and he continues working with executives nationwide.

Juan Carlos Araque, PhD

Dr. Juan Carlos Araque is inspired in the research and design of public, private, and non-profit system structures to support positive child and adolescent development and robust child-adult-community relationship building. He has worked over fifteen years in the fields of education, community development, diversity, violence prevention, and positive youth development. Currently, Juan Carlos chairs the Orange County Business Council’s Latino Educational Attainment (LEA) Initiative, and serves as board member of the following organizations: Orange County Department of Education’s Institutional Review Board (IRB), Health Funders Partnership of Orange County, Emergency Food and Shelter Program, Jewish-Latino Roundtable, and KinderCaminata, Inc. He served for five years as a board member of the California Governor’s Child Abduction Prevention Task Force (Amber Alert) and the California School/Law Enforcement Partnership. Juan Carlos led the implementation of the nationally recognized Youth Development Framework (YDF) School-Based Pilot Program. He has authored numerous reports and program evaluations in community resources and gaps, positive youth development, parent involvement, academic achievement, need assessments, and community resource mapping.

Dr. Araque is the President and Founder of Public Wellness Management, a strategic management, training, and evaluation consulting firm dedicated to support organizations in their quest to achieve social change. In this capacity, Juan Carlos engages in public speaking, creates educational curricula in English and Spanish for youth and adults; and trains educators, community agency workers and parents in strategic management, program implementation, diversity, conflict resolution, violence prevention, professional consulting and coaching, youth development, and data analysis. Dr. Araque enjoys teaching a graduate course on Consulting, Coaching, and Social Entrepreneurship at the University of Southern California (USC). He has lived in Orange County with his wife Carrie and two children, Sean (12) and Rebecca (9) for over ten years.

Joseph Ames

Joe Ames works with a wide range of organizations on issues of facilitation, communications and coaching. As the Executive Committee Director of the Biomedical Informatics Research Network, a large consortium supported by the National Institutes of Health, Joe facilitates the work of a wide cross section of research domain experts, including neuroscientists and computer scientists.

As a communicator, his background includes 30 years of political and business reporting and editing, including senior editing positions at The Orange County Register and The Miami Herald, where he was part of the team that won a Pulitzer Prize for Community Service. As an experienced coach, he has helped executives navigate changing organizational and marketplace imperatives.

His clients include the William T. Grant Foundation, Resources Global Professionals, a publicly held professional services firm, SRI International, a major research firm based in the Silicon Valley and the Maryland Department of Labor, Licensing and Regulation. Joe serves on the Community Investment Cabinet of the Orange County United Way and is the president of the board of Reuben Martinez Literacy, Enrichment, Achievement Plus, a family literacy non-profit in Santa Ana. He is the founder of the Latino Educational Attainment, an initiative housed at the Orange County Business Council dedicated to helping immigrant parents become more effective advocates for their children.

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