

# A Systemic Approach to Ending Homelessness



Applied Systems Thinking

*Use the Power of Structure  
to Create Lasting Change*

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## Overview

**This article provides a case study** of how Systems Thinking was applied by the authors with a community brought together by the Battle Creek Homeless Coalition to address the chronic homelessness in surrounding Calhoun County. Through this collaboration involving broad multi-sector representation, the community designed an initiative that is leading to change for lasting social impact. More detailed knowledge specific to the discipline of systems thinking is available at [www.appliedsystemsthinking.com](http://www.appliedsystemsthinking.com) [the authors' web site](#).

Systems Thinking is an approach used to develop a shared understanding of why chronic, complex problems exist - as well as where the structural leverage lies to solve such problems in powerful and sustainable ways.

## Case Study

Calhoun County, Michigan is an area of 100,000 people centered around Battle Creek – where service providers, business and political leaders, grant makers, and homeless people themselves asked, “Why, despite our best efforts, have we been unable to end homelessness here?” The area’s long-standing Battle Creek Homeless Coalition decided to combine an extensive multi-sector community organizing process with systems thinking to create a ten-year plan to end homelessness.

The problem in ending homelessness is often less about a lack of knowledge regarding best practices than about people’s motivations, both individually and collectively, to act on what they know. Our experience shows that the solution lies in developing a shared picture of the complex system dynamics underlying community homelessness and in establishing goals based on a common understanding of leverage points for transforming the current system. In this case stakeholders were engaged together in learning about the problem and its solutions through: providing data about the issue, refining several iterations of the analysis, and testing potential leverage points.

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Systemically organizing what is known about the problem of homelessness:

- Captures the size and interconnectedness of the problem
- Clarifies the disincentives to change
- Helps each group see how it is responsible for both the existing situation and the desired state

The analysis identified:

- Four stages of homelessness in the community
- Risks that result in homelessness
- Why people get off the streets only temporarily
- What prevents people from moving into permanent housing
- Leverage points for change

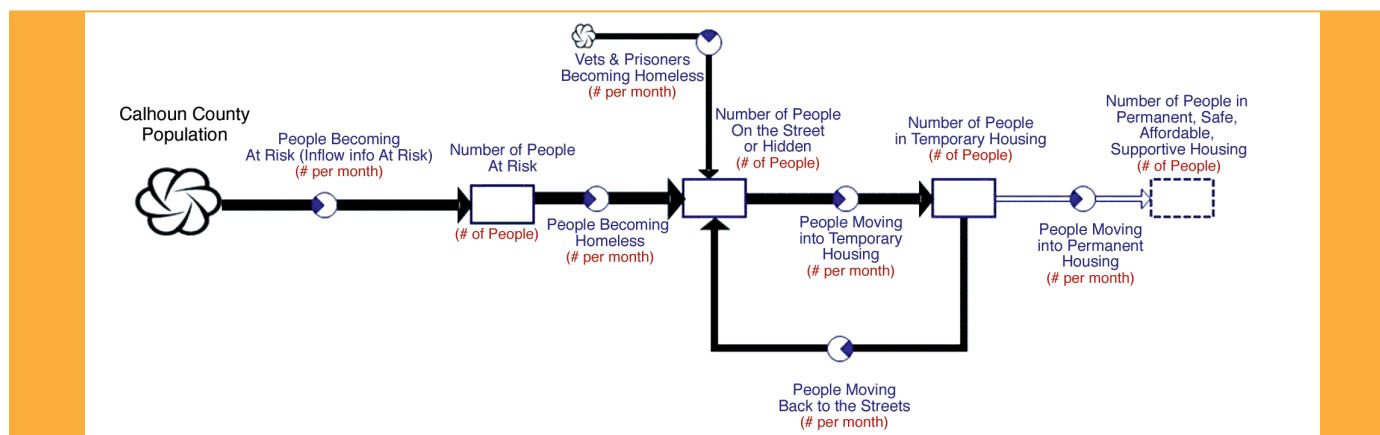
### Four Stages of Homelessness

One way to understand homelessness is as a series of stages through which people progress from being at risk of homelessness to securing permanent, safe, affordable, and supportive housing (see Figure 1). The process has four stages:

- People becoming at risk of losing their homes
- People losing their homes and having to live on the streets
- People finding temporary shelter off the streets
- People moving from temporary shelter back into permanent housing

Interviews with people throughout the community, including ones who were and are homeless, identified the primary factors and dynamics that led people to move from one stage to the next. Of particular concern in Calhoun County was the difficulty of moving people from temporary shelters back into permanent, safe, affordable, and supportive housing.

**Figure 1: The Stages of Homelessness**



### Risks that Result in Homelessness

Community members identified five factors that increase the risk of becoming homeless:.

1. Individual risk factors
  - a. Poverty, discrimination, and lack of education
  - b. Substance abuse, mental illness, and domestic violence
  - c. Lack of support for minors
  - d. Absence of life management skills and low underlying self-esteem
  - e. Vulnerability to scams, slum lords, and quick cash schemes
2. Limited permanent, accessible, living wage jobs
3. Financial problems stemming from the above, e.g. difficulties paying for medical emergencies and child support – essentials beyond rent and food
4. Limited permanent, safe, affordable, supportive housing.
5. Social risk factors, such as aging, and the immigration of meth labs from Detroit and Jackson

Of particular concern in Calhoun County was the difficulty of moving people from temporary shelters back into permanent, safe, affordable, and supportive housing.

The impact of these risk factors increased for people over time as their ability to find ethical landlords and affordable housing decreased. Faced with the added financial challenge of renting to people at risk for homelessness, well-intentioned landlords, worried about their own livelihood, often responded by:

- Leaving properties vacant and ironically creating abandoned housing even as the demand for affordable housing increased
- Not investing in their properties and lowering the quality of the rental stock
- Selling their houses to developers for gentrification purposes and increasing the price of housing as a result

All of these landlord responses reduced the availability of affordable housing even further and increased the likelihood of homelessness for people at risk.

One other major factor contributed to homelessness in Calhoun County. The county is home to a Veterans Administration (VA) psychiatric hospital. Veterans from all over the state came for both day treatment and in-patient services. Many of these veterans ended up staying in the area, without housing, and living on the streets, or in the shelters.

At the same time, there were those in the community who tried to prevent people at risk from losing their homes. Government and social service agencies provided rapid and quality emergency responses. Government also provided housing subsidies. Family, friends, churches, and schools offered community support. Many provided information about available resources. And the VA offered transitional support to veterans.

Unfortunately, in many instances this assistance was not enough to create a sustained solution. Many individuals and families still fell into the homelessness cycle or resorted to “surfing” from couch to couch among friends and family, hidden from service providers and the public.

### Why People Get Off the Streets Only Temporarily

People who were homeless had short-term several ways to get off the streets. The best known option was the county’s formal shelters. These were truly temporary solutions, providing shelter for 30 days before people had to move on. Some ended up back on the street, while others found themselves in medical emergency rooms, jail, or resorted to unsafe, unsustainable housing (e.g. places run by slum lords, abandoned housing, or doubling up) as a way to get a roof over their heads.

Many people recycled through these temporary solutions for years. . Occasionally, they obtained temporary jobs or restricted child support that enabled them to move into more permanent housing. Still, the provisional nature of such supports often led people to become homeless again within a short period of time.

Case management was another limited resource in the community. Clients received limited support, if any, once they left temporary shelter. Some people chose to leave Calhoun County in search of better services, but often returned when the demand for such services exceeded capacity to provide them.

People who were homeless cited their own determination as an additional important factor in overcoming adversity. Unfortunately, even strong determination was insufficient without structures in place to secure permanent, safe, affordable, housing and permanent, accessible, living wage jobs.

### What Prevents People from Moving Into Permanent Housing

The painful irony of homelessness for some service providers, people who were homeless, and others in the community was that many already recognized at least some of the elements of a permanent solution. These included:

1. Availability, awareness, and accessibility of critical services such as:
  - Detox and substance abuse treatment
  - Mental health services
  - Services to women
  - Discharge planning for prisoners
  - Longer term case management
  - Life skills training
  - Transitional housing for selected groups
  - Housing placement services
  - Education, job training, and employment support
2. Availability of permanent, safe, affordable, supportive housing
3. Permanent, living wage jobs and access to child care and transportation services to ensure reliable employment.

The community identified that the individual or family ability to find and implement a fundamental solution was limited by several factors, including:

- Time delays in implementing a solution and waiting for results
- Barriers produced by homelessness itself
- Community ability to create permanent, living wage jobs.

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When seeking to move people off the streets into permanent housing, it was important to address the barriers produced by homelessness itself. These obstacles included:

- The inherent uncertainty created by homelessness that compounds family risk factors
- Problems establishing legal identity
- Poor credit history
- Previous evictions
- Criminal record
- Negative stereotyping of people who are homeless

These barriers led to difficulties in people being able to develop or take advantage of the available resources that would enable them to move into permanent housing. For example, they limited people's opportunity to practice life skills, created reluctance on the part of potential landlords and employers to give them a chance, presented legal regulations and restrictions to reintegrating back into society, and prompted others in the community to resist affordable housing "in their backyard."

One consequence of the effectiveness of temporary shelters and supports was that it reduced the visibility of the problem to the community overall. Many people were naturally reluctant to see the problem in the first place. People who were homeless were also fearful of being seen and hid their condition as best they could. The lack of visibility reduced pressure on the community to solve the problem, and a lack of data also reinforced the invisibility of the problem.

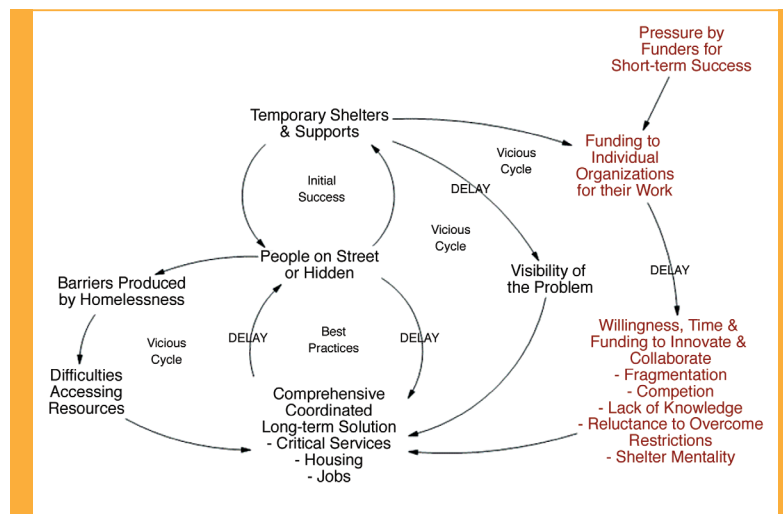
The temporary success of shelters and other supports combined with the pressure created by donors for short-term success tended to reinforce funding to individual organizations for their current work. Such reinforcement decreased the service providers' willingness, time, and funding to innovate and collaborate. This in turn led to:

- Fragmentation of services
- Competition for existing funds
- Lack of broader knowledge of best practices
- Reluctance to overcome government restrictions that make it difficult to innovate
- Shelter mentality

A complete picture of these dynamics is presented in Figure 2. It should be noted that they represent a common dynamic found in many complex social systems where a quickfix to a problem symptom undermines a fundamental solution.

This dynamic is known as "shifting the burden"(to the quick fix) or in psychological terms as "addiction." The irony is that people committed to serving those whose homelessness sometimes stems from some kind of addiction can become addicted themselves – albeit to the noble response of providing temporary shelter to those in need.

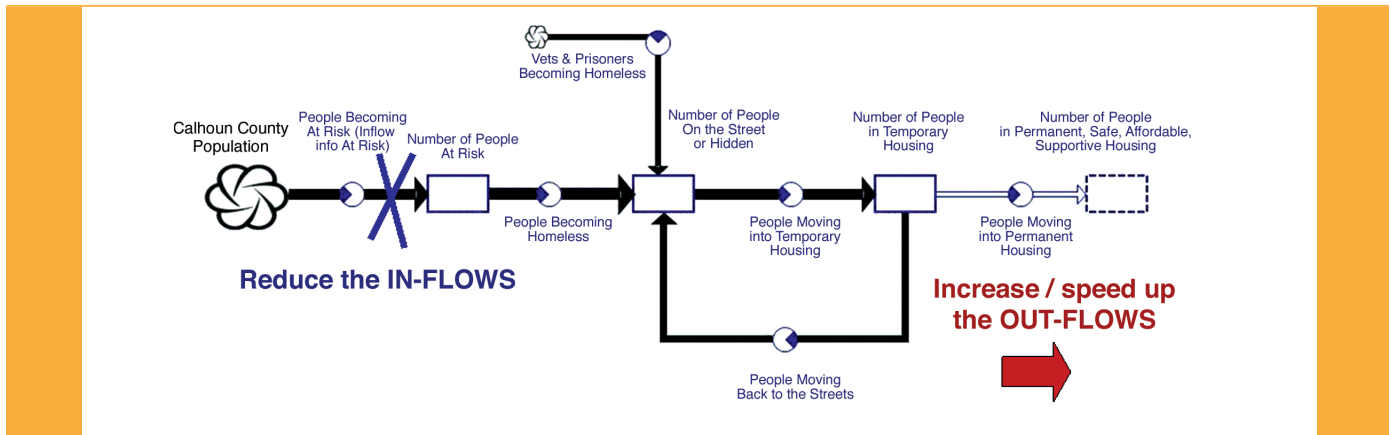
**Figure 2:**  
Constraints in  
Moving from  
Temporary to  
Permanent  
Housing



## Leverage Points for Change

Based on the analysis represented in Figure 2, there appeared to be seven leverage points or types of interventions that could end homelessness in Calhoun County. These fell into two categories displayed in Figure 3:

**Figure 3:** Primary Areas of Intervention



1. Increase and accelerate the number of people moving from temporary shelters into permanent housing
2. Decrease the number of people at risk from becoming homeless in the first place

### Moving People from Temporary to Permanent Housing

To initiate change for lasting social impact, the Battle Creek Homeless Coalition chose increasing community visibility of the problem as its first leverage point. This involved increasing both accurate information about the extent of the problem and the community's motivation to permanently solve it.

Step two was to increase collaboration and alignment among providers and community around implementing a permanent solution. The purpose of this change initiative was to reduce fragmentation of services and the shelter mentality, while increasing knowledge of best practices and the willingness to overcome government restrictions to innovate.

A third step followed as a consequence of increased alignment among providers: steps were taken to enhance collaboration and alignment among community investment. The result would be reduced competition for existing funds, further collaboration among the provider community, and greater support for necessary housing and services.

A fourth point of leverage was introduced to increase access to permanent, safe, affordable, and supportive housing. A fifth followed to access additional services such as substance abuse and mental health treatment for specific populations of people who were homeless. The sixth leverage point – to be implemented in partnership with other organizations focused on economic development in the county – was to increase availability and access to living wage jobs.

The seventh and final leverage point was to develop a permanent solutions mindset that permeated all of the other interventions.

### Designing a System to Prevent Homelessness

Ultimately, the least expensive interventions are those that prevent people from becoming homeless in the first place. The leverage points for this change were to increase affordable housing, jobs, and critical services that enable people at risk to keep their current homes.

Some approaches to help people retain their current homes included supporting ethical private property managers to rent to people at risk so that these landlords would be motivated to maintain or even increase the stock of affordable housing. Solutions related to employment included efforts to create sufficient living wage jobs that would enable people to pay their rent in the first place. A Homelessness Prevention Strategy was also developed to integrate a breadth of critical services that people needed to remain in the housing where they currently live.

## Results to Date

Immediately after the plan was completed and the community had received state money to proceed with implementation, Jennifer Schrand, Chair of the Calhoun County Ten-Year Plan to End Homelessness, observed:

“I learned so much, especially the difference between changing a particular system and leading systemic change. You helped involve our consumer – homeless people – in developing the community’s ten-year plan to end homelessness. You expanded the view of service providers so that they are now committed to helping the consumer overall instead of just “doing their own thing” as individual organizations.

Agencies took a hard look together at their individual and collective responsibilities for failing to end homelessness, and recognized that their emergency work hides the problem and reduces community pressure to solve it. The goals of our new plan to end homelessness derive directly from your analysis of the whole system and identification of leverage points to achieve a sustainable solution.”

Six months after the plan was completed, Jennifer noted that significant progress has been made on implementation. Perhaps most important was a breakthrough in collaboration achieved by the Homeless Coalition when it voted unanimously to reallocate HUD funding from one service provider’s transitional housing program to a permanent supportive housing program run by another provider. This was followed by these initiatives from other collaborating organizations:

- The United Way and two local foundations committed money to hire a Coalition Executive Director (E.D.), whose work will be overseen by a Community Board.
- A third foundation is committed to funding new services, and the business leader of the Coalition will work with the new E.D. to raise additional funds from the business community.
- A local hospital provided office space and supplies for the program.
- Eight committees are underway with clear charters to produce monthly progress reports for the Coalition and Executive Committee.
- The local Director of the Department of Human Services for the state of Michigan intervened to change the community-wide eviction prevention policy to enable people to stay in their homes longer.
- A Street Outreach Program was instituted to place people into housing.

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- Jennifer Schrand,  
Chair of the Calhoun County  
Ten-Year Plan to End  
Homelessness

## Summary

We believe that systems thinking, when integrated with a strong community organizing approach that fosters multi-sector collaboration, can enable stakeholders to take the critical step of moving from an understanding of best practices to a shared commitment to implementing them.



## About the authors

### David Peter Stroh

was a founding partner of Innovation Associates, the pioneering consulting firm in the area of organizational learning. David has expertise in the areas of visionary planning, leadership development, systems thinking, organization design, and change management. Much of his work over the past 25 years has focused on using systems thinking to hone organizational assessments, develop business strategy, resolve deep-seated conflict, and facilitate sustainable change.

### Michael Goodman

is an internationally-recognized speaker, author, and practitioner in the fields of systems thinking, organizational learning and change, and leadership. Michael has pioneered many innovations in the field of systems thinking that have made it more accessible to business and organizational leaders. He has been a practitioner in this work for over 30 years.

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