

Anticipating and engaging the need for economic change: A summary of efforts

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Introduction: The setting

From 1995 to 1997 the Conference on Poverty, Inc. conducted over twenty poverty forums in 29 North Carolina counties.[†] These forums were designed to engage counties with the problems of poverty in their counties, and to assist in the development of strategies and activities that would lessen or eliminate problems residents in the counties were experiencing as a result of poverty.^{‡§} Many of the conditions that provoked poverty in counties developed as a result of persons displaced from their jobs from plant closings, or reductions in the labor force due to increased automation.

The purpose for the following review is to highlight experiences from these forums that might have significance as leaders deal with economic changes in their communities.

Since the forums themselves focused on poverty, each dealt with poverty from the perspective of that county. Although the specific focus for each forum varied several counties were particularly concerned with labor force issues. The four county experiences discussed here in some detail identify common themes that might be applicable in those situations where localities anticipate worker dislocation due to lost employment opportunities through plant closing or plant downsizing. The experience of the forums provides a picture of a variety of ways local leaders deal with difficult economic problems in their communities. Although some common themes that emerge from these experiences, there are no set formulas, no textbook designs that can be applied to all situations, in all local settings.

Common Themes/Factors

[†] The Conference on Poverty, a 501, C, III corporation, was founded by Andrew Dobelstein and Margaret Riddle in 1987. Please see www.poverty.org. The work described in this paper was carried out under the auspices of the Conference on Poverty staff.

[§] These counties were: Ashe, Alleghany, Wilkes, Haywood, Jackson, Bertie, Northampton, Herford, Halifax, Bertie, Perquimans, Camdon, Currituck, Tyrell, Hyde, Washington, Gaston, Burke, Caldwell, Iredell, Rowan, New Hanover, Forsythe, Orange, Chatham, Gaston, Wayne, Pitt, Wilson,

The considerable literature on community problem solving attests to the wide variety of local experiences, both successful and unsuccessful.** Yet there are some common factors that have particular significance for this study.

Leadership Identification and Development^{††}

No community efforts can be successful without local leadership, and good leaders exist in every county in our state. Although often not obvious to outsiders, local people usually know the local leaders. Perhaps it seems too elementary to emphasize, but finding the right leaders and maximizing the capacity of leaders was crucial to any subsequent task we undertook. As the literature suggests, there are formal leaders, persons who have a formal leadership title, and informal leaders, persons who have the respect of others. An effective leader usually embraces both leadership roles. Moreover, a key leader in the community may be extremely effective on one set of problems, but completely ineffective on others. Thus, effective results required more than enlisting the interest of key leaders.

Because developing the right leadership “team” is so important, a review of the process we used for the poverty forums might be instructive. Getting the right leaders “on board” was the most crucial, yet time consuming part of all the forum activity.

Identifying the right leaders was facilitated by recommendations from well known person; thus to find the right leaders it was necessary to explain what we were trying to do to a wide spectrum of persons even before a prospect list was developed. (The development of leadership for these poverty forums was facilitated by the presidents of two leading North Carolina banks and the former President of the Consolidated University, North Carolina, among others.) The poverty forums were always preceded by a planning process in the local communities with selected community leaders before any formal meetings took place. The process of identifying local leaders was begun by discussing the project with individuals in the county who might be asked to serve on a time-limited planning committee. Prospects were gleaned from interviews with local business, political organization and social agencies. Bank executives, county commissioners, and welfare administrators

** Please see included annotated bibliography on community problem solving.

†† Please see included annotated bibliography on leadership.

are adept at knowing persons who have played leadership roles in the community. In each case local leaders were briefed on the nature of the problems and proposed forum.

Although it was important to find leaders who believed they had a “stake” in the problems and their solutions, it was necessary to be wary of leaders whose vision of participation was limited. Persons who were willing to participate in order to make their business, or their agency (in the case of social agency executives) look good, or who saw participation as a means to further their personal goals (such as aspiring political leaders) were not encouraged to participate. (As a point of information we had the most difficulty with social agency executives who, when a problem was identified, were likely to respond that they were working on the problem, and could do better if only they were better funded.)

Timing

Even when potential problems may be evident they may not get on a problem solving agenda due to other pressing items. Here we must recognize the problem of limited local resources. Key leaders may be busy with other problems; community sentiment may not support a problem solving activity; time, money, and persons necessary to carry out simple tasks may not be available.

Local Capacity

While activities are always implemented locally, the locality may not have the capacity to do so. It is not at all unusual for a State or Federal mandate be passed to the locality, only to find that the locality does not have sufficient ability to carry it out. In like manner, many local problems cannot be solved locally. For example, if Wachovia Bank decides to move its headquarters out of the state the local community is unable to solve this problem. We found it important to sift out what a local community can and cannot do before engaging an issue. Although most leaders have experience at dealing with large problems, we found it important to keep the focus of problem solving issues within the realm of what can be accomplished with local resources, or whether it is possible to bring in outside resources to supplement those of the local community.

Group Maintenance

Leaders and participants must be rewarded for their work. In most cases payoff comes from “getting the job done.” Recognition becomes an important form of reward. Leaders and participants who are recognized for their work will work together and sustain a process of local problem solving. Thus, forms of reward must be given not only at the end of a process, but along the way as well.

Decision Making:

Decisions made by consensus are usually more difficult to achieve, but they are preferred because a certain amount of “buy-in” or commitment takes place. Reaching consensus by a group of spirited and capable leaders is both challenging and often frustrating to the leaders. While hierarchically achieved decisions may be easier to achieve, we found them more difficult to implement, since taking action at one or another problem requires more cooperation than is likely to be found, perhaps, in a particular business operation. We found that action issues without high levels of consensus were extremely hard to implement

Not only do leaders and participants like projects that can be achieved, but they also like to achieve goals quickly. Over and over again in the poverty forums leaders told us they did not want to get involved in long, drawn-out processes. They were willing to get involved, achieve a target, and get out. Thus if achieving a particular objective requires a long process it might be best to break it down into small steps, even using different leadership groups to achieve the different steps.

Clarity of Philosophy, Operating Principles, and Expectations:

No one likes being committed to a task, only to find out that more is expected than originally thought, or that the ideas behind the work are different than initially understood. The Conference on Poverty made its philosophy, its working principles and the expectations clear at the time of initial planning. The philosophy and principles of the Conference on Poverty in developing the forums was unique to its way of working, and had an impact on the outcomes of the forums themselves.

The **philosophy** behind the forums was that everyone, particularly all local institutions, owned a part of the problem of poverty, particularly poverty exacerbated by job loss. Since all institutions owned a piece of the problem, anticipating job losses and undertaking activities on behalf of those who lost jobs would have to be done locally, and in small steps. The forums operated on the premise that there was no “silver bullet” that would address the problems, no unexpected grant from the State or the Federal government, and for the most part problems had to be addressed at home, one small piece at a time. Each small step contributed to resolving the large issue. We found that getting expectations down for community problems was a difficult task.

Five **principles** guided the development of the forums. First, the work of the leadership-planning group would, at the beginning, be time limited. No commitment beyond the forum was asked for. Second, concerned community leaders primarily from the business community would be the participants. In most cases persons were invited who could make decisions for their organization. For example, company presidents, rather than personnel managers were invited.

Third, the invited persons would be asked to initiate some form of action, within their own area of responsibility. No long-range plans would be developed, no comprehensive reports prepared. Rather time-limited activities would be sought as a product of the day meeting. In other words, the products from the forums would depend upon what each community leader could commit to. Invited participants were told up front that there would be an expectation that, if able, they would be expected to commit to working on a piece of the problem. We did not find this expectation to be a problem, as long as the commitment was within their sphere of responsibility.

Fourth, a local social agency was identified that would be willing to facilitate and/or coordinate various commitments that emerged from the forum. In most cases the local Community Action Agency accepted this responsibility, since as a local non-profit it had the greatest latitude in its charter to undertake activities that were not necessarily mandated by the use of federal or state funding expectation. Fifth, the Conference on Poverty would follow up with the forum-planning group to determine how well activities were being carried out and to facilitate efforts when feasible.

In summary, then, the **leadership expectations** were time limited. Well-respected leaders would invite other leaders who could make decisions as to problems raised in the forums. Attendants would be expected to make some commitment to dealing with the problems as laid out. A social agency would be in place to help pull activities together. Some limited follow up would take place.

All the forums were about poverty in the county, but each forum had a special focus. The following discussion highlights four county forums that dealt specifically with employment and loss of jobs due to changing economic conditions.

Burke County

The situation in Burke County: Burke County was experiencing growing poverty as a result of economic changes affecting labor. Most significantly there had been a loss of manufacturing jobs in furniture and textiles. One textile mill had recently closed and two local furniture manufacturers had reduced their work forces. While service sector jobs were increasing, particularly in retail sales and banking and financial, the existing labor force seemed unable to make the transition to these new lines of work.

Complicating the problem of what seemed simple transition to new types of employment were attendant social issues, including the need for day care and school problems with children of displaced worker.

The leadership group: After numerous meetings with persons holding leadership roles a small group of five persons agreed to take responsibility for a one day forum: a local bank executive, a well recognized minister, the director of the local Community Action Agency, the president of a local ink manufacturing business, and the local Sara Lee executive. The group decided the forum should focus on efforts to aid in transition from one type of work, mostly factory work, to a more service focused type of work. In most cases this meant a net loss of family income and the need to provide assistance to individuals and families to help them make the transition.

The forum: Eighteen persons were invited to participate in the one-day forum, all identified as persons in the community who would be sympathetic to the focus of the forum. As in all forums, information about the identified problem was presented in attractive graphic form with discussion for elaboration and clarity from

persons working with the affected population in the community. The local Community Action Agency agreed to work with any action items that emerged from the discussion of the invited participants.

Outcomes: In the discussion Sarah Lee agreed to take ten displaced workers who were receiving welfare, give them entry-level jobs, and shepherd them for six months with the goal of making them permanent employees. A local bank executive, also a member of the leadership group and co-sponsor of the forum, agreed to do the same.

Obstacles remained: There were not enough day care slots in the county and travel to the nearest county where day care was available did not seem feasible. At first discussion centered on the development of employer-based day care, but this was rejected by most businesses. “We do banking well,” one executive said, “but we don’t know anything about social services.” The Department of Social services did not have enough funding to “buy” more day care slots, and business rejected the idea of paying for day care. Then the minister said he would open his church to day care for the twenty persons who needed it and other poverty persons in the community. As a religious institution the church was exempt from day care regulations. When some worried about quality of day care, the Community Action Agency agreed to train the day care workers so that they could meet state standards.

The local schools, elementary and high school had resisted employing a counselor for disruptive children. The school board argued that such work was the responsibility of the local mental health organization. At the urging of the president of the ink manufacturing business, who had previously served on the school board, the school superintendent who attended the forum agreed to hire a counselor who would travel to the various schools to meet with children and their parents, as needed.

Follow up: Approximately six months after the forum fifteen persons were employed by Sarah Lee and the bank, and several other local businesses had offered similar employment opportunities to the local Department of Social Services. The day care at the church was in place and fifteen children were enrolled. Not all of these children were from the families selected for special employment activity, although all were from the low income community. The counselor had started her work in the local schools.

Washington County

The situation in Washington County: Poverty remained persistent in Washington County and was characterized by single parent African American women. Many of these women had worked in agriculture, but with the shift to corporate farming they were without work, and poorly trained. Transportation was inadequate to enable persons to commute to potential job centers, such as Washington, NC, and even there employment opportunities were limited. National Spinning was the largest employer and cast a large shadow over the local economy.

The leadership group: After a successful meeting in Pitt County, which he attended, the President of National Spinning invited the Chair of the County Commissioners and a well-respected local bank executive to form a leadership group to plan a forum for Washington County.

The forum: Twelve persons attended the forum, including three representatives of local social agencies, one of whom was the director of the local Community Action Agency. The consensus from the forum was that National Spinning was willing to give jobs to five unemployed persons who had worked previously in agriculture, put them on a teams that would shepherd them in all aspects of work at the company (the model of work in the factory was by small teams), and eventually move them into permanent jobs in the company. The commitment was predicated on the board of education establishing a work-study program that would introduce high-school students to work at the company, during their senior year (with a minimum wage paid for six hours of work experience per week), and commitment from the local Department of Social Service to insure provision of day care service for the women, as they needed it. In return, National Spinning would provide summer employment for recent high school graduates who were willing to enter the work experience program, and double the number of unemployed persons should the effort prove successful. (The President of National Spinning saw his factory as a base for work experience and training for Eastern North Carolina. He later became the Chairman of the Governor's Work Force Advisory Council.)

Outcomes: Although the forum participants were in general agreement with the proposals put forward by the President of National Spinning, there was reluctance of the school board to initiate its part of the

proposal, and by the local Department of Social Services to allocate day care resources for a specific purpose. Other local leaders who attended the forum were a bit uneasy with the high profile role of National Spinning, (even though they agreed to the proposals) despite the fact that the president rightly pointed out that National Spinning was the major employer for the county.

Follow up: The plan was implemented when five women were referred to National Spinning for the experimental program. Each woman was placed on a separate work team. Social Services provided needed day care. The school board set up the work experience program but did not publicize it due to fear that it would be recruiting employees for National Spinning. Only two students signed up.

Obstacles: At the end of about six months four women were still working at National Spinning. Of the four remaining, one was having difficulty arranging day care when she was moved to the third shift. Another was in the process of dropping out because she was having trouble commuting to work. The school board was reluctant to continue its work experience program.

A call was made to Social Services, pointing out that day care could be provided for third shift, even if it had to take place in a non-traditional, but agency approved day care home/facility. As a result the day care problem was resolved. When it was learned that the woman who was having commuting problems lived in an abusive relationship with her two children, and her husband refused to drive her to work after several fights, the members of the woman's work team came together, found a new place for the woman to live, and pitched in to buy her a used car so that she would have adequate transportation. This activity allowed the woman to stay in the program.

When it became clear that the school board was reluctant to commit to the work experience program, three other employers in the community offered similar opportunities, thus making the initiative more community based rather than a National Spinning program. As a result the program was advertised and used more widely.

Wilson County

The situation in Wilson County: Poverty and unemployment in Wilson County remained high and was seen as undermining the economy in the county when the situation was discussed with the local Chamber of Commerce. There was a widespread belief among persons in the African American community that African Americans, the group with the greatest employment and poverty issues, were not being assisted in finding available employment, or advanced to more steady positions. In reaction to this situation a group of African Americans had formed a non-profit corporation and received significant federal funding to try to deal with the joint problems of unemployment, under-employment, and poverty. However, the organization was having difficulty finding employment opportunities for its clients, and its record was not impressive. There was consensus that a forum might be helpful at bringing different people together to review these issues and coordinate resources more effectively to improve employment in the county.

The leadership group: The local bank executive of the most prominent bank in Eastern North Carolina was recommended as someone to develop a leadership group by persons in the county and by the president of his bank. Thus this person came into a key county leadership position with strong authority behind him. This person chose two others to constitute the leadership group: the President of the Community College and a well-known and respected businessman who operated several convenience stores in Wilson and nearby counties. Both these persons were members of the local bank's advisory board. The executive director of the African American non-profit was not invited into the initial leadership group although he was included in the invitation list for the forum itself.

The forum: A forum was planned but only six persons other than the three on the planning committee agreed to participate. Only one of the six, a local oil distributor, was from the business community. Under these circumstances, the bank executive then suggested a pre-forum meeting with his advisory board to consider next steps to develop a forum. From his standpoint, this suggestion made sense since the other two members of the leadership group were on his advisory board. It seemed unproductive, however, to have this meeting without the presence of representation from the African American community, particularly the president of the

non-profit, but the bank executive believed he could not include this person without a strong backing from his advisory board.

The advisory board meeting was difficult. The president of the community college dominated the meeting with his analysis of the problem of unemployment and poverty and the solution. The problem, he stated was out-of-wedlock births; the solution was sterilization. No forum could be successful if these issues were not seriously addressed.

While the Community College President's strident demeanor did not sit comfortably with many of the advisory board, the conclusion was that the Conference on Poverty, the bank executive and the president of the community college should meet to try to put a forum agenda together that would attract key participants and deal with the many problems, including out-of-wedlock births, that seemed to be a problem in the county.

Outcome: No forum was held. It was difficult for the Community College President to move from his deep-seated ideas, and the bank executive did not want to push his advisory board too far. The African American community, particularly the president of the non-profit was reluctant to be involved in planning, even if he were asked, or as a participant in a forum. For him racial lines had been drawn too tightly over the years. When it was recommended that a conference not be held, the bank executive was reluctant to give the idea up, particularly since his president seemed supportive of a forum for the county. Still subsequent meetings with this executive and members of the parent bank involved in public relations failed to find a good way to move discussion and planning ahead.

Follow up: A few years after this effort the Conference on Poverty was engaged to write a plan for the newly legislated Enterprise Community grants. This was to be a multi-county-grant application, and it made sense to include parts of Wilson County as a part of the Enterprise Community, and thus part of the grantee. Upon exploration, Wilson County thought it best not to participate with the neighboring counties, and rather submit its own Enterprise Community grant application. Although the need for Enterprise Community funding was much stronger in Warren, Northampton and Bertie Counties, Wilson County received North Carolina's endorsement, and thus secured the grant. (Wilson County is former Governor Hunt's home.)

Pitt County

The situation in Pitt County: The experiences from the Pitt County poverty forum may, perhaps, be the most significant for this conference. As the center of economic growth and development for Eastern North Carolina, Pitt County continued to be plagued with high unemployment and persistent poverty, particularly among its African American population. In spite of a solid industrial base, represented most significantly by the presence of Glaxo Pharmaceutical, the county sought to develop a solid economic base as part of its vision of leadership for Eastern North Carolina. Unfortunately, the labor pool was not adequate enough to attract industry, and the county and region often found itself in competition with the Research Triangle for expert labor. With persistent poverty and relatively high unemployment the Chamber of Commerce, the banking community, and East Carolina University were interested in developing a poverty forum to explore options for dealing with some of their employment and poverty issues.

The leadership group: A well respected local bank executive took responsibility for assembling a local forum planning group that included the executive director of the Chamber of Commerce, the Chancellor of East Carolina University, the Glaxo plant foreman, and a County Commissioner. The planning group was able to secure program participation from the President of the University of North Carolina and the CEO and President of the bank that sponsored the event. Thus it was no surprise that over 40 local business and political leaders attended the forum. The local Community Action Agency agreed to accept responsibility for implementing the recommendations, but its' presence was dwarfed by the interests represented at the forum itself.

The forum: East Carolina University wanted to play a visible role in the development and presentation of information regarding the conditions in the county, and a number of social agencies wanted the opportunity to showcase what they were doing to deal with the problems of poverty and high unemployment. The East Carolina University participants were seeking support for the development of a long range plan for human resource development that would have benefits for all of Eastern North Carolina, while several of the business leaders were seeking short range solutions to the problems of high unemployment in an environment where skilled labor was in short supply.

The outcome from the forum was equivocal. The Glaxo plant manager (an African American) offered ten job slots to displaced workers. The bank offered to fund an educational program for displaced workers on credit management if the Community College would be willing to provide it. The local soft drink manufacturer and distributor agreed to hire ten workers, providing they had basic literacy skills, and the local Community Action Agency agreed to develop a literacy program, in cooperation with the Community College. East Carolina University agreed to put together a long-range plan for economic development for Pitt County and Eastern North Carolina. (Transpark was in the planning stages and East Carolina University wanted to be a player in its development.)

Follow up: Within six months of this forum Glaxo decided to close its Greenville facility, precipitating an employment crisis for the community. There was no plan in place to deal with this unexpected issue, and after a period of time the soft drink manufacturer called the Conference on Poverty and asked that it assist in developing a plan to deal with the plant closing. A leadership group was formed from the forum leadership group, but now included the Mayor of Greenville, rather than the President of East Carolina University. Over a series of two months a plan was developed to market aggressively Greenville (and the potentially closed Glaxo plant) as ideal for industrial re-location. Greenville agreed to improve public utilities in its “industrial park.” The bank agreed to help persons find a way to keep their homes, should job loss or transition to a new job jeopardize mortgages. As the economic crisis lessened, this informal leadership group gradually lost interest in further activities, and shifted the work to the Chamber of Commerce and the city of Greenville.

Some Lessons Learned

The labor force problems we encountered were more complicated than assisting transitions to new lines of work. In many cases those who were in need of transitional help, for whom community planning was most important, lacked not only manual skills, but also interpersonal skills. For example, the former agricultural workers who went to National Spinning had to be coached as to how to work on a team. The President reported that the team members themselves often became frustrated at what they thought were “attitude problems” with

the new workers, and without coaching from the plan manager, would have isolated these persons, eventually resulting in their dismissal as “uncooperative.”

Traditional “job training” was not what employers seemed to be looking for in any of these experiences. As one executive put it. “We can train people to do a job. That is not the problem. We need people who can read, write, express themselves and, above all have computer skills.” The kind of computer skills needed seemed to be more a familiarity with how computers operate, rather than skills in particular software programs. One executive summarized the computer technology issue. “If people don’t have computers in their homes, with access to the internet, it is hard for them to work in a computerized environment on the job.”

Many executives expressed the concern that employment opportunities were moving too quickly for traditional forms of job training and preparation to keep up with the need.

Unemployment and poverty from unemployment, whether caused by downsizing or plant closings, cannot be dealt with in a single contextual environment. There are the personal and human factors, such as problem children, poor transportation, abusive-relationships, and day care needs, among others. While all of these personal factors do not have to be addressed, they must be recognized and factored in as issues in planning for community economic change.

Community issues such as longstanding racial differences and forms of racial deprivation are deep-seated in some of our most economically vulnerable counties. The experiences in Wilson County suggest how subtle and deep-seated some of these issues have become. Thus, in Wilson County, even the ability to secure adequate outside resources for job training and job development was frustrated by deeply held community attitudes.

Developing community cooperation, even in situations where a major economic problem is looming, is very difficult to achieve. On occasions where it can be achieved, it might not be sustainable, and/or if institutionalized in an existing organization, issues of financing immediately arise. (i.e., “Where will we get the money to pay for this?”)

During the course of conducting these forums, the Conference on Poverty learned about other efforts to deal with unemployment from downsizing and plant closings, even though it did not participate in assisting the development of these activities. For example, the Chamber of Commerce in Durham arranged a job placement program for welfare recipients with Glaxo that reported good success with job retention. As many as fifty persons participated in this program, even though less than half stayed at Glaxo. The program was the product of the effort of one of the officers of the Chamber, who later became its President.

Recognizing the need to reduce employment at its Norlina facility, Glenn Raven Mills undertook a program to assist its workers to attain a high school equivalency degree with computer familiarization and training. To do so Glenn Raven dedicated a portion of its space to training, invited the local community college to offer classes, and gave its employees time off from their jobs to complete their training. Over a course of eighteen months the plant boasted of 25 persons who completed their GED, about half of whom left employment at Glenn Raven.

Conclusion

It would be nice to be able to evaluate the effects of these forums and initiatives after four or five years, but the Conference on Poverty does not have the capacity either to monitor these initiatives, or to assist in their continuing development. Episodic reports suggest that some of these activities continue to exist, frequently in a different modality than originally proposed. For example, in Burke County the Department of Social Service used the forum initiatives to connect welfare recipients with employers to meet the work requirements of welfare reform following its implementation in North Carolina in 1997. In other cases there is no evidence that the programs or modifications of them continue to exist. Nor is it possible to document whether any of the persons who participated in these initiatives made good use of the opportunities that were provided to them.

However, it is possible to use these experiences to build efforts that may assist local communities deal with economic transitions taking place all over the state. Such efforts might be built on the belief that coping

with even limited change takes time, and that communities should appreciate small successes that, together, may achieve more comprehensive goals.