

Champions for Social Good Podcast

Fighting the Cycle of Poverty in New York City: A Conversation with Matt Klein of New York City Center for Economic Opportunity

Jamie: Hello, and welcome to the Champions for Social Good Podcast, the podcast for people dedicated to social impact. I'm Jamie Serino, Director of Marketing with the MicroEdge Division of Blackbaud. I'm here today with Matt Klein, Executive Director of the New York City Center for Economic Opportunity, an organization that fights the cycle of poverty in New York City through innovative programs that build human capital and improve financial security. Welcome, Matt.

Matt: Thanks. Thanks for having me.

Jamie: Yeah, thanks for being with us today. Can you start off by telling us a little bit about yourself and about how you came into this position?

Matt: Sure. I joined the Center for Economic Opportunity, which is a part of the New York City Mayor's Office about three years ago, a few months after Mayor de Blasio started his term. Before that, I ran a small foundation that served as an incubator for social impact organizations. We help fund, start, launch, startup, non-profits and for-profits, especially entities that use digital technology in their program models.

Jamie: Okay, that sounds interesting. And what kind of path did you take to become the executive director here?

Matt: Well, some of the work that I did in my last job involved partnering with the city, and that included working with the Center for Economic Opportunity in its early years when it was founded under Mayor Bloomberg. And it was originally founded to serve as an incubation lab within city government, so we had a lot of ties about how to support startups and test new ideas, and got to know the work of the center then. Once Mayor de Blasio took office, the director of the Mayor's Office of Operations and I spoke about me coming aboard. The Center for Economic Opportunity is located within the Mayor's Office of Operations, so that's how I came into government.

Jamie: I see, okay. And can you tell us a little bit about what the New York City Center for Economic Opportunity does and what some of your goals are and what's some of the things you've achieved?

Matt: Sure. The shortest way to say it is we use evidence and innovation to help the city address poverty and its related challenges, and we're organized around five basic streams of work. One is around service design, so helping to develop new program models, particularly using methods of human-centered design and engaging with constituents and with our partner city agencies. Second, programs in evaluation. So once we've helped to create a new service, we'll help manage it, look at the performance, assess it rigorously for whether it's having an impact. And the goal there is to scale the programs that work and the programs that don't. Increasingly, under Mayor de Blasio also, we've been using those tools of the human center design and evaluation to look at existing funding streams, not just new programs but thinking about how the city at scale does its work. Three other streams, one is digital product. Increasingly, as more technology's embedded in more and more work, we're thinking about how digital tools can influence the way the city delivers services and information to low income New Yorkers. A data integration team, which thinks about how to pull administrative data from disparate silos across the city so that we can get a more holistic view of folks we're trying to support. And lastly, straight poverty research, looking at conditions in the city and measuring the poverty trends, both broadly but also within specific populations or geographies.

Jamie: Would you say that New York City is spearheading a lot of these efforts, or are you looking at other cities or maybe borrowing from their models? Are there collaborations going on there around that?

Matt: Well, New York City is always at the front. [laughter] I do think... And I don't deserve any credit for this. But the Center for Economic Opportunity, I do think was the first innovation lab within any local government in the United States. The initial ideas that were in its portfolio drew from other existing models that were evidence-based practices in the US and beyond that we could test to see whether or not they worked in New York City, so there was some drawing on ideas that existed elsewhere. And we still do that. We still look at evidence, look at what the best research says about what's effective. But in a lot of ways our goal is to build the evidence, both to try new things but also to apply a lens of rigor to existing activities. Too much of what we try we don't know for sure if it works, and so we obviously wanna invest more on what does work and less in what doesn't.

Jamie: Gotcha. Can you give me an example of when you've successfully funded innovation, so to speak?

Matt: Sure. A couple of different examples. One is a program called CUNY ASAP. This is a program that focuses on the challenge that many students who enter community colleges seeking associate degrees fail to graduate, so community colleges can be these incredible platforms for mobility. You get a post-secondary degree, you're more qualified for new work paths. You earn more over your lifetime. You can essentially address poverty for yourself and your family. Too often, students fail to graduate. They enter and don't graduate. I think nationally the figure is something like 20% of students seeking associate's degrees graduate in six years. So CUNY ASAP was an effort to think about what are the barriers to graduation. Financial, the advisory support folks needed, the social support, and put those in place within the community college system in New York City, rigorously tested, initially with only a cohort of about 1,000 students. But we found that folks graduated at a rate of 50% in three years as opposed to 20% in six years. And so as a result of that finding, Mayor de Blasio committed significant resources to scale our program from what was an original cohort of about 1,000 to what will be 25,000 students.

Jamie: Wow, that's fantastic. That's a great example. For other cities that maybe wanna do something like this, what are some of the hurdles and pitfalls that they'd have to get over to establish something like this within their city government?

Matt: I think it's a challenge. I do think there is increasing interest in how cities can use evidence. There's new networks that are growing up that support that effort. There are certainly more exchanges between cities around that question. The Center for Economic Opportunity has some... There has been cities that have sought to replicate. Philadelphia has an office. There are more cities doing this kind of work, so it's spreading. I think the challenges are a few. One, is it does take some resources. You have to have a commitment to doing evaluation work. It's also a commitment to capturing data, and that can be challenging for just various reasons, whether or not the city agency maintains data, whether services are delivered by non-profits and they're required to capture data, whether the names of the pieces of data are labeled the same way. So there's practical challenges, but it's certainly doable. Ultimately, it also becomes a matter of political will, both to commit resources to those services that do work, and also to have the ability to end services that don't work, which inevitably are gonna have constituencies.

Jamie: Right. Right, right. People fighting against that. Right. Exactly. You guys addressed education in your example, and that is clearly something that could effect the cycle of poverty. Are there other accelerators or hot-button areas that you're focusing on that can help?

Matt: Yep. Sure. I think education's definitely a big one, that includes everything from pre-K to college graduation. Certainly, workforce development, so jobs, helping people develop the skills and access good jobs. Some of the research that we've done has helped to underscore that. The most successful models are one that engage with employers, are focused on specific sectors, and that shows that folks who get sector-based employment training earn more than folks who either get no training or more generalized training. Housing is a huge driver of economic stability or instability. Those will be three areas that I point to. I think there's also

populations that are particularly vulnerable, those include young people who've been involved in the foster care system or folks who've been involved in the criminal justice system. I think we have more work to do to think about models that are particularly effective for those populations as well.

Jamie: Yeah, so there's an interconnectedness then, and so do you find yourself working a lot with other with other, either departments or with non-profits, like in the education space, let's say, or in the criminal justice space or housing?

Matt: Sure. And I should say all of what our unit does is in collaboration, usually with all of the folks you mentioned, non-profits, often times private funders, always with fellow city agencies. In New York City, we're a big place, obviously, \$80 billion budget, hundreds of thousands of employees. The programs that really get delivered and the funding that supports those programs happen through the budgets of agencies like the Department of Youth and Community Development or the Department of Probation or the Department of Education. Our efforts, whether it's evaluating existing programs or working with them to think about design or creating a new initiative, always happens in collaboration. And so our work is, as I mentioned, usually focused around the design or the performance management or the evaluation. But the delivery of that programming happens either by an agency or by a non-profit that holds a contract with an agency.

Jamie: Okay. And do you find yourself in the position to be enforcing data-driven decision-making and evidence-based policy-making and that sort of thing?

Matt: Yeah, that's our reason for being. And I think, initially, we did that solely through this notion of starting pilot, small programs. But under Mayor de Blasio, the charge has really been to have change at scale and to think about, "How do we bring data and evaluation to bear on large city-wide programming?" So, for example, the mayor, one of his signature initiatives has been the universal pre-kindergarten program, which now provides free pre-K services to every four-year-old in the city. There's about 70,000 seats. That's bigger, I think, than certainly the entire school system of Boston, maybe than the school system of Boston and one or two other cities combined. And so it was a big lift to get that up and running. But at the same time, the city is committed to ensuring that that service is focused on quality.

Jamie: And so from the beginning, we worked with partners at the Department of Education and other places to do an evaluation, both of the implementation, of the rollout for lessons of pre-k, get more attention across the country, but also in terms of quality, are we seeing the quality that want? What are the bright lights and best practices that particular centers are doing that we can lift up and spread throughout the system? And so that's an example where there's a very large scale of government effort, and our interest was thinking about how to make sure data and evidence and evaluation are integral from the beginning.

Jamie: And is there an overall movement towards evidence-based policy-making in general, would you say?

Matt: Well, I think that's a big question. I think depending on your perspective, around certainly what's happening at the federal level, the use of evidence and facts is debatable. I think there's definitely a commitment, particularly, I would say at the city level, where the facts on the ground are clear to folks, like their experiences engaging with government, the problems that they do or don't experience, where our responsibility is to ensure that government's a positive force for good and that we do ensure equal opportunity for all.

Matt: The interest in evidence and in what works is strong. There's exchanges between cities. We're calling each other when we're looking for examples to common problems. There's networks that are advocating for greater use of evaluation. There's increased attention to how we manage and draw on the greater availability of data. So all that's certainly happening at the local level. I think the challenge in any political environment is what carries the day in these decisions. Is it ideological? Is it anecdote? Is it evaluation? Is it personal experience? There's certainly value to all of those. And so the mix and the balance, is what I think, I hope, is trending more towards drawing on what we find in data and evidence. And that's because we do value the real lived experiences of the folks we're aiming to serve for... We wanna make sure that we're doing the most that we can to achieve the greatest impact that we can.

Jamie: Yeah. It's something I hear as well, it's gotta be the right mix, and so you've gotta have some data. But then you want some anecdote, and you want, I guess, some storytelling and...

Matt: Right. I think Einstein... There was a quote, "Not everything that counts can be counted and not everything that can be counted counts," and that's true, and this is true, this is a debate that ranges in philanthropy and non-profits as well as government. What would have been the metrics and the indicators for the Civil Rights Movement? So there's a role for organizing. There's a role for long-term solutions that aren't captured in short-term metrics. Not everything can be subject to a randomized control trial. So having that perspective's certainly important. But historically, I think there's probably been not enough use of evaluation and hard data. And I think that's changing, in part, because in the age of technology we just do have more technology. We have more tools. We're able to capture and exchange and analyze data. We're thinking now about the applications of big data and analytics, and so there's more insights that can be gleaned. And all of that has to happen in connection with the human part of this. Simply to even just to understand data, you need to understand the stories behind it and how to interpret it. So again, nothing should happen in a vacuum.

Jamie: Right, right. So I think it would be good if you talked a little bit about human-centered design, especially for people that don't have a full understanding of what that is. So you wanna say a word or two about that?

Matt: Sure. Human-centered design, it's emerged in a bunch of different industries. In large part, for me, it boils down to the principle of empathy, of using empathy to understand how our stakeholders, consumers, clients, constituents, however you wanna call them, experience their interaction with a program or a service. And human-centered design is sort of a catchall for methods that help us better tease that out. In some ways refers to the kind of work that's been happening under other names for a long time; focus groups, interviews, observations. But in other ways, we're becoming more sophisticated in terms of the tools we use, in terms of the ethnography or in terms of the way you facilitate conversations of focus groups, or watch the way that people engage with a website or an office. And so, at our Center for Economic Opportunity, we're hiring folks with those design backgrounds who can be able to bring those methods and tools at the point of design for city programs, so that we're not doing things in a vacuum but that we're engaging with the folks who are intending the support.

Jamie: Yeah, 'cause you have, of course, a diverse audience. So earlier you were talking about one of the pillars being digital, and I could just... It reminds me of a conversation I had with a marketer who was putting together an internal communications program and realized that many of her employees did not have a computer, and so how was she going to reach them? Was it going to be a print newsletter or... So a lot of different things to think about depending on what your audience is. So based on human-centered design and based on, like you said, one of the pillars there of being digital, can you talk a little bit about that challenge of having such a diverse audience to reach?

Matt: Sure. One of the insights from that practice is that context matters. It's how people receive information. So some of the work that we do... We have a relationship with a behavioral design firm that helps us understand simple things from designing forms so that they're easy to follow and the action required is clear and simple, so that we get better response rates. So that, for example, we can help folks who need to re-certify, to stay on nutritional programs, do so, as opposed to not understanding the processes and then losing access to benefits. So that's one example. We are creating tools to help people understand what programs and services they're eligible to receive, and that gets to the question of, what's online? What's printable? How can we text that information to folks? So meeting people where they are. Even the language in which that material is written. Based on focus groups, we've rewritten all of the information at a fifth-grade reading level. So simple things like that that spell a difference between whether somebody actually engages with a service that can be helpful or doesn't.

Jamie: Yeah, that's really cool. Can you tell us a little about how you may work with foundations here in New York City and maybe private funders?

Matt: So we're fortunate in New York City, we have a great foundation and philanthropic community. Private funders have often partnered with the Center for Economic Opportunity, because in some ways we're a great investment for them. You often hear from private funders that they see their best role as catalyzing a new idea that then can become sustainable with ongoing funds from public sources or other things. And so that's a good partnership for us to have with a foundation too. Because if a program that they help support does work, then there is a high likelihood that public dollars can be used to support it and grow it. So private funders has supported a whole range of early-stage programs. They also help us experiment with new methods. We have private funding that have helped us hire designers, or have helped us test out new digital products. So it's very helpful to have private money which can take risks and move fast.

Jamie: Great. And how about your work with financial institutions, with CRA, the Community Reinvestment Act?

Matt: Sure. So a number of funders have supported programs where, under their guidelines, they're able to use CRA to support financial inclusion or financial empowerment services. One of the offices that is the Center for Economic Opportunity helped incubate was the Office of Financial Empowerment, here in the city, which is specifically set up to help folks save, or file their taxes, to be able to claim the earned income tax credit. And so some of the support that has been used for projects like that come from banks that are able to draw on... Or use funds under the CRA.

Jamie: Okay. That's cool. And, in general, what are your thoughts on... Your hopes for changing income and inequality and reducing poverty. It seems like a centuries-long societal problem and now you're tasked with trying to fix it.

Matt: Yeah, we're almost done. [laughter] Look, I think, for me personally, I'm inspired all the time by the core principal of the country that... Of equal opportunity, of making that jingle, that where you start out in the US shouldn't dictate where you end up. And I think New York City is a leader in putting in the place the robust services and supports that do facilitate economic mobility. We see the... And so the trends in the country where that mobility seems to be declining is very, very worrisome. And so I think we have a opportunity, in New York City, to use all of the modern tools that we have, to use data, to draw on evidence of what we know has worked, to draw on the fact that we have a progressive government where the value of inclusiveness and opportunity is central to our work. I think the conditions are here to demonstrate what's possible and that we are demonstrating that. I think the challenge is daunting, but it's the fight worth having.

Jamie: Yeah. I'm tempted to end on that positive note, but I'll ask one more question. So many people now are painting such negative pictures of things for various reasons. And I'm wondering, is there any way or any reason to paint a positive picture for the fight to end poverty right now.

Matt: I think the positive note is that we do know that programs and policy matter and that they work. So we can point to things like pre-K, where we know high quality pre-K has lasting benefits for low-income kids. We can point to successful programs that help people complete college, where we know if someone gets through college, the likelihood of them being unemployed drops, and the likelihood of them being in poverty drops, significantly. So there is programs and policies that matter. We know the safety net reduces poverty, that nutritional supports address hunger. I think the challenge, nationally, for us is do we have the will to support and provide resources to those things that we do know work? And if we do, then I think we have lots of cause for optimism.

Jamie: Okay, Alright Matt, thank you. Is there anything else you would like to add?

Matt: No, that's great. I appreciate the chance to be with you.

Jamie: Yeah, no, thanks. It's been our pleasure. I really appreciate having you. So for our listeners, if you would like to learn more about the New York City Center for Economic Opportunity, you can visit nyc.gov/ceo. You can find them on Twitter, @nycopportunity, and you can also follow Matt at [mattkline_](https://twitter.com/mattkline_). And you can

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