



Summary of Meeting with Peter Hutchinson

Civic Caucus, 8301 Creekside Circle, Bloomington, MN 55437

Friday, October 17, 2008

Guest speaker: Peter Hutchinson, president, Bush Foundation

Present: Verne Johnson, chair; David Broden, Charles Clay (by phone), Bill Frenzel (by phone), Paul Gilje, and Jim Hetland

A. Context of the meeting -Today's meeting is a follow up to previous discussions on the importance of foundations in providing leadership on public affairs in Minnesota.

B. Welcome and introduction -Verne and Paul welcomed and introduced **Peter Hutchinson**, president, Bush Foundation, since December 2007. In his broad experience in the private and public sectors, Hutchinson served as vice president for external affairs and chair of the Dayton Hudson Foundation, commissioner of finance for the state of Minnesota, superintendent of the Minneapolis Public Schools and deputy mayor of Minneapolis. In 2006 he was the Independence Party candidate for governor of Minnesota. He was co-founder of the Public Strategies Group, a St. Paul company that redesigns and transforms governments throughout the world. Hutchinson is a graduate of Dartmouth College and Princeton University's Woodrow Wilson School of International and Public Affairs.

C. Comments and discussion -During Hutchinson's comments and in discussion with the Civic Caucus, the following points were raised:

1. Changing nature of corporate leadership -Referring briefly to his experience at Dayton Hudson, Hutchinson recalled the counsel of Donald Dayton, then head of Dayton Hudson, concerning the role of the Dayton Hudson Foundation . Dayton drew a square on a piece of paper, saying that square represented the department store. He told the foundation that it was to have nothing to do with what took place within the store. The foundation was to concentrate on helping and promoting the community within which the store was located. Most corporate thinking has changed in the years since, Hutchinson said. Today corporations believe their foundations are directly related to implementing the internal goals of the corporation.

2. Being purposeful about foundation giving -Hutchinson recalled that while with the Dayton Hudson Foundation

he had an opportunity to advise B. Dalton Booksellers, a subsidiary of the corporation, on its contributions strategy. B. Dalton

had a policy of giving \$50 contributions to almost every requesting community organization. Hutchinson said he convinced

B. Dalton leadership to figure out the essence of what they did. The leadership came back and said they were really involved in

adult literacy. He then convinced B. Dalton to relate its giving to that objective. B. Dalton then sent letters to groups that

previously had received token contributions. Recipients' responses indicated they were pleased with such an action, even if they

would no longer be eligible for receiving contributions.

3. New goals for the Bush Foundation - The Bush Foundation has changed its giving policy, Hutchinson said, from sitting back and waiting for requests for funding to setting goals and seeking those individuals or groups who fit the goals. In a letter on the Bush website, here is how Hutchinson described new Bush goals: During the past six months, we asked ourselves repeatedly, "What difference do we want to make?" In response, we have chosen three ambitious goals that we intend to pursue for at least the next decade. We realize that we cannot reach these goals on our own. While we know where we want to concentrate our efforts, we readily admit that we don't have all the answers. We will be looking for partners across organizations, sectors, communities, the region and even the nation, with whom we can join in searching for the means to achieve these goals.

The goals:

Develop Courageous Leaders and Engage Entire Communities in Solving Problems - with a goal that by 2018, 75% of people in all demographic groups in Minnesota, North Dakota and South Dakota say their community is effective at solving problems and improving their quality of life.

Support the Self-Determination of Native Nations - with a goal that by 2018, all 23 Native nations in Minnesota, North Dakota and South Dakota are exercising self-determination and actively rebuilding the infrastructure of nationhood.

Increase Educational Achievement - with a goal that by 2018 the percentage of students in Minnesota, North Dakota and South Dakota, from pre-kindergarten through college who are on track to earn a degree after high school, increases by 50% and disparities among diverse student groups are eliminated.

These are big goals. They're challenging. And we know we can't achieve them alone. We will look for partners who can help show us the way. We plan to pursue a more active, strategic approach for the use of our resources. We will learn as we go. While we may occasionally stumble, we will learn from our mistakes as we move forward. We will also be accountable, transparent about our goals and upfront about our progress every step of the way.

4. Key elements of community success -The Bush Foundation won't define community or its problems, Hutchinson said. "Community" can be any area, neighborhood, city, metro area, state. Community exists in the eye of the beholder. He outlined key elements of community success:

a. Use data as a reality check— Bush plans to enlist researchers to provide communities with independent, impartial information on which to base decisions. Once this information is available, we'll seek partners to tell the stories behind the data. Through these collaborations, we hope people will better understand both *what* the issues are and *why* they matter.

b. Develop courageous leaders -Bush plans to continue and expand its work in leadership development, including all three of its **fellowship programs** . We plan to support the increased effectiveness of those holding the estimated 40,000 leadership positions in the nonprofit and government sectors in Minnesota, North Dakota and South Dakota.

c. Energize community-based problem solving and support leaders who emerge- Bush plans to work with intermediaries to engage communities across Minnesota, North Dakota and South Dakota in exploring issues and creating solutions. We will build on programs that already work and expect leaders to emerge through the process. As they do, we will find ways to support them.

d . Find and create better solutions — To solve problems, communities need ideas - both those generated internally and those borrowed from others. We plan to identify partners who can support ways for communities to access creative ideas and develop the solutions they need.

Bush will look for partners that can fulfill all four elements or individual partners that can fulfill one or more. Possibilities include organizations such as the Citizens League and other foundations. Governmental agencies would not be excluded as possible partners. Bush doesn't need the credit itself and is able to absorb criticism.

5. Consistency with Kolderie thesis -Hutchinson said he agrees fully with a point made by Ted Kolderie that a void in civic leadership has occurred in recent years, with the disappearance of locally-owned major businesses. Referring also to a book by Michael Novak, "The Spirit of Democratic Capitalism", Hutchinson said that community leadership changes from era to era and now, in the Twin Cities area and Minnesota, is an era where no one is leading. Business has gone AWOL; government isn't trusted, and the civic sector is rusty.

6. Rebuilding native nationhood -Hutchinson went on to discuss the second major Bush goal, support the self determination of native nations. There are 23 native American legal "sovereign nations" within Minnesota, North Dakota and South Dakota., and all need to rebuild their institutions of governance. This isn't an issue of separation versus integration, he said. It's about the legal status of tribes, and their need for better governance. For example, he said, there's no separation of powers between the executive and the judicial in tribal government. Criminal and business codes are weak. Bush won't be telling any tribe what its systems should be. It will stand ready to help the tribes help themselves.

Discussing further the question of separation, Hutchinson said the tribes already are sovereign nations. They need help in functioning effectively.

7. Increasing educational achievement -Over the next 10 years Bush has a goal of helping produce a 50 percent increase in the number of Minnesota youngsters on track to receive a degree after high school. Today only 25 percent receive a post-high school degree.

Bush's emphasis isn't about charter schools, childhood education, or curriculum redesign, all major reforms in their own right. Bush's focus is on the effectiveness of teaching, and nothing else. Hutchinson said that over the last 50 years we've reduced the pupil-teacher ratio substantially, but we've not seen change in results. He used as an example that fourth grade reading results are about the same today as they were 50 years ago.

Improvement in the effectiveness of teaching has at least four major components, the recruitment of prospective teachers, the education of prospective teachers, their placement in schools, and the support they receive once placed. We know teaching matters, but we are less clear on the characteristics of effective teachers, he said.

We do know, he said, that 30 years ago more of the best and the brightest were entering teaching. The overall intellectual quality of teachers has dropped considerably since then, he said.

Much more can be done to recruit future teachers, he said, making reference to Teach for America, Inc., (<http://www.teachforamerica.org/mission/index.htm>) which is working to enlist the best of America's future leaders to enter teaching.

In Minnesota twice as many persons are trained as teachers than there are jobs for them. Moreover, one-half of those who do take teaching jobs are gone within five years. Thus, Hutchinson said, we're paying to train four teachers for ever one who still is on the job five years later. A cynic might say that teacher-training tuition is going to support the higher education system, because volume matters over quality.

We've been afraid to talk about the need to teacher quality issue, he said, but it is abundantly clear that 40 years ago the main occupations for high-ability college-trained women were education and nursing, which, of course, no longer is the case.

The number of students entering teacher-training in Minnesota should be reduced by one-half. The teacher-training institutions should guarantee the competence of their graduates. Dollars saved by training fewer teachers can be invested in support of teachers once placed on the job. Today, a new

teacher once placed in a school, receives virtually no on-going support from the teacher's higher education institution.

In response to a question, Hutchinson singled out Mike Miller, dean of education at Minnesota State University Mankato, as a leader on changing teacher-training.

8. Consider changes in foundation giving -The law requires foundations to distribute annually at least an amount equal to five percent of assets, Hutchinson noted. In years when investment yield is high, foundations can be quite generous, but not when the economy takes a downturn. The effect is to push the investment risk on to the community that is benefiting from the foundations' gifts. To avoid roller-coaster giving levels, foundations should consider contributing a higher percentage of assets in some years to maintain the needed level of community assistance, he said.

9. All foundations looking at their goals -Bush isn't alone in identifying new initiatives, he said. Foundations are fiercely independent and all are sorting out how they can be most productive.

10. Role of foundations in public affairs information -A Civic Caucus member asked what foundations might do to help offset a decline in public affairs information that is resulting from changes in newspapers and other media. Hutchinson said that Bush supports Twin Cities Compass (<http://www.tccompass.org/know/index.php>), with its goal of providing unbiased, credible information about how our region is faring; to alert policy makers, community leaders and the public to significant trends; to promote coordinated efforts to address them; and to measure and communicate progress.

11. Importance of storytelling to accompany data -Hutchinson said he's among only a few people who get excited about charts and graphs and other displays of data. When we're talking about communicating significant information about the Twin Cities area and Minnesota, we must use storytelling to get messages conveyed that data demonstrate.

To illustrate his point, Hutchinson told about a woman who had received straight A's in high school but was extremely angry with her school when she discovered she had to take remedial math and English in college. Her story is much more effective in describing the problem than citing that 38 percent of high school graduates must take remedial courses in college.

All sorts of ways to communicate stories need to be utilized, he said, including movies, theater, film, video, and broadcast media.

Offering suggestions on how the Civic Caucus should function, he said the organization should be very focused-"narrow, deep and brilliant"-and emphasize storytelling.

12. No future for newspapers -A Civic Caucus member referred to a suggestions that the Twin Cities dailies should be merged, placed in non-profit status, and be owned by local investors and foundations. Hutchinson said he does not support that idea, because he sees no future for newspapers, even though he likes the romantic notion of a newspaper on everyone's doorstep. The younger generation no longer reads papers. Newspapers no longer can generate revenue, either by circulation or advertising, to survive, he said.

Asked about internet-based outlets, Hutchinson singled out Minnesota Public Radio (MPR) as the leader in Minnesota.

13. Relevance of tenure in teaching -Returning to education, in response to a question Hutchinson said he never has felt that tenure is a problem. Many tenured teachers, not fit to serve, were terminated when he was superintendent of the Minneapolis public schools, he said. If you are only hiring effective teachers in the first place, you'll not have a problem.

14. Support for the Civic Caucus -Hutchinson expressed support for the Civic Caucus opposition to the environmental amendment on the November ballot, saying that the Civic Caucus position is the "only sane voice in the whole debate." He said he likes how the Civic Caucus functions because he can learn about every weekly Civic Caucus meeting by taking only 10 minutes of his time, without having to attend meetings personally, as is the case with so many other organizations.

15. Finding good public policy leaders -There are about 40,000 governmental and non-profit leaders in Minnesota, when you consider all the governing bodies in state and local government plus voluntary organizations. Many governmental bodies do not function well because of one or two dysfunctional individuals in leadership positions, whose agendas are stifling the effectiveness of the body. We need to provide training on how to handle dysfunctional personalities, he said.

16. Relationship to improving the economy of Minnesota —Community leadership as outlined by the Bush Foundation is essential in making improvements in the economy across the state, a Civic Caucus member said. Leadership is missing here, with people seemingly more interested in talking about cuts and unemployment than in strategies for building the economy, the member said.

17. Thanks -On behalf of the Civic Caucus, Verne thanked Hutchinson for meeting with us today.

D. Citizens League annual meeting — The Citizens League, a partner of the Civic Caucus, holds its annual meeting on

Thursday, November 20, 5 p.m. reception, and 6:30 p.m. program, at the Depot Great Hall, 225 Third Avenue South, Minneapolis.

The meeting will focus on a Citizens League plan for a better model of civic education. To register click here:

http://citizensleague.org/events/past/2008/11/2008_annual_mee.php .