Demonstration to Adoption

Economic mobility via direct investment, family choice, and the power of social capital.

Strategic Plan
2019-2022

Family Independence Initiative
Our vision
Across the United States, low-income families and communities are recognized, trusted and invested in so they may achieve their goals and dreams.

Our mission
Family Independence Initiative trusts and invests in low-income families across the nation so they can work individually and collectively to achieve prosperity.
As a country, we have underestimated the ability of low-income families to improve their financial and general well-being. As a result, $400+ billion in yearly expenditures from government and philanthropy are invested in programs and policies directed towards low-income families. Policies actually penalize them for their efforts to save money, build businesses, and invest in themselves by cutting off benefits if they manage to create even the smallest financial cushion.

Contrary to the current design of the social sector systems, U.S. Census data shows that within four years, 75% of families living below the poverty line move above it, yet 50% of these families slip back into poverty in five years. Well-intentioned but inadequate governmental and charitable policies and practices have missed an opportunity to invest directly in initiatives because of:

**Lack of Information**
A lack of reliable information on the creative ways in which families achieve economic and social mobility.

**Minimal Direct Investment**
There is limited to no unrestricted direct capital invested in the initiatives of low-income families to fuel their self-directed efforts and achieve their goals and dreams.

**Individual Focus**
A misplaced focus on individual achievement that overlooks the power of communities to lift people into the middle class, just as communities have done for hundreds of years.

There are systemic barriers that challenge a family’s ability to leverage their assets, strengths, and capacities. Under the current system, low-income families struggle to build the necessary assets to weather the next crisis and are not rewarded for their initiative in doing so.
Family Independence Initiative (FII) has been advancing a movement towards economic and social mobility for low-income families by investing in their initiative. We believe that unrestricted cash transfers offers families choice and control over their lives. Through our technology platform, UpTogether, we facilitate the exchange of financial and social capital and gather proof points that trusting low-income communities and directing dollars straight into their hands has a better return on investment than traditional government or nonprofit programs. UpTogether also focuses on the role of social networks, strengthening new and existing relationships, so that all can thrive.

Using the rich strength-based data and highlighting the power of community, we are inviting philanthropy, policy makers, and government agencies to join us in this alternative approach that fortifies social connection, directly invests in initiatives, and honors family agency.
Values

Family
We put families at the center of all we do, following their lead and relying on their guidance.

Relationships
We forge relationships of mutual trust and responsibility, with families, within our organization and with all our partners.

Community
We create a community within FII that embraces diversity and inclusion, and we support the efforts of others to build such communities across our nation.

Learning
We value technology and use data, quantitative and qualitative, to reflect on our progress, to imagine new possibilities, and to improve what we do.

Agility
We turn on a dime when circumstances shift or when our assumptions about those circumstances no longer apply.

Leadership
We are patiently impatient, mission rather than ego-driven, and continually taking a step-up in leadership and step-back for others to take leadership.
Our Approach

Family Independence Initiative is transforming the status-quo systems with a different, very simple, approach. At the center of our approach are three core elements:

**Direct Investments**
We believe that putting dollars directly in the hands of families so they can invest in their self-determined initiatives will allow them to achieve well-being for themselves and their communities.

**Social Capital**
There is an invisible economy in communities where millions of dollars in goods and services are exchanged through generosity and mutual investment. Society needs to recognize and match the effort families are making through social capital.

**Choice and Control**
All families can achieve their goals and dreams when they have agency over decisions that impact their mobility and prosperity.

Together, we will change how the country views and invest in the most marginalized members of our society.
Family Independence Initiative was founded in 2001 in Oakland, CA by social innovator Mauricio Lim Miller to create something that could successfully break the cycle of poverty. This social experiment was based on the idea that the traditional system of helping people in poverty was not working, and that instead, we can trust poor families’ initiative by highlighting their strengths and supporting their goals through direct cash disbursements. The experiment lasted two years with data results proving that progress was achieved, without the intervention of social workers.

From there, the experiment extended nationally to demonstrate that the idea had traction. Since then, we have partnered with over 3,500 families across fourteen locations, distributed over $13M in financial capital directly to families and quantified the exchange of social capital between families at $10M.
We centered our past strategies on the belief that “if you build it, they will come.” This was true to families and they have demonstrated what is possible to accelerate their economic and social mobility. However, we have not seen enough adoption by philanthropy or government for this approach to scale.

In 2018, we embarked on a strategic planning process to redefine our goals. We are carrying forward these key lessons:

- We now understand that philanthropic partners dollars are not enough. To scale nationally, we need to change their grant giving policies and practices.
- We know the majority of dollars in the sector are distributed by government. Yet, we had not intentionally identified and worked towards government adoption of our approach.
- We saw that by eliminating buckets and barriers for families which make it easier for them to use the dollars, families experienced, on average, a 27% increase in their percentage of the median area income, significantly increasing mobility.
- We need independently-verified family data to promote general adoption and to attract private financial markets,
Our Path Forward

Over the last 18 years, our model has proven successful. We have the evidence to support that direct investments in people and their communities generate better results. This is the moment to take our approach to the next level and remove system barriers by influencing government and philanthropy to shift to FII’s strength-based approach.

**Time to move from demonstration to adoption**

**Our Goal**

To partner with low income families and communities and target government and philanthropy to build the evidence and case for broad adoption of FII’s principles and approach.
Strategy #1

Deepen demonstration site engagement by partnering with more families and making direct financial investment in their households and communities.

- Seek government and philanthropic partnerships to grow Austin, Boston, Chicago, Cincinnati, Detroit, and Northern California to meet initial 1,000 family goal and beyond
- Consider expanding to 2-3 sites within the next year that meet our growth criteria
- Exit sites that no longer meet site criteria and are not economically viable

Strategy #2

Build evidence for FII’s approach

- Launch one external evaluation to elevate the credibility of FII’s approach by end of 2019

By tracking their progress, initiative, and well-being through data and stories about their lives, families take control of their own success.
Strategy #3

Partner with policy and academic institutions to influence philanthropy and government agencies

- Identify and partner with three philanthropic institutions to shift practices and investments towards FII's approach
- Disseminate three government partnership case studies to spur conversations in new and existing sites
- Identify two research partners in academia or policy to create case studies on direct investments and social capital

Strategy #4

Invest and enhance the UpTogether platform

- Open UpTogether to users outside of FII’s demonstration sites, growing users, demonstrating demand
- Improve UpTogether to better facilitate and learn from the exchange of social capital exchanges among families
- Improve UpTogether so partners (government, philanthropy, private sector) can invest financial capital directly in low-income families
Conclusion

To make radical systems changes that focus on the strengths rather than the weakness of those living in poverty we need the active participation of all stakeholders: families, individuals, private capital, philanthropy, government and technology to cooperate.

Over the next three years, FII families, partners, boards, and staff will work towards the goals described in this strategic plan to validate the hard work and initiative of low income families, enhance our data through rigorous technology standards, and partner with government and philanthropy to shift policies and practices toward direct investments.

Together, we will embark on a mission of collaborative cross-sector research, learning, and actions that fundamentally shift what is possible for low-income families.