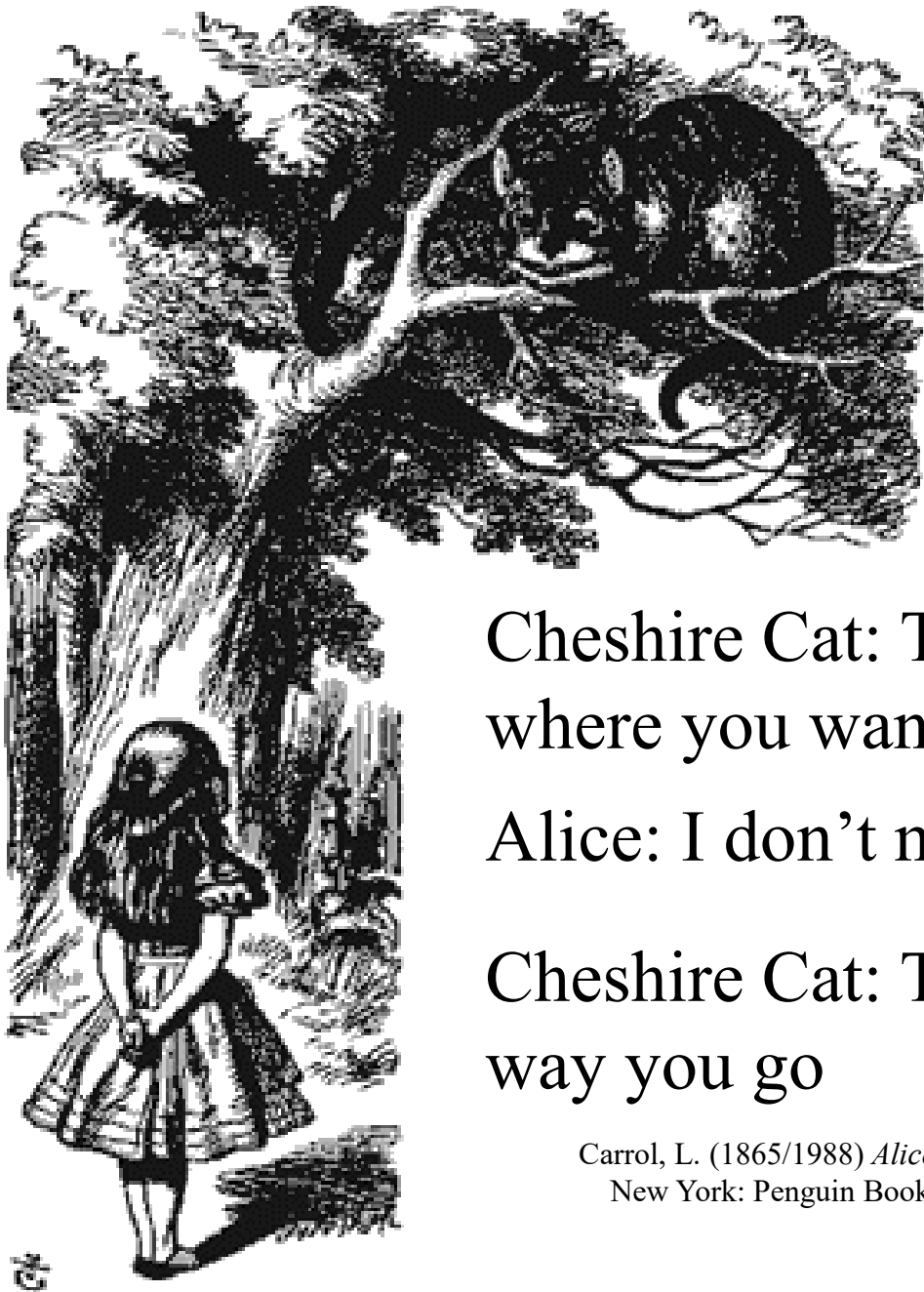# Background on Poverty in the Fox Cities

Level-set the team

Objectives

- Charter for today's event
  - Root Causes of Poverty
- Timeline of our efforts
  - Where are we now?
  - Where are we going?
- Definitions (What language are we using today?)
- Data (Some graphs and statistics on the current state of poverty in the region)
- Survey Data

Alice: Would you tell me, please, which way I ought to go from here?

Cheshire Cat: That depends a good deal on where you want to get to.

Alice: I don't much care where

Cheshire Cat: Then it doesn't matter which way you go

Carrol, L. (1865/1988) *Alice's adventures in Wonderland*.
New York: Penguin Books.

How do you write a good goal statement?

- The goal statement define the teams success criteria.

- A goal statement takes the general form of:
Improve <u>metric</u> from <u>baseline</u> to <u>target</u>

- It is important that the metric be quantifiable and measurable

  - A fundamental principle of process improvement is that if you cannot measure "it", you cannot improve "it"

Today's goal

To better understand:

❑ the <u>root</u> causes of Poverty in the Fox Cities,

❑ the relationships among causes, and

❑ the causes with the greatest potential impact on poverty.

What's A Good Problem Statement Look Like?

- Defining the problem is the first step to a solution
- This is almost never as easy as it sounds
- Consider these two problem statements:
  - Customers are complaining of a poor experience at our thrift stores. Fix customer experience.
  - **Customers are complaining of long wait times at checkout of our Appleton thrift store. Waiting in line averages 10 minutes.**
- Which of the two would you prefer to work with?

Today's Problem Statement

Why-1

Often community (non-profit, business, government, church, other) efforts to address poverty in the Fox Cities are focused more on treating symptoms than on addressing root causes.

Why-2

The true <u>root</u> causes of poverty in the Fox Cities are not clearly understood by the community as a whole.

Why-3

There has not been a complete cross disciplinary effort to identify the <u>root</u> causes of poverty in the Fox Cities.
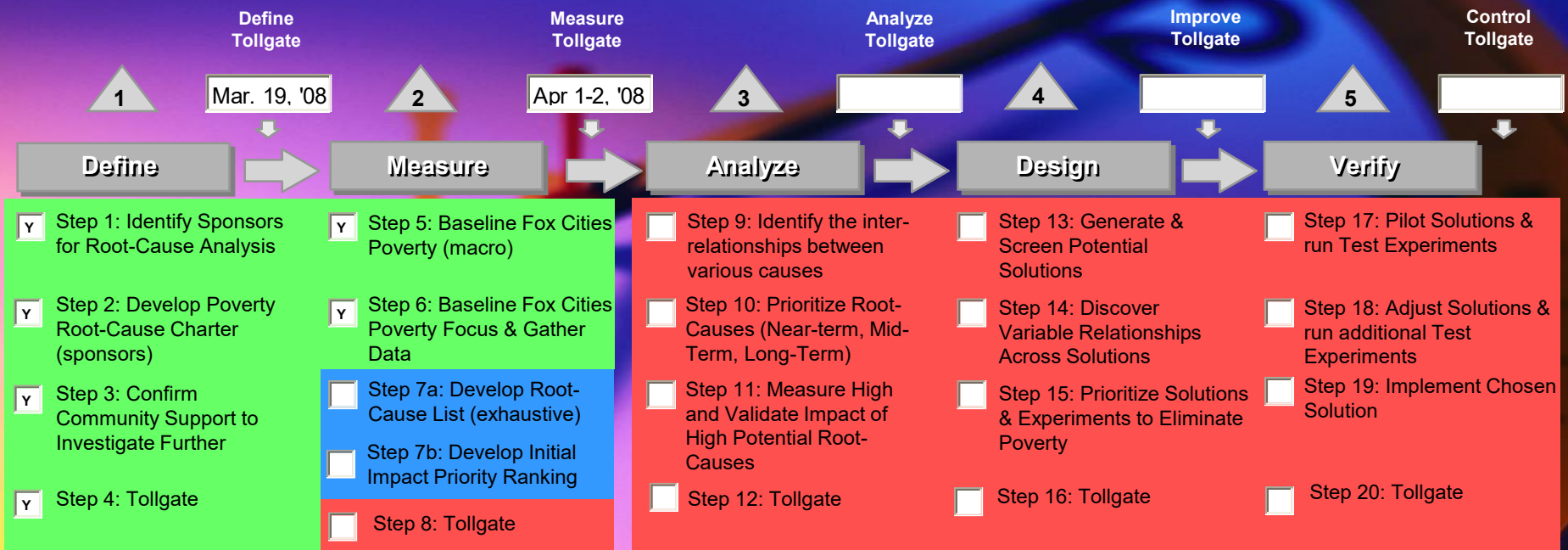
April 1-2 Poverty Root Cause Boundaries

In Scope: **Root causes of poverty specific to the Fox Cities**

Out of Scope: **<u>Solutions</u> for eliminating poverty**

Poverty Root-Cause Analysis Timeline

Define Tollgate	Measure Tollgate	Analyze Tollgate	Improve Tollgate	Control Tollgate
Mar. 19, '08	Apr 1-2, '08			

1 ▲ → **Define** → **2** ▲ → **Measure** → **3** ▲ → **Analyze** → **4** ▲ → **Design** → **5** ▲ → **Verify**

Define (Green)
- Y Step 1: Identify Sponsors for Root-Cause Analysis
- Y Step 2: Develop Poverty Root-Cause Charter (sponsors)
- Y Step 3: Confirm Community Support to Investigate Further
- Y Step 4: Tollgate

Measure (Green / Blue)
- Y Step 5: Baseline Fox Cities Poverty (macro)
- Y Step 6: Baseline Fox Cities Poverty Focus & Gather Data
- ☐ Step 7a: Develop Root-Cause List (exhaustive)
- ☐ Step 7b: Develop Initial Impact Priority Ranking
- ☐ Step 8: Tollgate

Analyze (Red)
- ☐ Step 9: Identify the inter-relationships between various causes
- ☐ Step 10: Prioritize Root-Causes (Near-term, Mid-Term, Long-Term)
- ☐ Step 11: Measure High and Validate Impact of High Potential Root-Causes
- ☐ Step 12: Tollgate

Design (Red)
- ☐ Step 13: Generate & Screen Potential Solutions
- ☐ Step 14: Discover Variable Relationships Across Solutions
- ☐ Step 15: Prioritize Solutions & Experiments to Eliminate Poverty
- ☐ Step 16: Tollgate

Verify (Red)
- ☐ Step 17: Pilot Solutions & run Test Experiments
- ☐ Step 18: Adjust Solutions & run additional Test Experiments
- ☐ Step 19: Implement Chosen Solution
- ☐ Step 20: Tollgate

Qualitative   Quantitative

Green = Items accomplished to-date

Blue = Items to accomplish today
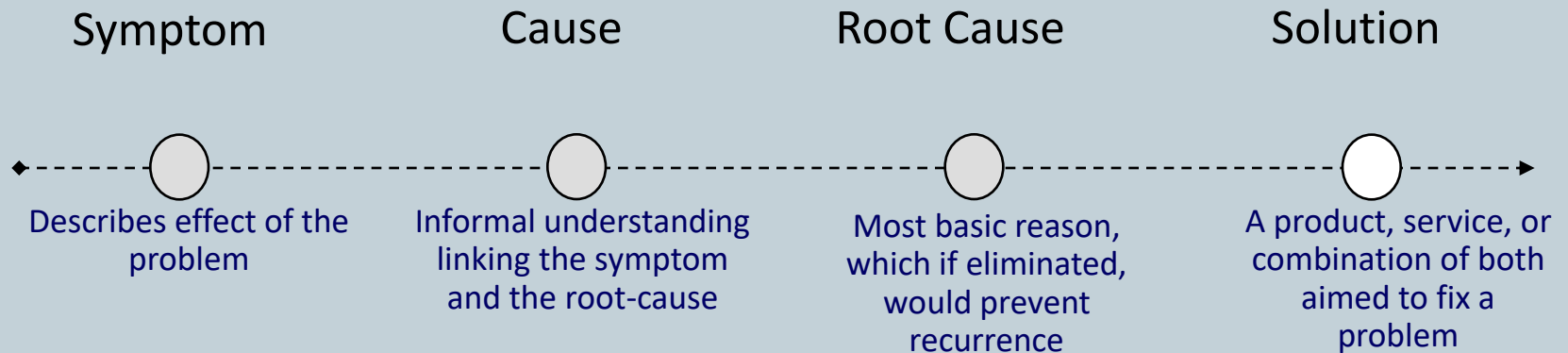
Red = Items yet to accomplish

Today's Ground Rules?

Language

Poverty Definition:

In economic terms, poverty can be defined as a lack of income or resources to meet the basic needs of life. More broadly, it can be seen as a lack of opportunities, access, assets, or means to meet physical needs, participate fully in the life of one's community, or strive to fulfill one's potential and sense of purpose.

Source: Project Promise

Defining Symptom, Cause, Root-Cause, Solution

Symptom	Cause	Root Cause	Solution
Describes effect of the problem	Informal understanding linking the symptom and the root-cause	Most basic reason, which if eliminated, would prevent recurrence	A product, service, or combination of both aimed to fix a problem

Place holder "How Do we Define Poverty"

__Andy creative services has this slide__

Baseline Data for Poverty in the Fox Cities

Level-set Understanding

Why in 2001-05 Poverty in Fox Cities Up 25-50%?

Measured by std. census bureau of household income

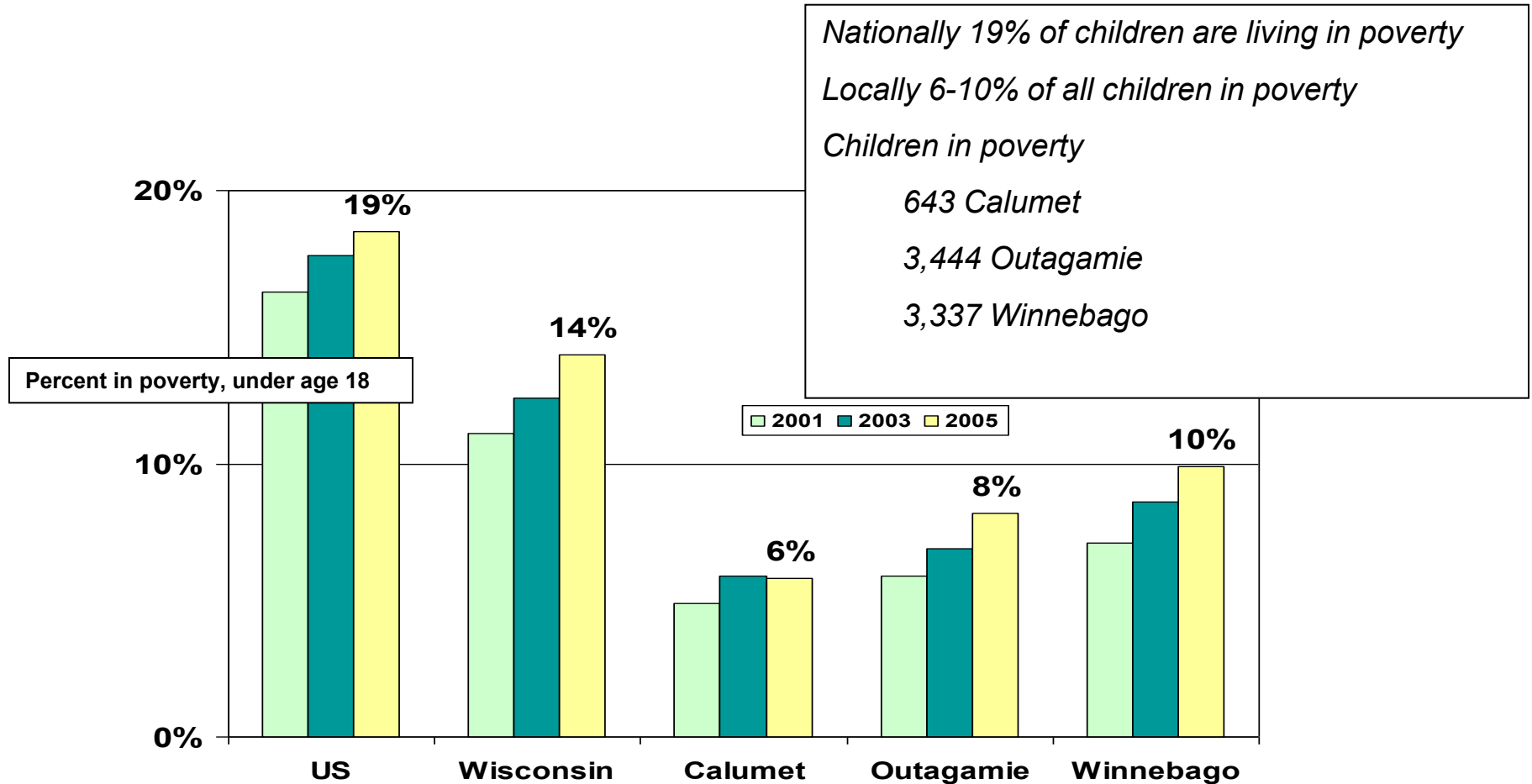**Percent in poverty, all ages**

Legend: 2001, 2003, 2005

US: 13%
Wisconsin: 10%
Calumet: 5%
Outagamie: 6%
Winnebago: 9%

Why increasing?   *Why?*   *Why?*
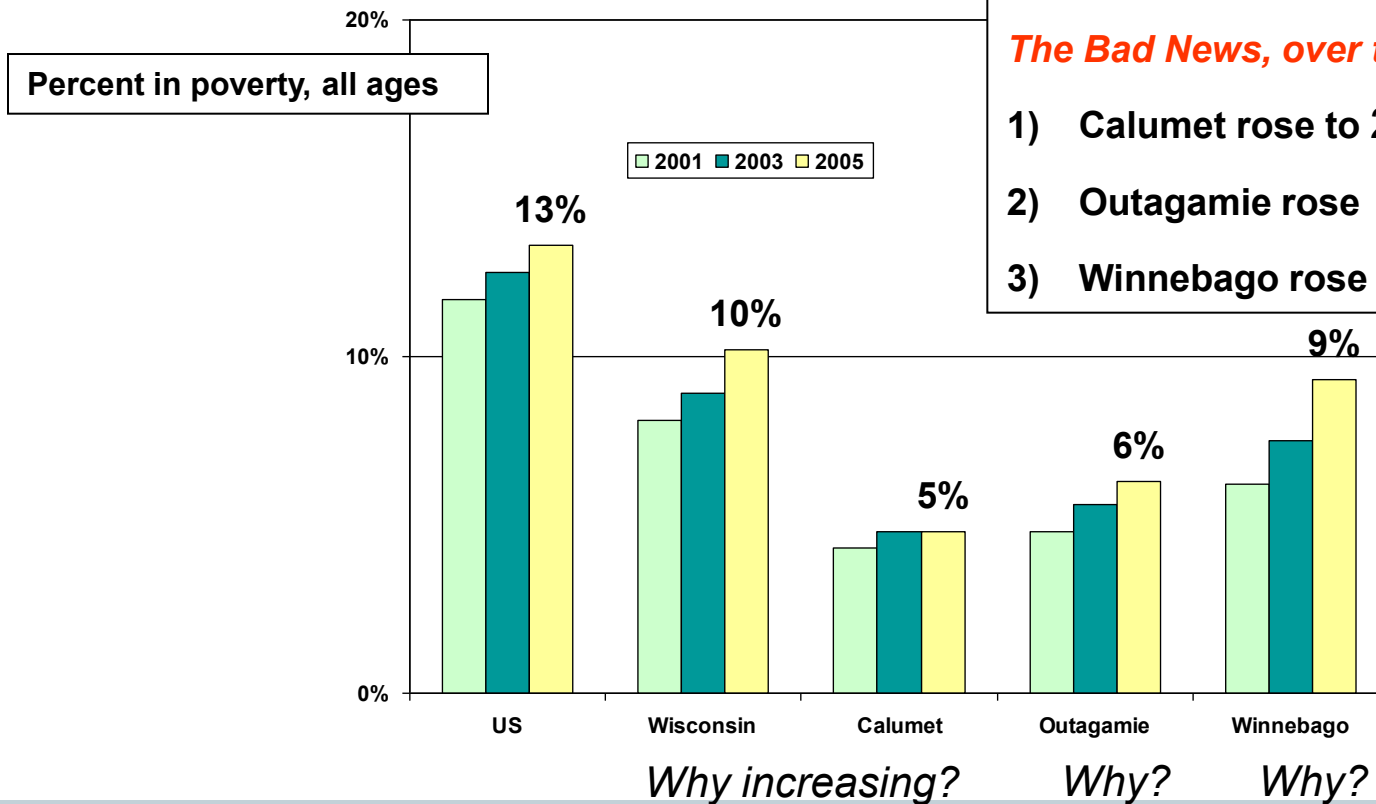
The Good News

1) **WI is better than the National averages**

2) **Fox Cities is better than many parts of WI**

The Bad News, over the last four years

1) **Calumet rose to** 2,080 people **(up 25%)**

2) **Outagamie rose** 10,578 people **(up 20%)**

3) **Winnebago rose** 13,894 people **(up 50%)**

Source: http://www.census.gov/hhes/www/saipe/tables.html
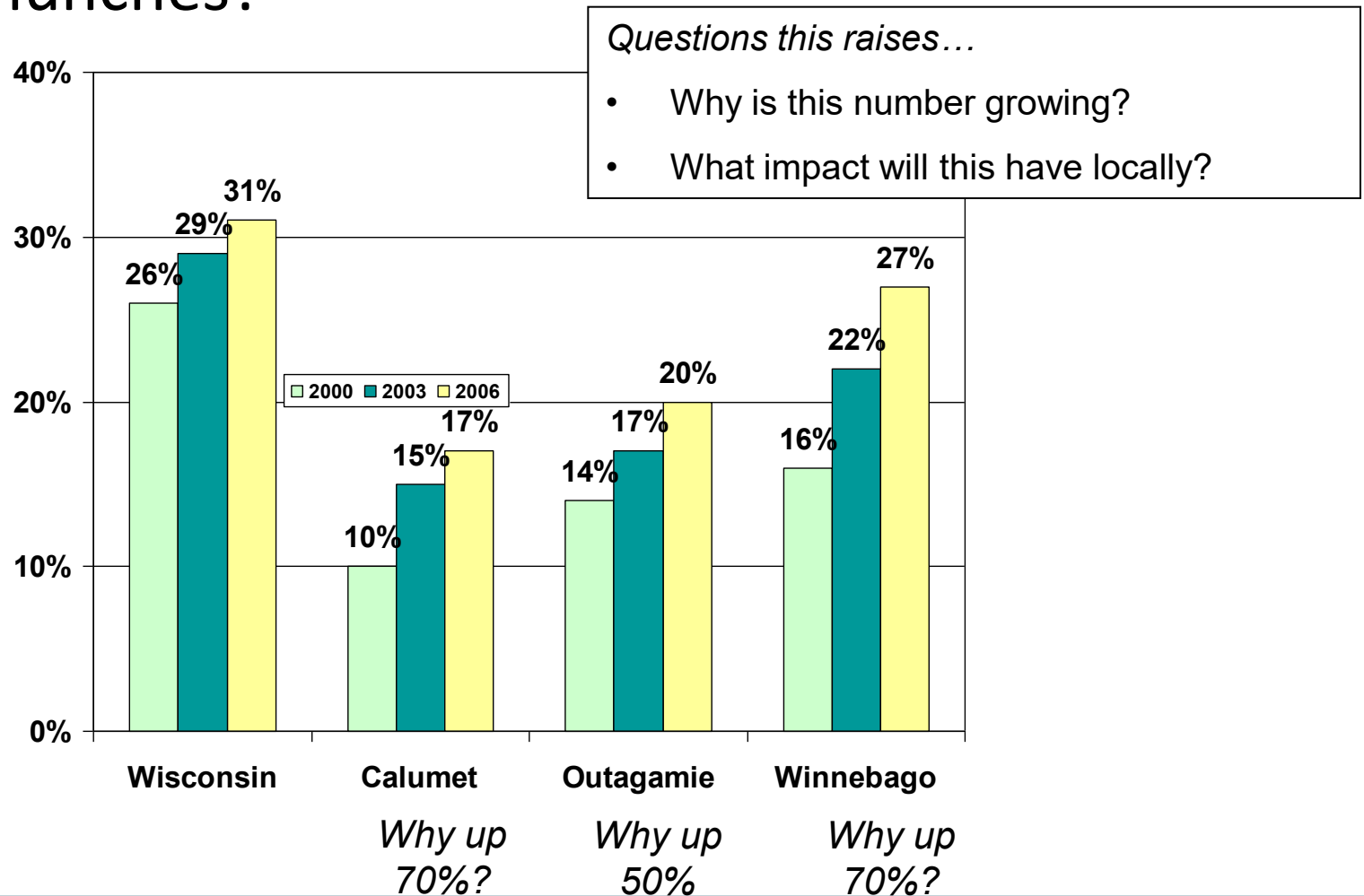
Why is the Number of Children in Poverty Growing?

As measured by std. census bureau as a percent of total children.

Nationally 19% of children are living in poverty

Locally 6-10% of all children in poverty

Children in poverty

    643 Calumet

    3,444 Outagamie

    3,337 Winnebago

Percent in poverty, under age 18

Legend: ☐ 2001 ■ 2003 ☐ 2005

Location	Value
US	19%
Wisconsin	14%
Calumet	6%
Outagamie	8%
Winnebago	10%

Y-axis: 0%, 10%, 20%

Among children in the Fox Cities, why has this number grown by 50-70% increase in free or reduced lunches?

Questions this raises…
- Why is this number growing?
- What impact will this have locally?

Chart legend: ■ 2000 ■ 2003 □ 2006

Wisconsin: 26% / 29% / 31%
Calumet: 10% / 15% / 17% — *Why up 70%?*
Outagamie: 14% / 17% / 20% — *Why up 50%*
Winnebago: 16% / 22% / 27% — *Why up 70%?*

Poverty rated in the top 3 issues for the Fox Cities by 16 of 20 respondents

Where does Poverty fit in terms of local priorities?

Relative to..
- **Safety**
- **Education**
- **Environment**
- **Health care**
- **Etc.**

Category	number of respondents
no answer	1
not sure	2
Less important, not as crucial	0
Crucial, but not top-3 issue	1
The second or third most important issue	10
THE most important issue	6
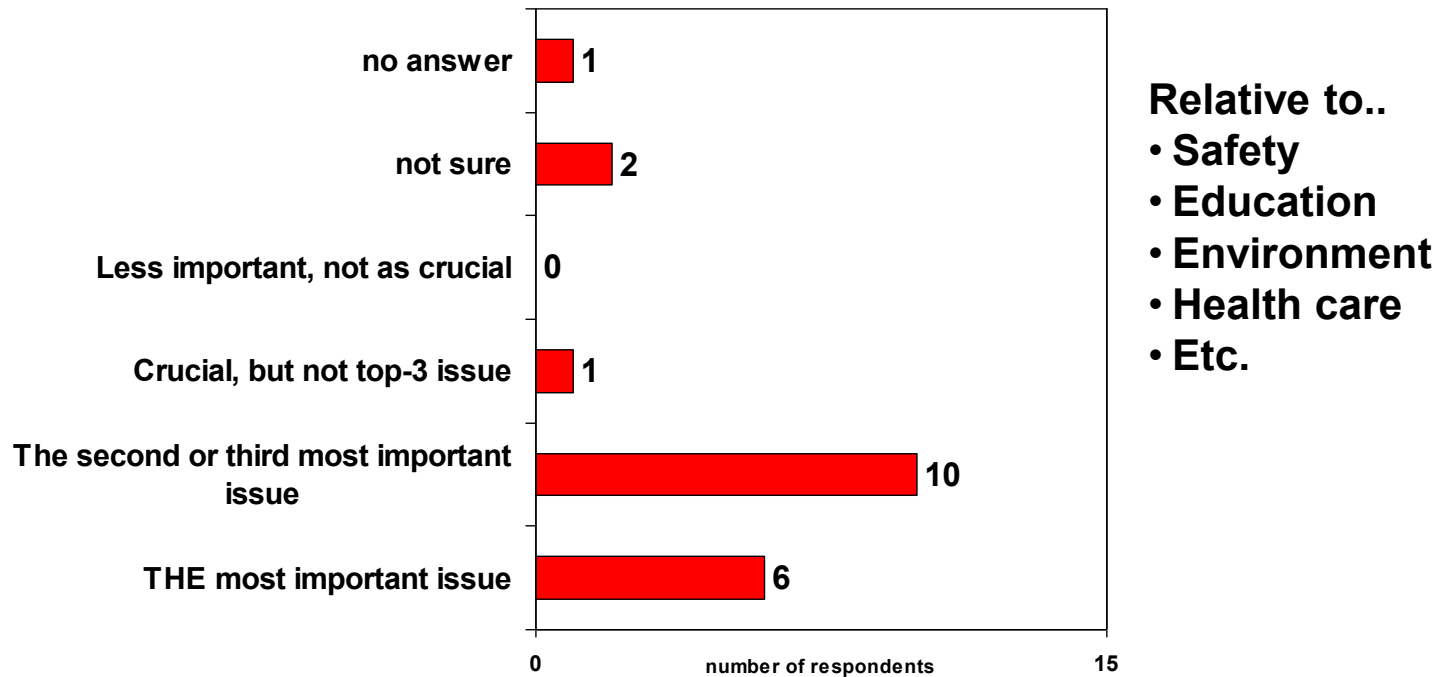
We all have a different view of the root-causes of Fox Cities poverty

Why do we have differing points of view regarding the root-causes of poverty?

Root cause	number of ratings at "5 - very important"
no health insur	8
single-parent HH	8
lack of well-paying jobs	7
lack of affordable housing	6
mental health	5
quality of early childhood	4
educ not meeting current job	4
poor financial choices	4
substance abuse	4

number of ratings at "5 - very important"

What would it take to make Fox Cities poverty trajectory look like this?

Time Series Plot of Poverty %

The graph is a theoretical look at how poverty will trend as we eliminate the root causes of poverty.
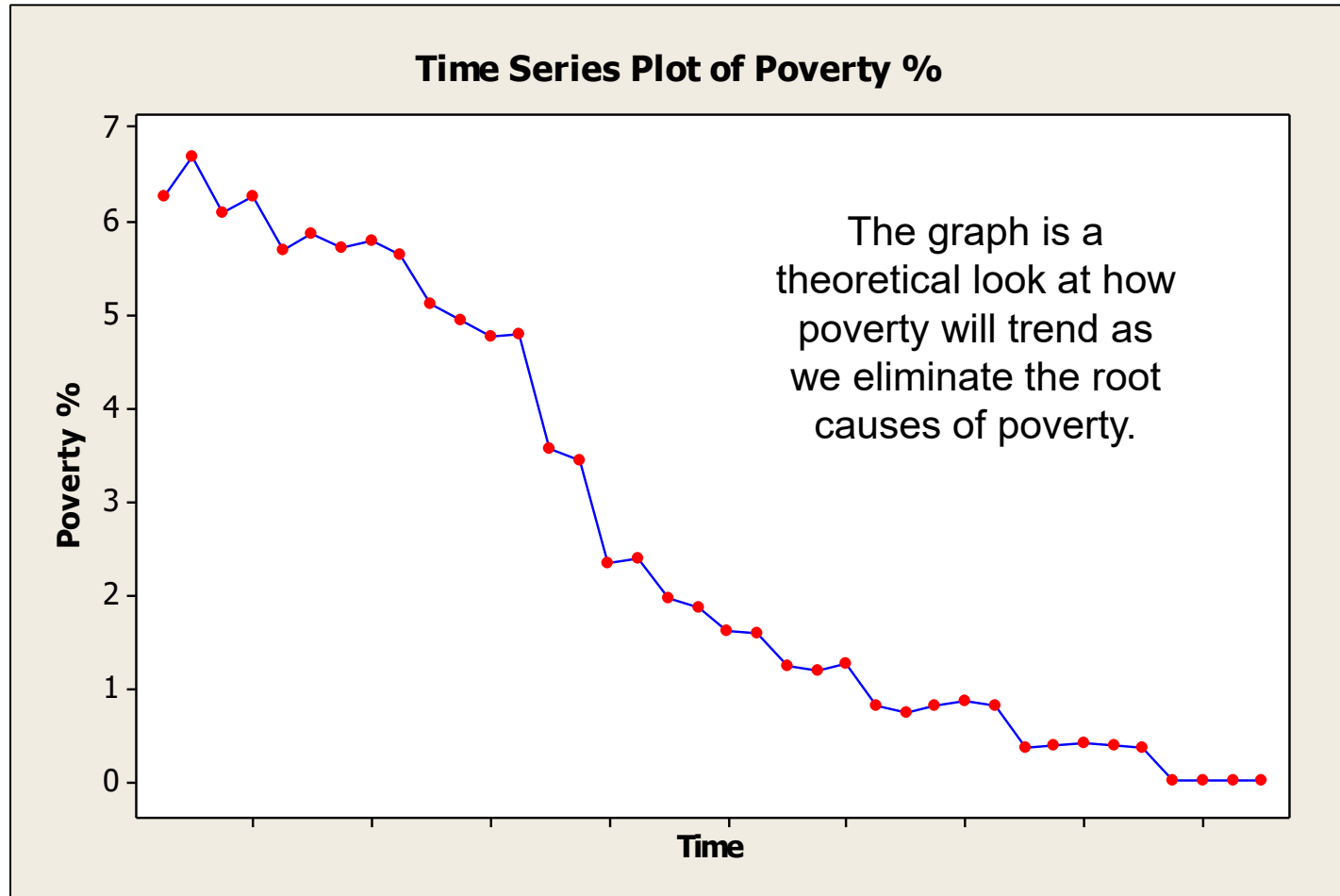
The Tools of Root Cause Analysis

- Brainstorming

- Affinity Diagram

- Cause and Effect Diagram (Fishbone)

- 5-Why Analysis & Root Cause

- Multi-voting

Brainstorming

The rapid, un-critiqued generation of ideas

- Start with a problem statement
- Everyone write as many ideas as they can on cards, one idea per card. 2-4 words only.
- Simply write until you're out of ideas
- It is about quantity over quality

What are the root causes of poverty in the Fox Cities area?

Affinity Diagram

- Use Ideas from Brainstorming
- Stick cards (ideas) on to wall
- As a team, organize these ideas into logical groups
- As a team, label the groups once the ideas have coalesced into logical categories
- Draw a circle around the logical groups
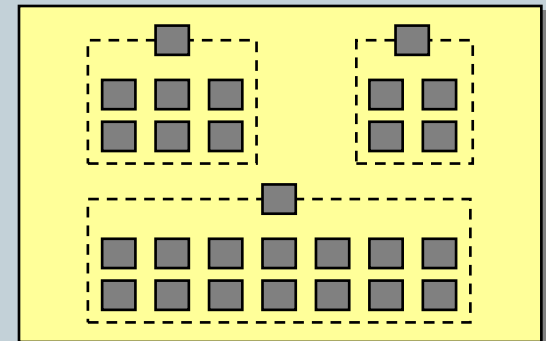
The affinity diagram was developed to discover meaningful groups of ideas within a raw list.

Cause and Effect Diagram
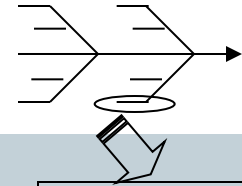
Further refines ideas from the Affinity Diagram

- Arranged logically to drill down to root cause
- It looks like the bones of a fish and was developed by a guy named Kaoru Ishikawa (C&E Diagram = fishbone = Ishikawa)

Don't be concerned with the Japanese words. Ishikawa was from Japan.

Step 1 Agree on Effect

Step 2 ID Causes
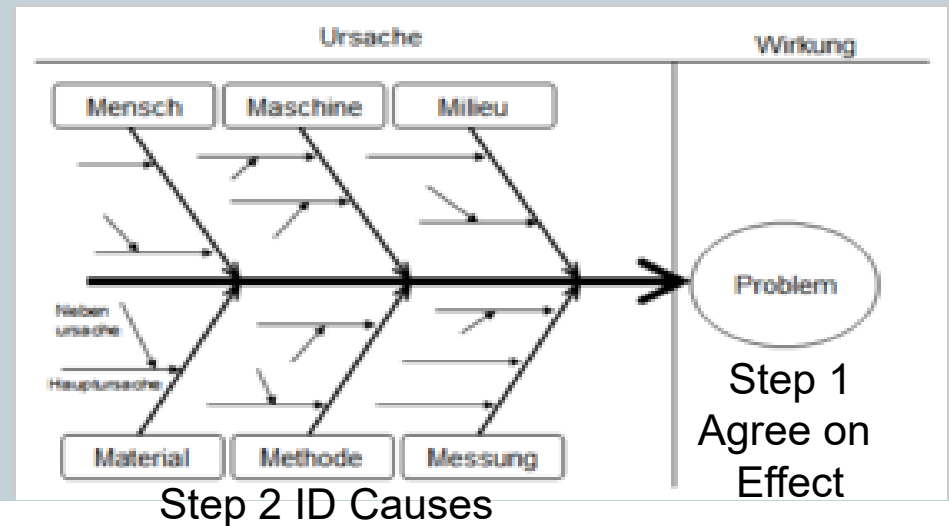
5-Why Analysis & Root Cause

- Most of our ideas for root cause usually turn out to be symptoms
- Root Cause:
  - An identified reason for the presence of a problem.
  - **The most basic reason, which if eliminated, would prevent recurrence.**
  - The source or origin of an event.
- 5-Why analysis helps teams drill down to root cause using techniques refined by 3-year olds.
- Simply keep asking why until you get to root cause.
- See the following video:
  - http://www.youtube.com/watch?v=K-qJe8lNA_k&feature=email

1. Why
2. Why
3. Why
4. Why
5. Why

Multi-voting

- This is done after the 5-Why analysis is completed
- Each team member gets a fixed number of (5) "dots"
- The dots are their vote for the items with the biggest drivers of the problem
- Count the dots
- The number of dots provide the first past at prioritizing the key root causes and moves analysis forward
- ***Maximum of 2 dots per card.***

Root Cause Analysis for Poverty

Work Session

Live Practice

1. Problem Statement:
2. Goal Statement:
3. Scope:
4. Brainstorming: **As long as needed**
5. Group Affinity Diagram: **Move ideas to white board**
6. **Review National and Local Thought Leadership**
7. **Move into Individual Teams and Take Affinity Diagrams to Next Level**
8. **5-Why Analysis**
9. <u>Physically Move 5-Why Analysis to Fishbone</u>
10. *Comfort / Energize Break*
11. If we could take action here, will the problem be solved?
12. **Individual Team multi-vote where to start first**
13. **Prepare & Deliver Team Readouts (5 min. – what were some key insights, where did you get stuck, if we could take action would the problem be solved? <u>" NO HOW'S "</u>**

Fail fast, fix it and race on

Insights

List Insights From Today:

1.

2.

3.

4.

Achieve today's goals?:

☐ the <u>root</u> causes of Poverty in the Fox Cities,

☐ the relationships among causes, and

☐ deeper insights to key causes with potential impact on poverty in the Fox Cities

Kaizen Layout