United Ways California Speech

April 18, 2012

Reform at a Time of Regret

....Or, Spend that Brand, Baby

First things first. I want to convey a deep sense of appreciation for what our California United Ways do for the people and communities of this state, and what a great partner you have been for us on the matter of advancing and promoting the health of children in California. We have made great progress on this front, despite the fact that the economy, state budgets and partisan politics have been anything but cooperative as we pursue a shared vision of quality health care for every child.

So to each of you who have participated in this work, and to all of you collectively, a big giant thank you for your supportive leadership.

Now rather than waxing eloquently and thoughtfully building towards my conclusion, let me give you the punch line of what we must do in the next 18-24 months: we need to get off our asses. We must not only get in the fight, we must lead it. I want to spend the next 20 minutes building the case as to why.

First of all, “getting in the fight”, and “leading it” begs two questions: Which fight? And who is we?

The first question refers to the fight for opportunity in our nation, particularly as it relates to low income and working class families. Even as a health foundation president, it is abundantly clear to me that the greatest single threat to our democracy is our vanishing middle class -- in combination with the crumbling of the opportunity ladder from poverty towards financial stability and independence. The issues of a disappearing middle class and poverty represent two sides of the same coin. The fight is to reestablish, or more accurately re-construct, the rungs on the ladder of opportunity for American and California families. I’ll refer to the rungs of the opportunity ladder in a moment.

And now who do I mean by “we“?
By “we”, I mean what I call the Delta Sector. Each of you is in the Delta Sector, although you may not have realized it. I just made up a name to better describe the business that we are in.

In order to better understand the Delta Sector, you must first understand my very strong views about how our sector is traditionally described or understood. The first name used to describe us is “the nonprofit sector” – meaning, we are defined by being something we are not. Who else describes their work, their passion, and their mission by “not being something else”? Are we apologizing for not being corporate, or for-profit? It’s the worst-named and described sector in the history of professional careers in our nation.

The alternate and second most-used name to describe our field is “the charitable sector.” This is slightly better, because, at least it describes something that many of us actually engage in: charity.

I submit to you folks that while charity is a nice thing, and a good thing, and even a necessary thing, we need to get a heck of a lot more serious about change.

The Delta Sector describes those among us who, whether we reside in the nonprofit or corporate worlds in our day job, are about the business of values-driven, innovation and change that restores a sense of opportunity in America.

In recent years, what I have seen in my hometown, the United Way of Greater Los Angeles, and what I am seeing in the United Ways of California, and what I have seen in the United Way Worldwide is a family of organizations thinking and acting more about change than charity.

The greatness of our nation lies, fundamentally, in its promise. The three legs of the greatness stool are freedom, justice, and opportunity. In the final few minutes allow me to do a deeper dive on the opportunity thing.

I think of “Opportunity” as an upward-pointed ladder with rungs on it. In America, the bottom-most rungs are quite basic, consisting of things that our grandparents preached to us: hard work, fairness, playing by the rules. The next rungs on the ladder are about opportunity systems, and while there are several of these, I would argue that the four most pressing are 1) the economy and economic development; 2) affordable housing; 3) public education; and 4) health care. You need not hear a long-
winded explanation of why these four systems are critically important; if you a member of the United Way family you know darn well why each of these is vital.

Now let’s do an inventory check: how are each of these four systems functioning? If you were to grade each one on how each one is serving working class and low-income families, what grade would you give each one? I am reminded of one of my favorite sci-fi films called Aliens, featuring Sigourney Weaver. There was an action-packed, fast paced scene where a detachment of intergalactic Marines was nearly wiped out by the ruthless Alien foes in a firefight, and when some clueless observer asks one of the surviving battered Marines about going back in to fight the Aliens, the Marine answers, “hey dude, its time for you to check the scoreboard – I hate to rain on your parade, BUT WE ARE GETTING OUR ASSES KICKED!”

At the risk of being impolite, but checking the scoreboard on the economy, affordable housing, public education, and health care: we are getting our asses kicked. Every one of these critical “opportunity ladder” systems for families is either in shambles, disrepair, dysfunctional, underperforming, and in need of reform.

The Delta Sector represents those among us – in philanthropy, in the nonprofit world, in the corporate sector – who seek, demand, and lead change. We have school systems that are broken, but we have public schools who not only work, and even excel. We have a housing crisis, but we also have pockets of affordable housing excellence. We have a correctional system that is utterly dysfunctional, but there are isolated programs that have solved the prison re-entry and recidivism problem. We have an economy badly in need of purposeful restructuring, but there are examples of very impressive economic innovation.

In sum, I’m not so sure that we have an innovation problem as much as we have a scaling problem. The work of the Delta Sector is to press and advocate for scaling up effective and innovative practices when we find them. Even when the political will is lacking, or the political obstacles seem foreboding.

These kinds of scaled-up, systems-fixing changes do not come easy. I do not have all of the answers on how to get there, but it is fundamentally clear that Washington D.C. and Sacramento are simply not capable of leading it. I say this without pointing fingers or laying blame at the feet of any particular elected official or either of the two parties. But the hyperpartisan, useless, and destructive bickering we have seen is exhibit A that a nation once driven by the power of an idea has become hopelessly wedded to the power of an ideology.
It is the Delta Sector – the intersection of nonprofit and corporate civic-minded, problem solving leadership – who is singularly capable of allowing ideas for change not to be suffocated or trampled by ideology.

I cannot think of an organization better positioned to provide this leadership than the United Way. You have track record. You have credibility. You have standing. You have capital. You have brand. Your boards are comprised of civic-minded leaders who are business leaders, educators, service providers, corporate types, faith leaders, non-profit leaders, Democrats, Republicans and multiethnic. Despite these differences, your board rooms find a way to make this diversity and a shared vision really work in your communities. You may have disagreements, but they are civil, and in service of advancing mission and opportunity rather than stifling it. Tell me that our leaders in Washington DC can’t learn something from the United Way model about how to make our nation work.

You must thoughtfully pick and choose key system challenges and policy issues that impede the path of opportunity, and go after them with everything you have – including your brand, capital, and reputation.

And please note that the three key policy issues that the United Ways have chosen – family income, public education, and health care – all represent critical rungs on the opportunity ladder.

At our private foundation, we have begun to be more assertive about spending our brand, capital, and assets, and we have begun to try some things we have never tried before. This part year, for the first time, we have begun to utilize a portion of our investments portfolio to support our mission of creating healthy communities, and creating health-promoting jobs in neighborhoods. This past year, we filed an amicus brief with the Supreme Court in support of the Affordable Care Act – not because it was a partisan act or because we think the new law is perfect – but because it offers the best systemic chance of making health care work for Californians. And this year we are forging a partnership on youth empowerment with pop music superstar Lady Gaga and her new foundation; this was really new, and quite different for us, but we need to figure out how to engage youth leaders and youth voices in new ways.

I’m not suggesting that your United Way necessarily partner with Lady Gaga. But please recognize that these policy issues need your voice, your brand, and your capital behind them. And maybe you can
show Washington DC that despite our differences, there is a “united way” forward to restore opportunity in America. Thank you for who you are, and what you do.