

# MAKING THE CASE FOR PRIVATE-SECTOR INVESTMENT IN COMMUNITY IMPROVEMENT

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A growing number of business leaders realize that business, family, and community life are interconnected, and that real sustainable success requires each of the components to be strong and healthy.<sup>1</sup> Communities provide the materials, infrastructure, and human resources that businesses require, and the strengths and weaknesses of those elements are reflected in the company's product. Business practices, meanwhile, help determine how much money many residents will earn, how well-educated their children will be, how much time workers have to spend with their families, and whether residents have venues for spending free time in productive ways. Those factors can produce either a well-prepared, high-capacity workforce and resident base or an unskilled, depleted population in need of services that drain the local economy and its major institutions. Thus, if they want to maximize their resources for the long term, business leaders should expect to improve their communities by investing in local infrastructure, in residents, and in civic life.

The investments that businesses make to their communities can and should extend beyond the "bricks and mortar" contributions of the past. Financial contributions for the creation of a park, for instance, or a new school building, are always useful. But there are other important, ongoing community contributions that businesses can make.

Knowledge and leadership, in particular, are key resources that businesses can give back to their communities. In the last decade, many companies have reinvented themselves to become competitive in a global economy. They abandoned top-down management in favor of broad-based decision making. They empowered employees to participate in the process of managing

<sup>1</sup>See, for example, (Pyatak, Annie F., "VP of Happiness," *Fast Company* [online], 42 (January 2001): <http://www.fastcompany.com/online/42/jtdixon.html>. Dahle, Cheryl, "Natural Leader," *Fast Company* [online], 41 (December 2000): <http://www.fastcompany.com/online/41/sharpnack.html>. Leibrock, Frank, "Balancing Work Community and Family," Colorado State University Cooperative Extension [online], (August 15, 2001): <http://www.ext.colostate.edu/pubs/ttb/tb010815.html>. Reich, Robert B., *The Future of Success*, published Alfred A. Knopf, (2001).. Collins, James C. *Good to Great*. Harper Collins: October 16, 2001.

the work, which reduced isolation and fragmentation across work groups and encouraged development of a common language. Many businesses developed information systems that connected the work done within companies and across sectors of industry. They adopted quality standards and criteria, self-evaluations, and data-driven decision-making processes to measure their effectiveness, promote continuous growth and improvement, and guide actions. And business leaders began to envision their companies as integrated, comprehensive systems in which success overall comes from the success of each part.

These changes within the private sector underscored the importance of people as resources and as triggers for change. They highlighted the need to be intentional about transformation; it doesn't happen unless people plan for it and commit to it. And the private sector's improvements showed that individuals and departments working in isolation cannot achieve the powerful changes that come when groups work across boundaries to solve common concerns.

The knowledge and leadership skills produced by the private sector's recent experiences could help communities achieve similarly successful transformations. In fact, the National Civility Center believes that if we are serious about improving communities—and about leveraging sufficient resources for real change—then the private sector must be a teacher and a significant player in the process.

That won't be easy. The private sector has limited experience working with the public and not-for-profit sectors, and some previous attempts have produced dissatisfaction and blame. But there also are promising signs of progress in communities across the country:

- In **Columbus, Indiana**, corporate leaders who had undergone leadership training found it so beneficial that they arranged for more than 3,000 community members to receive Franklin Covey training in the habits and principles of effective leaders. The goal was to create a “principle-centered community” in which stakeholders spoke a common language and looked at opportunities for change in the same way. The training sparked development of a Healthy Communities initiative, a comprehensive approach to improving health care and promoting healthy lifestyles.

- In **Sturgis, Michigan**, the Chamber of Commerce and the public school system formed a Business/Education Alliance to improve connections between the community and business members. The Alliance committed two part-time staff to the effort, one representing the Chamber and one the schools. An early project involved bringing business people into high-school classrooms to educate students about employment and prepare them for careers. More than 50 business partners teamed with classroom teachers, meeting monthly with students for four years to help them prepare portfolios describing their school achievement, volunteer and extracurricular activities, and work experiences. At graduation, the students formally presented their portfolios to a three-member panel of community representatives and fielded questions. Creation, presentation, and approval of a portfolio is now a graduation requirement in Sturgis high schools. Students are graduating better prepared for the real world of work, and business partners have become more involved in the education system and aware of its strengths.
- In **Muscatine, Iowa**, the Bandag Corporation has helped community members participate in the Future Search process, a facilitated approach to identifying and building consensus around goals. Bandag provided space, underwrote the cost, and facilitated training for 125 youth, city and county staff, educators, homemakers, business leaders, state and local elected officials, clergy, and social service providers and clients. The participants identified several topics for action, including affordable housing, early childhood education, riverfront redevelopment, reinvigoration of retail businesses, and improving the community's appearance. Bandag then contributed staff to help Future Search participants plan and implement responses—an investment that was key to the project's success. The effort produced a clearer picture for community members of where they've been, where they are, and where they want to be.
- In **Tupelo, Mississippi**, business leaders recognized that the quality of their homegrown workforce was jeopardized because students in the public schools had poor reading skills. Private-sector contributors now raise \$150,000 annually to hire classroom reading assistants for students in kindergarten through third grade. The students' test scores improved dramatically and now have surpassed the national norms. The individual attention provided by reading assistants also gives students confidence and valuable interaction with respectful, caring adults.

In all communities, business leaders and community members alike are facing the same questions. How are our various components interdependent, and how can we better integrate them so we all get the results we need and want? What are our best human and material resources, and how can we harness

them differently to make them more effective? Which systems are working, and which are not? How can we build capacity so our systems and people can solve our toughest challenges?

It makes sense for the private, public, and not-for-profit sectors to unite with community members around solutions to those questions. The methods, processes, standards, and criteria that helped many corporations and businesses compete in today's market have something to offer. The shape of that contribution will vary from one community to the next, but the path to a better environment for residents, workers, *and* businesses is sure to build on private-sector lessons in some way.