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Who Let the Philosopher in the Board Room?

Susan McDowell runs LifeWorks like a business, with a bottom line measured in lives restored.

by Larry F. Hill

In his book <u>CivilWarLand in Bad Decline</u>, George Saunders speaks to the "daily struggle between capitalism and grace," positing an intractable dichotomy between the engine that makes the world go 'round and the aspect of human compassion that makes it worth the trip.

Obviously, George Saunders has never met Susan McDowell.

At once animated and collected -- "disarming firebrand" leaps to mind -- Ms. McDowell has apparently found the magic elixir that eluded Saunder's character. As Executive Director of LifeWorks, a cutting-edge Austin non-profit that provides a uniquely broad continuum of services to youth and families in crisis, McDowell has realized her vision of using business principles to create a powerful, sustainable force for good in her community.

"People sometimes say to me, 'What you do is pretty thankless.' In reality, it doesn't get any better than this," says McDowell. "I get to see people at their best every single day. I see stunning resiliency, sometimes under the worst of circumstances." Her story is one of upbringing, not one but two epiphanies, a passion that virtually sparks from her fingertips when discussing LifeWorks' mission and an educational background that's a bit unusual for the head of a business with a \$7.3 million budget.

Growing up in a "spiritual, but not religious" home in East Tennessee, McDowell was bathed at an early age in a "commitment to the world around us." She says, "I was

taught not just to care and share, but to question." She adds that the questioning was less criticism than analysis -- wanting to make sense of the world.

A Masters degree in Philosophy was inevitable.

"I use my philosophy background every single day," she smiles, acknowledging that she may be one of the few who can make that claim. "It's helped me be comfortable in the gray areas of life."

True to the philosophers' creed, McDowell was restless coming out of college. She eschewed the Ph.D. track and landed at a literacy organization where, she says, "You could learn anything just by jumping in and doing the work." Her philosophy studies began manifesting themselves in a very real way, and she realized she indeed could make a tangible difference in the world.

"I'm crystal clear about what my core values are. I'm committed to a combination of honesty, compassion, truth and fearlessness," she says without hesitation. "And I don't claim to be fearless, only to try -- sometimes in the face of very hard truths." That mantra was soon tested.

Epiphany at the Crossroads

1996 found McDowell in Austin at the helm of the Teenage
Parent Council, a typically small agency, "with a budget of
half a million dollars and an infrastructure that consisted
of my assistant and me." It was here that she learned the
harsh reality facing every small non-profit existing one or
two funding cuts from oblivion. She explains, "You're at
risk of making decisions that are really more about
survival than in the best interest of your mission, and
that's a disservice to the community." Ever the
philosopher, McDowell saw both challenge and opportunity,
but little infrastructure to meet the former or take
advantage of the latter.

McDowell and the executive directors of three other small agencies -- each serving similar populations in complementary ways -- began talking about their common dilemma. These other agencies were headed by "extraordinary individuals who had lived their lives focused on doing what is right -- even difficult change." All four groups, Teenage Parent Council being the smallest, faced hard

choices due to similar funding and infrastructure issues.

"We had a very compelling reason for all of us to talk to each other," she says.

Taking a page from the playbook of most successful businesses, McDowell and her peers held focus groups. The key revelation was one no one had considered. "Our clients told us how humiliating it was to have to talk to six different people about a child's emotional problems, or how a child had seen you beaten up by your spouse."

Another key focus-group finding was also an eye opener. "Clients didn't care about the agency; they cared about 'Kathy' their caseworker." It was the <u>people</u> at the agency who clients connected with, and any disruption in that continuity due to infrastructure or funding was a problem for everyone.

Eighteen months later, LifeWorks was born.

McDowell admits now, "We could probably have hired a business consultant and had the merger done in two weeks."

Instead, it a year and a half of what she calls "brutal inclusion," meaning anyone in the organizations who wanted a part, had a part. She feels this approach, while painful

at times, was beneficial because this culture of inclusion and personal commitment lives, and is lived, at LifeWorks still today.

The consolidation meant LifeWorks could now offer seamless services -- 13 programs, either standalone or in conjunction with each other -- allowing a holistic approach to helping clients. LifeWorks' structure and stability also enables it to offer legitimate career tracks to its workers, which reduces turnover, thus helping to maintain continuity for clients. For McDowell, the diversified funding base attracted by LifeWorks' broad range of comprehensive services also has a personal benefit. "I don't have to wake up at three in the morning and worry about the survival of LifeWorks," she explains. "I get to be in the creative mode, focusing on opportunities instead of threats."

Although McDowell says, "The merger process was the most professionally exhilarating experience of my career," one of the first things you notice is her preference for "we" over "I." She leans forward and gestures animatedly when talking about LifeWorks' staff, donors and Board of

Directors. When asked about the genesis of the organization, her regular response is, "LifeWorks had about 300 founders." And she means it.

Epiphany, Redux

The economic downturn resulting from the 9/11 attacks inspired McDowell to do something that, given the timing, may have seemed foolhardy. While charitable donations were understandably being redirected to New York City, McDowell, with a new son barely out of diapers, decided to launch LifeWorks' capital financing campaign.

"Cost of occupancy is huge for any non-profit organization," says McDowell. The LifeWorks model was gaining traction, but its very nature -- multiple facilities around the city, each offering a range of services, plus other facilities dedicated to housing needs -- meant substantial infrastructure costs. McDowell knew long-term sustainability meant asset ownership. Again, business acumen won out over traditional non-profit thinking, and LifeWorks engaged a consultant experienced in the for-profit sector to help in the effort. As a result,

LifeWorks now owns eight of its ten facilities, including the new, two-story headquarters building.

Perhaps the most visible example of how their business-driven approach impacts both LifeWorks' mission and its sustainability is their Ben & Jerry's Ice Cream 'Partnershop' that LifeWorks operates in downtown Austin. One of 11 nationwide, it's a wholly owned franchise. Ben & Jerry's waived the franchise fees and LifeWorks uses the shop for job training.

"We were good at teaching soft job skills, like résumés and job interviews, but not so good at helping kids learn how to hold and advance in a job," says McDowell.

"Now, we're in control of the employment environment."

The Partnershop also provides a non-clinical setting for helping troubled kids through issues that can sabotage their success at holding jobs elsewhere. "Store meetings become a form of group therapy," says McDowell. "It's been extremely instructive for us to really see how the challenges they face play themselves out in the workplace."

"I've seen a tremendous success rate," says Mark Breeding, a job trainer at the store, as he stuffs

strawberry cheesecake ice cream into a cone. "The kids who work here seem to move on to other jobs pretty well." When asked about McDowell, he smiles. "She comes in quite a bit. The kids really seem to respond to her. She's got a lot of passion for what she does."

At LifeWorks, a dual passion for their mission and for the way the organization is run is the common denominator. Says McDowell, "My most important job is listening to all of our stakeholders and keeping all this enormously productive passion moving in one direction. It's pretty cool."

For all she's achieved, Susan McDowell isn't given to grand, sweeping proclamations on destiny or our duty to care for our fellow man. Queried if LifeWorks was her proudest accomplishment, she immediately ascribes that honor to her son. She offers a true philosopher's response when asked if she believes in destiny. "That's a hard question to answer." Then comes the successful executive's reply, "We're certainly dealt a hand but we also have a great deal of power to decide how we play it."

It's telling that someone who has accomplished so much for so many has never once considered what she'd like inscribed on her headstone. Rather than portray LifeWorks as a monument to her life's work, she summons a powerful image of the generations of artisans who built Europe's great cathedrals, laboring as long as 50 years knowing they would never see the final product. "I realize I've spent the last 10 years laying down bricks, and I'll continue to do that," she says quietly. "But I also realize that in 50 years LifeWorks will be different. And much greater."