



Common Focus, Combined Efforts Are Necessary for Success in L.A.

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While reflecting on the problems facing our city, I'm struck at how fortunate we are to have a generous business community that is concerned about civic and social improvements. We also have a mayor who is superb at reaching out to the appropriate constituencies for support. We're witnessing numerous efforts by the public, private and voluntary sectors to address a myriad of needs in our communities.

Unfortunately, therein lies the problem. We are aligned in our intention to do good. But our actual efforts are not – resulting in inefficiency and too many “one-off” attempts to tackle problems such as too many high school dropouts and not enough workers prepared for our information economy.

It is time for LA to take a page from other regions big and small and fix the structural defect in its leadership pyramid. At the top we've got an enlightened City Hall. And at the points you will find a well-intentioned Chamber of Commerce and superb universities. But to help inform policy and bring clout to a short list of executable solutions, let's create what I might call the “LA Coalition.” It could be the plank of the pyramid that strengthens all of our efforts.

Consisting of elected leaders, business executives and subject matter specialists from our vast voluntary sector, this organization would have an expressed interest in the strategic future of our region. Its most important currency would be its social capital in building relationships among our business and civic leaders that ultimately are good for our community.

This organization would be the central source of information on who is doing what, and how those efforts align to the overall objectives of our community: an improved education system, workforce development, job creation, better housing and a stronger overall economy.

Other cities have had similar challenges and made great strides. In Pittsburgh, economic development efforts were disjointed until the work of the Allegheny Conference on Community Development in the 1980s. This group helps coalesce public and private sector partners to stimulate economic growth and enhance the quality of life in southwestern Pennsylvania. Today, Pittsburgh has successfully transitioned itself from manufacturing to a service economy and retrained its blue collar workforce.

Similarly, New York City's business and civic leaders have achieved success in helping City Hall push for education reform. This group, called the New York Partnership, is one of the reasons the city is universally recognized as a much better place to work and live compared to 15 years ago.

Even Detroit is taking fresh steps to organize and focus its considerable business resources. Recently, four founding sponsors – including my organization, Deloitte & Touche USA LLP – launched the first nonprofit membership group dedicated to promoting and supporting the state's global leadership in the automotive industry. The group, called MICHauto, is the first to concentrate only on the automotive industry in Michigan. Due to global competition, the city

is pulling its business resources together to improve communication, collaboration and creativity to maintain the city and state's leadership role in this industry.

In Los Angeles, we need to work in a similar fashion to close the gap between policy development and execution. Our volunteer and social service organizations are the capstones, but to be fully effective they require an entity comprising government and businesses to tap the intellectual, human and financial capital required for real progress.

Again, my view is that a fourth kind of capital is needed – social capital. By reinforcing intra-Los Angeles County relationships, we can minimize the turf issues and misunderstandings that too often prevent alignment of purpose and conviction. We have so many issues to address in our city. For example, there is a critical need to resolve the problems in our education system. Today, according to figures I've seen, our dropout rate in our high schools is 40

percent or more. I say, why not raise the graduation rate to at least 70 percent? But before we can effectively tackle these problems, we must understand and align our "supply chain" of help – including the private sector and nonprofits. And as we effectively mobilize, we may find overlapping efforts and resources that could be used more effectively elsewhere, especially in the nonprofit ranks. Shrinking the non-profit sector and freeing up qualified professionals to be hired in the private sector could help address our labor shortage.

I believe the desire to up our game exists among our private and public sector leaders. Our next step is to bring these leaders together and build our social capital, agree on our short-term and long-term areas of concentration, lean out our operating groups and funnel our resources accordingly. Through the power of our combined efforts, we can achieve tremendous things and help set Los Angeles in the right direction for years to come.