
Ruby K. Payne, Ph.D. and Philip E. DeVol

The following indicators of declining economic well-being in a community have a negative impact on business profitability, the quality of life for all, and community sustainability. They generally indicate increasing instability and declining resources.

INDIVIDUALS

EDUCATION
- Increasing percentage of students in special education; about 70% of special education students are on SSI (Supplemental Security Income), which pays $721/month/person
- Increasing percentage of students on free and reduced lunch
- Increasing student mobility (the problem arises when there’s a decreasing percentage of students who started the year in a grade or class and are still there at the end of the year)
- Increasing percentage of students who don’t graduate (this is different from dropout rates; graduation rates involve total number of students who come into school as freshmen/first-year students and the total number who graduate as seniors)
- Decreasing percentage in the educational attainment level of adults
- Decreasing levels of persistence/retention at community colleges

HOUSEHOLD/PARENTING
- Decreasing percentage of households that have men living in them on a permanent basis (linked to higher violence and criminality)
- Increasing percentage of households that are in multigenerational (three generations or more) poverty
- Increasing percentage of households that are single-parent with children
- Increasing ratio of children to adults in a household

WORK
- Decreasing percentage of adult working-age men who work outside the home
- Increasing percentage of working-age adults on disability (SSI)

FINANCES
- Decreasing percentage of households that have a checking account
- Increasing percentage of households that receive utility assistance
HEALTH
- Increasing percentage of adults who smoke
- Increasing percentage of children under age 5 receiving WIC (Women, Infants and Children), a federal assistance program for children in low-income households
- Increase in suicides and/or homicides
- Increasing rates of obesity and diabetes
- Increasing percentage of adults on federal SNAP (Supplemental Nutrition Assistance Program), commonly referred to as food stamps
- Decreasing profitability of the emergency room of the local or area hospital

INSTITUTIONS
- Increase in local or area organizations facing funding cuts
- Increase in number of organizations reducing staff size, resulting in the remaining workers having growing caseloads
- Increase in competition among local organizations for funds
- Decrease in collaboration
- Decline in funding for professional development
- Decline in funding for research and development
- Increase in salary cuts, buyouts, and reduction in healthcare insurance and pensions
- Increase in use of temporary, part-time, and contractual workers
- Increase in use of interns
- Decrease in full employment status positions with opportunities for advancement
- Reduction in services to clients or customers
- Rise in fees
- Focus on short-term goals, solutions, and outcomes
- Cherry-picking clients for better results
- Increase in disparity between pay of CEO and average worker

COMMUNITY

GOVERNMENT
- Increase in sale of assets, such as highways and prisons
- Increased use of tax abatements to attract businesses, regardless of wages paid
- Relaxation of environmental regulations
- Decline in access to public transportation
- Decline in social coherence, agency, and sense of belonging

ECONOMICS
- Increase in percentage of people living at 200% of federal poverty guideline and below
- Decrease in mix of employment opportunities: manufacturing, technology, knowledge, healthcare, construction, tourism, etc.
- Decrease in investment in maintaining or building community’s infrastructure
ECONOMICS (continued)

- Decrease in services—such as street lights, parks, street maintenance, safety measures, etc.—to low-income neighborhoods.
- Decreasing percentage of young working professionals in the community
- Decline in number viable downtown businesses
- Increasing shareholder focus on short-term quarterly profits
- Increasing number of payday lenders and similar high-fee/high-interest-rate businesses
- Increasing number of wage and compensation violations
- Declining middle class

HOUSING

- Increase in number of households paying more than 30% of income for housing
- Increase in utilization of homeless shelters
- Increase in number of vacant and abandoned houses
- Increase in housing segregation by economic class

BANKING

- Decline in number and value of business loans in low-income areas
- Decline in number of small-business start-ups
- Increase in numbers of the “unbanked”
- Decrease in percentage of disposable personal income that is being saved
- Decline in percentage of dollars spent in local economy
- Increase in per-capita debt

EDUCATION

- Decreasing availability of high-quality, affordable preschool opportunities
- Decreasing percentage of eligible children in Early Head Start
- Declining high school graduation rates
- Declining postsecondary options for high school graduates
- Increasing cost of a postsecondary education

HEALTH

- Increasing health disparities by race and/or economic class
- Decrease in availability of addiction and mental health treatment
- Decline in availability of preventive healthcare
- Declining environmental safety
- Increasing food insecurity

LEADERSHIP

- Declining collaboration and concomitant increase in operations out of “silos”
- Decreasing ability to work across political lines to serve the community
- Declining participation of all classes, ethnicities, and races in community wide decisions