

Transcript

Anita Ward 0:00

Welcome to Working On Wellbeing, where we share stories of purpose-driven people doing good in the world. We'll meet change agents, entrepreneurs, students, teachers, and big thinkers to learn about their wow moment and how it got them to where they are today. This show is brought to you by Salary Finance. And I'm your host Anita Ward, cultural anthropologist and chief Development Officer at Salary Finance.

Anita Ward 0:36

Welcome, everybody. Today our show is live from the hill country of Texas, God's country, my favorite spot on earth, paradise. And with one of my favorite people on earth, I am so honored, Steve to call you my friend. And I am so excited to share you with everybody. So, welcome, Mr. Steve Bartlett. It's so great to have you today.

Steve Barlett 1:00

It is so good to be with you and I take great delight, and when I'm on the zoom calls from Los Angeles, in Atlanta in New York to always let people know that I'm in paradise at the hill country and Blanco County, Texas, and they get to be in wherever -there's Midtown Manhattan at best.

Anita Ward 1:18

I am coming to the hill country at the beginning of October. I love it that one day, that's where I'm going to be Steve.

Steve Barlett 1:28

I will store in an extra case of wine and pounds of barbecue for you.

Anita Ward 1:32

Sounds awesome. So I'm gonna admit. I'm never quite sure what's proper protocol when it comes to addressing a former mayor, a former Congressman, a CEO, a father, a leader. I mean, you're just kind of one of a kind.

Steve Barlett 1:46

So, "Hey, Steve, Hey, Steve" we'll be fine.

Anita Ward 1:50

Indulge me a little bit because I do want to tell our listeners a bit about you. Because it's a pretty phenomenal story. I'm going to skip the beginning partly because I want us to

tell that story together. But at 34. Steve was elected as the representative from Texas's third congressional district, and served in Congress for... nine years?

Steve Barlett 2:12

Correct.

Anita Ward 2:12

I know you were on the committee for house banking committee, the Education Committee, the Labor Committee, your Deputy Whip. And in those nine years, before you retired, you authored or co-authored 20 pieces of legislation.

Steve Barlett 2:28

Eighteen pieces of legislation became law. People author many bills, but I did 18 that became law, everything from East Texas wilderness to the ADA to FHA mortgages.

Anita Ward 2:41

-and Fair Labor Standards.

Steve Barlett 2:43

And Fair Labor Standards. Exactly.

Anita Ward 2:46

For me, that's especially looking through the lens of today, but it was an outstanding example of public service. And then that wasn't enough. So in 1991, you found a new purpose, a renaissance of the city of Dallas, where you ran for mayor were elected mayor, but I was in Texas then Steve, and that city was in chaos, crime was out of control, race relations were crazy, the city council was full of landmines, and I think maybe even like guns and fistfights.

Steve Barlett 3:18

Fistfights, in the city council chambers, between councilmen, and sometimes between councilmen in public, they would get out and start beating each other up. It was chaos, and it was crazy.

Anita Ward 3:30

When you're in your element, you look for situations like that, as my friend, you're like, is there chaos? And can I do this, can I fix it? So and then after fixing Dallas, you're like, Alright, enough, I'm going to transform financial services because Dallas wasn't big enough. And you became the president and CEO of the financial services Roundtable. Right before I think Tim Pawlenty replaced you, right, and 2012 or 13. So that was a long gig. But I look back on it. And what's most significant to me as a reformed banker

now is that those were recessionary years. And those were the years that made up the big short. So while I was causing all that trouble at Chase, you're trying to figure out what do we do to manage dynamics?

Steve Barlett 4:16

We have some good news, though. The early part of the 21st century for banking, where banks began to learn they could offer more to their customers than just a checking account and a home mortgage, and just the offerings of helping people finance their lives were awesome. And then, of course, the middle part during the Great Recession, we discovered that there were some excesses in banking, and then I was part of the group that went in to try to clean up the mess there also. That was quite something.

Anita Ward 4:42

Yeah. I started my banking career at Texas commerce bank. So we had about 250, which were then called member banks. They weren't branches. They were charters on their own and then worked. Chase acquired us and worked to consolidate that. So those were good years about Community banking, and how could you emulate that. And some of that I'm seeing coming back a bit as people say, oh, there was something in that model, maybe we should care about the community and the customer. But also, one of the things that surprise me is because I'm a big believer in giving back and being on boards. And I think that all of the examples I would give about you reflect your purpose. So I know you're Chairman of the Board of respectability, and National Association of Manufacturers, and the ebony and essence and jet all recognize you, the anti-defamation League, National Council of La Raza.

Steve Barlett 5:38

You have been reading my records.

Anita Ward 5:41

You want a really good laugh. Seaspn has videos of you. There are 150 videos. So yes, I went back, and I saw my friend, Steve, on YouTube videos from Seaspn when you were in Congress. It was great fun. I've had such a good time figuring it out. But I also know enough foundation called you the best dad. So for me, that's kind of the accolade out of all of that is the best dad. And then, just so the audience knows, you and I met seven years ago when I was president at Operation Hope, and you were on our board, and you leaned in heavily there and whenever there was a huge task or something we needed to wise counsel around. You were already there. Because you're

dedicated to this model of financial inclusion and community uplifts. Oh, I do love me some Steve Bartlett. And I know I probably didn't do you justice. But I tried to think I had probably missed something very significant. But I just want everybody to know how special you are. So thanks for indulging me.

Steve Barlett 6:44

You were so kind but stop. And lest we run out of time.

Anita Ward 6:50

Do a whole hour just on your pedigree. But you know, Steve, I love stories. And I particularly like the stories that kind of resonate across decades. And I'll admit to you right now that I have told your story about little red to so many people, and including my son. And I am hoping that because I think it's a great place to start with the conversation. I was hoping maybe you would share that story with everybody today.

Steve Barlett 7:18

Well, that little red is where it all started for me. At the tender age of four or four and a half, I discovered some basic truths in life and I discovered the hard way. My family moved from Los Angeles bought a small little farm in Texas knowing nothing about farming and my dad brought home, Little red, a little red calf that was three days old and said empty-handed to me gave me the responsibility and said "Son, you take care of it okay?" It was in the middle of winter and we had a norther come in a couple of nights later, and a little red caught a cold and then caught pneumonia. And I went out twice a day I cleaned out the stall from the poop that was pretty smelly and runny. Tried to feed little red some milk and he couldn't quite eat. And two days later, little red died. And it was obviously for good four and a half years old that was you know, that was traumatic it was difficult. But I went out and dug the hole myself and buried little red. That night at the dinner table though, was where my learning experience came from. I was looking sad. And so my mother said, Son, don't worry, you did everything you could to save little red. And my dad slammed his hand on the table and said No, you didn't. If you did everything you could little red would be alive. You could have brought little red into the kitchen, wrapped him in towels who were slept with him to keep him warm, you could have taken in warm the milk and put it in a little rag and held it into his mouth and got a little depression, called the veterinarian got him an antibiotic shot. So no son, if you're doing everything you could read would be alive. Of course, my mother wasn't shocked that my dad would say such a thing. But it was true. If you want to accomplish your mission, decide your mission, my mission, in that case, should have been to keep little red alive. And then you do everything you can to accomplish that purpose. And so that's

helped me to kind of keep that in front of me as I've lived my life the power of purpose, you set out your purpose. And that keeps it lit red alive and then do what it takes.

Anita Ward 9:21

Yeah, those your dad's words echo in my mind. I don't know how long ago you shared that story with me. It's been a few years but I often tell that you know to my son like you cannot accept defeat without thinking about the story. Right or success for that matter. Without thinking about that story. Did you do everything you possibly could to make that happen? But you know, you had a wonderful example of hard work and your dad and growing up on the farm and I think that experience too may have contributed as well to your purpose early in life. And I don't judge Steve but during COVID probably like every other crazy person, I got a bunch of chickens. And it's a lot of work. And I can't imagine, you know, the responsibility of managing a project. It's managing a farm. And you did a lot of that. But I think maybe talk a little bit about how does, how does that contribute to not just leaning in around everything, but setting goals and finding purpose and managing.

Steve Barlett 10:22

But once I did, once I learned the power of purpose, which was the story of a little red. I then kept that up for the next 10 years as I was growing up on the farm, and I learned that if you plant your crops right, properly if you weed the garden properly if you feed the animals properly if you do everything right, you're going to the outcome is going to be quite good. You're going to collect the eggs, and you're going to raise the animals and, and everything will do well, I put my first semester at college was paid for and the University of Texas, of course, is quickly so was paid for my tuition was paid for by the pecans that I picked up from Creek's bottoms. When I was 7, 8, or 9 years old, I put it in a savings account and was ready to go to the University of Texas. I had the tuition all saved up. In the second semester, I had to get another job and pay for it.

Anita Ward 11:14

So now your 529 plan was pecans.

Steve Barlett 11:18

But I guess that's the point is you see what your purpose is my purpose is on the farm was to raise good animals and raise good crops and all that. And you know, I didn't know how to do it. But I learned with my dad and then the outcome was quite good. So you take responsibility if I remember minis the day that I would go in on a Saturday morning and sort of kick my brothers and sisters out from where they were sitting

watching cartoons which used to just drive crazy. Hey, get out of here, we got some word we got. We got Vince demand, we've got cattle to take care of. And then of course, when I turned 14, I was able to transfer that to the big city. My dad, unfortunately, lost his job in the small town we were close to. And of course, the jobs that are now are in the city. So we moved to Dallas, where I was not unhappy at all. I love the farm. But in Dallas, they had republicans and girls and we didn't have either of those two things and on the farm, so and then I started into politics and met my wife and so I fell in love and subsequently got married.

Anita Ward 12:22

There was you know, I'm a political junkie, junkie, and you're a master politician. So we get along so well. But your road to being a politician actually started with a teacher, I think who brought you Newsweek articles, right? And you're like, you got obsessed with it. And then another one whose name was like Abraham Lincoln, like, how is that God? You had some influences early on that inspired you, I think, or at least nurtured that political aspiration..

Steve Barlett 12:54

In the sixth grade. So I learned lessons as well as I went along. So looking for the purpose, and then keep your eyes and mind open to the lessons on how to get there. So I was on the farm. So my sixth-grade social sciences teacher kept me in after class one day and said, You seem to be interested in world events. I said yes. She said, what do you what? What magazines Do you read at home? I said, Well, boy's life and the farm journal. She said, okay, she cut, tried to hide his mom had to smile and said, If I bring you my weak old copy of Newsweek every week, would you read it? I read it cover to cover I just absorbed it is the knowledge. And I learned that politics is two things. One is that politics are our public policy. All the laws are made by people in politics. And it's a kind of a continuous never-ending story. What happens next week is dependent on what happens this week. And what will happen the following week is dependent on next week. And so you can actually track these. And then the other thing I discovered is that the people who write the laws, this is waiting for the aha moment, are the people who get elected. And if you're not elected you are just another somebody with an opinion. And, you know, thanks for your opinion. So anyway, so I learned those two things. And that and that is the politics really matters. It decides everything that we do. I remember when the county agent came out to our farm once and, and demanded that me and my dad that I turned over his records for the amount of wool that we shared from our sheep.

And I remember thinking that's a pretty stupid law, but somebody had passed them on. And so that we had to do it.

Anita Ward 14:32

To what end - just to gather the data?

Steve Barlett 14:34

Pardon me, I'm still a republican party at heart. It's just because the government likes to know who likes to do stuff. So they want to know how much wool we had.

Anita Ward 14:44

That's crazy. I'm sorry. Politics matters.

Steve Barlett 14:47

And the people that make the laws are in politics.

Anita Ward 14:52

Yeah. And you think you started or became a leader in your young republican club. If you were still in high school, I think at the time, right?

Steve Barlett 15:02

I was living and we moved to Dallas. We were poor folks if you might not dirt poor, but we're rolling. And so we lived in quote "the wrong part of town". I thought it was okay. But you know, it was the other side of the river is that as they say, and so I've adopted the Barry Goldwater conservative theory of capitalism and strong national security, low taxes and such. And the day that the Republicans nominated Barry Goldwater for president, I was 14 years old, I called up the local republican headquarters and told him I wanted to join a republican club, whoever the lady on the phone said, we don't have a Republican club in your party in your part of town and hung up. So the next day I call back, I say, well, we do have a young Republican club. Now I have five members, is that enough? And she said, No, that's not enough hung up again. So the next call took me three days, I call back and said, I have 42 members now in my young Republican club, and we have locations for 100, go water yard signs. And she said, Just a moment, I think you now have the, you now have the largest young republican club in Dallas County. But again, it's the same thing. So if you set out with the purpose of doing your part to elect Barry Goldwater, at age 14, you have to have other people involved, you get people involved on a mission, and then they help to accomplish the mission. There's no shortcut to it. And you can't let somebody tell you, you can't do it. And they, by the way, they made me president of the county The following year, so are off to the races, if they say...

Anita Ward 16:31

You always used to tell me that, you know, one person can make a difference. And if they're purpose-driven, that one person taking initiative, really can drive outcomes, whether you're talking about underserved communities, or you know, building a club, and I often forget that Steve, because we get caught up thinking I'm just one person, what am I going to do? How am I going to, you know, the goal seems so overwhelming, but somehow you've been able to just put your head down, how much of that is just driven, as you say, from those early days and that purpose, and you know, setting that goal and saying, I know the consequences, I know where I want to be. And I know I can make a difference along the way.

Steve Barlett 17:13

It's all a matter of connecting the dots. So you understand that if once you set your purpose, then you say how do I achieve the purpose, and it takes other people, you can't do it on your own. And then you build, I guess in politics, you'd call it a coalition. When I was announced for the Dallas City Council, I remember I'd been collecting since college, I'd been collecting names and, and phone numbers and addresses of people I'd meet to develop a relationship with. And so at age 29, when I announced with the City Council, I discovered I had 2172 names in a shoebox on index alphabetized. And I thought, well, heck, these are 2000 people that I know. And we have well, not voters, supporters, people that I have a relationship with, that is likely to support me. So I sent each one on the day on asked, I said all of them, each one of them a letter, I had people to help address the book, send everybody a letter and said, I'm running for city council. I know that we're good friends, I hope you can help me. And I literally, I don't think they all signed up. But most of them signed up and offered to help. So I didn't keep that shoebox in order to run for the Dallas City Council. I kept the shoe box knowing that in order to accomplish anything in politics, you had to have friends and supporters. And then you pull up the shoe box and you ask them...

Anita Ward 18:31

I think your greatest supporter and maybe your most important coalition with your wife, Gail. And that was an early one too because I'm not going to age you because you're so young. But I think you might have been married maybe 50 or so years now. Right?

Steve Barlett 18:47

52 years. Yeah. Happily married for 50. Okay, we've been happily married for 51 years. That's a joke, Gail, if you're listening.

Anita Ward 18:57

But what happens? Do you end up with a shared purpose than Steve or....?

Steve Barlett 19:01

Yes. So that was one of the joys of our career together is that we both had the shared purpose of using politics to make a difference to help people in their lives. So we both had that shared purpose, met her at a young republican bake sale. She had been up all night and most of the afternoon the day before baking cakes, to raise money for her young republican Club, which was on the right side of the river. And so I showed up because I was the county president I showed up to the kind of wish them well and ask them for some from some of the money for the county. Right. And well, let's just say the conversation did not go well. Though I probably fell in love with her. Okay, and turn to my best friend and said I think I'm gonna marry that girl and my best friend said yeah, I thought you thought you would. And I call it that afternoon and asked her for a date and the rest is history. She fell in love with me Two weeks later. So I love the news is shared when I do a lot of mentoring. It's now evolved into like marriage counseling, informal. And one of the things I tell young people, whether they're being married getting married or not, but is that that shared purpose of a couple you have figured out what is a couple your purpose is, and then do it together. And it's just such a joy when you have a life partner to try to accomplish the same, same thing.

Anita Ward 20:22

Yep. So when you decided you were going to enter the congressional race? How did that happen? And how did you get away in around that, too?

Steve Barlett 20:30

Oh, she did. She, she weighed in, let's go do it. It wasn't easy. When I ran for the City Council, I remember that was a special election. And so I was griping about the other candidates. And she literally, you know, slammed her hand like my dad used to do kitchen table and say, Well, if you're, if you don't like it, why don't you run yourself? And I said, Okay, I think I will. And I went out and announced that day, and boy was She surprised. But when we're friends account, a tendency to count them as a congressional race was hard. It was the most joyous time of our married life together that I hit the campaign trail every morning to 7 am. Okay. And she would, he went to work to support the family during that time. And so she would then get off work at five o'clock, and she would meet me at our first campaign coffee at 6 pm. And we would campaign together from 6 to 930. But after 930 nobody wants to talk to you, right. And then we literally had picked out the drive-thru faster drive-throughs in the area that we could still sneak in

and get some dinner through the drive-thru needed in the car and on the way home. Because in politics, you don't take time to eat, you get busy shaking hands. We did that for 21 months, twenty-one months. And this lady is a champ. I mean, we had all kinds of ups and downs and redistricting and change things around. She never she would tell you today that was the happiest time of her life because it was our happiest time of married life.

Anita Ward 21:55

Is it mythology? I think I heard it somewhere during my hope days that Gail told you, you are a better politician and businessman.

Steve Barlett 22:04

So is that true? No, it's true. I went to I thought I was so smart that I would did the city council thing and then the congressional thing and then the mayor's thing. You know, I was on top of the world. I was successful. I thought after the mayor thing. I said, Okay, now I'm going to, I'm going to run a big business. I'm gonna I had owned a small manufacturing company, I'm going to double its size and buy another one. And it didn't, it did not go well. Okay. So after about a year, I'm sitting at the table. And I remember she looked at me and she said she knew it wasn't going well because I shared everything with her. And she said, How do you think is going this manufacturing thing? I said I got defensive as husbands tend to do. I said, Oh, fine, it's going fine. It's gone fine. She said, Oh, well, I've in acid. Why do you ask? She said, Well, I guess it is going fine. You know, you're the best politician I have ever seen anywhere. And you're an okay businessman. I said, What do you mean by that? Do you know what she said? She said, Oh, you're a smart boy, you'll figure it out. And so I put my business silver manufacturing company, I took my business acumen whatever it was, and I'm married it with politics and went and became CEO of financial services Roundtable. And if you want to be in Washington for that, but she didn't tell me what to do, but she put that little clue down. What Yeah, is what ought to do. And it was a big, big success. But it was she who was the one that figured it out. And then she rather than Tell me gave me a chance to figure it out for myself.

Anita Ward 23:34

I love that it's so smart to do it that way as she should be a consultant in her next life. Right. And I think about you going into Congress, and you were so young, right? What were you know, what were the big challenges, particularly coming in young? And, you know, I think the challenges maybe are different today. There just doesn't seem to be that same level of genteel respect, if you will, but what were your challenges at 34 and

coming in and saying, I'm going to change the world and one person can make a difference.

Steve Barlett 24:04

And I did with you, I had a lot of help, but it was, we had set up my purpose. At that time, there wasn't this all this anger. And so people did work for it to achieve what they wanted to achieve. And we had tough times it wasn't milked toast. I mean, there were some brutal times I remember the first-floor fight was offered an amendment on the House floor to a major piece of legislation. That was a major amendment that and I was a young republican offering this amendment and all of the senior democrats thought it was the worst thing they'd ever seen. And they took me on and I had a holding the floor in a debate for six hours, called call to roll call up against Chuck Schumer. By the way, he was the leader of the other side. And I want that I wanted to they made me do two roll calls. And I want both rolls calls by like, like a margin of like two Something like that, and pass the bill. And let me tell you it was a, it was a new thing. And what it was was, was to take the money that had been allocated for a huge amount of money that had been allocated to build new public housing like 2000 units, and instead take it and repair the existing public housing that would be dilapidated and dangerous for people to live in. And we ended up repair 100,000 units. So it's one of those that I was I was on the side of the angels, but the politics politicians like to build new public housing and put their name on it and make a big speech. So yeah, big ribbons really. But anyway, so I remember I was on the House floor for six hours. It wasn't it wasn't easy. So when I first got to Congress, I knew the areas I wanted housing, banking, Education, Labor. And so I went and I interviewed members of Congress that have been there for a while and been successful and asked him what was what they thought I should do. And there were two groups, one of them said, Don't do anything, just get your newsletters out and run for reelection, when 20 years from now, when your committee chairman, you can do legislate. The other half though, said you can do anything you want to. And I realized the ones who said you can do anything you want to and accomplish everything. We're the ones that when they got they were doing that is major. So I wrote down, I wrote down a set of rules. And that is and I put them actually put them up on my wall and gave them out to almost Yeah, which is good. This is what those senior members only get there early. Every markup we ever had. I always showed up 15 minutes early. Okay. And I was there before the staff got there in many cases. And so other members of the committee would come and ask me what was going on when they came in late? Get there early, stay late. Do your homework. No, I mean, the deal is, but that six hours,

know more about the subject than anyone else, follow the rules, including the worlds of courtesy, and respect, and then never give up.

Anita Ward 26:50

I love those rules. So I follow that.

Steve Barlett 26:53

And as you know, and those were tough times at that. But when they don't have what we have now, which is all the animosity and the anger and the finger-pointing and the pot, it's all politics. Not all, but large amounts of wood are just simply politics. And that's a shame.

Anita Ward 27:11

It's a shame. Now, there was a piece, I think it was an amendment to the FHA interest rates, you know, I've been in financial services, and that salary finance was a lender, so when we talk about, where do you set interest rates? And how do you make them inclusive? Wasn't that another amendment that you've got, like?

Steve Barlett 27:32

I found you look for places where you have some expertise, and you know, something and the facts are on your side, even though the Polish people don't remember. But prior to my amendment in 1983, the interest rate for FHA mortgages was set by administrative fee for by the Secretary of HUD, which means that if he got it a little bit too high, people would pay more than they ought to. If he got it a little too low. They couldn't get the mortgage. Right. I mean, it's just it was crazy. Yeah, it's so obvious, right? And what bothered me a little bit, but a lot, a lot was it. Everybody knew not everybody, but most members of Congress kind of knew that. But they didn't want to be accused of letting the big old bankers set the interest rates because the bankers don't get it either. It's the market, right? So I brought the amendment and passed it 10 Reagan's Office of rest and peace. He went to the House floor for the following six weeks, every night in a special order, and called me every name, he could think of the first couple of nights he did it. Because I watched on c span I wanted, I got up and put on my tie. And I was gonna go down and debating about whether I was a bad guy was basically the topic. And my staff talked me out of it. They said, Congressman, you won the war, okay. You don't have to go back into battle. And second is nobody's gonna watch him anyway. Right? So he was there. He was there every night when we were in session for six weeks. And nobody said a word. So and of course, I got the interest rate. So the result at the end of that story was like, 10 months later, I'm at this dinner party.

I'm the speaker for a big group. And I'm sitting next to the wife of the chairman of the group. And, and I said, Well, so what's new in your life? She said, Oh, my husband and I just bought a house. I thought I'd never been able to get a house. It's just wonderful, I love the house. I said, Well, how that works. You say, Well, two years ago, we bought a house that I loved, and I really wanted and we got a contract and we got a mortgage. And we get up to closing and the interest rates had shifted. Okay. And something about the secretary of HUD had not shifted with him. And so we couldn't afford the mortgage. And so we lost the house and I was crushed. And I said what happened this time? She said well, would the same thing happened except we got to the closing and the interface shifted. But somebody changed the law to allow us to buy the house. I was honest to goodness, it was like God within me saying thank you, but I kept my cool I didn't say I said Really? That's neat that somebody would do that.

Anita Ward 29:54

Yeah, that's amazing. I love it when people come back and you know, that's the story because that's one person who can make a difference, right? So, and I think about it, you're a freshman, Congressman, to me, the stories that surround that I'm sure we could like, go for that case of wine we just talked about and tell all the stories on how did you actually make that happen? But Steve, you know, I'm always curious, because when I think about interest rates, I often think about FICO scores too. And you know, my soapbox, I really feel like credit scoring needs reform. And I'm wondering, you know, what are your thoughts around this I, I struggle, especially coming out of that world of community banking, and then the nonprofit sector and now salary finance, and we're all trying to figure out, how do you make more inclusive lending and FICO score sometimes gets in the way.

Steve Barlett 30:46

First of all, the good news, I keep up with it, and I'm an observer, my view, my perception is the credit bureaus in the last three to four years have gotten a lot better, they starting to use technology for them instead of against them, you can call and get right through to somebody, they explained it, they also are doing a much better job explaining what makes a good what goes into a credit score. So and now and somebody passed a lot. It wasn't me, but somebody passed a law that said that the credit bureaus have to give you a free credit report once a year. And it's just there three of them to get three a year. And they also make it affordable. If it's not free, you know, the bank will pay for it. So and now people are realizing that they can that everything depends on your credit score. And now they have the financial literacy, the tools to

know what goes into your credit score. And it explodes a lot of the math. So I think it's gotten better, I think it can get better with some competition, I think competition will improve the things that you're doing if you're a company, shelter, finance, right?

Anita Ward 31:46

Salary Finance.

Steve Barlett 31:49

So an educated consumer becomes a powerful consumer, as you do this, as you do that, as you educate the consumers, then they can provide a better financial literacy is everything in my opinion.

Anita Ward 32:00

I agree. And access to affordable capital. So I've shared before I grew up a homeless kid and my parents didn't have access to capital, we bounced around on couches, but that check cashing thing was Binion's big wheel in Vegas, right. And so I know that my parents could have found financial footing if they could access it. But that whole, you know, you get caught up in those payday schemes, payday lender schemes and, and while I recognize there's a role to be played there, I really think that the reform that we're looking at or should be looking at now around credit scores and affordable credit and inclusive capitalism and inclusive lending. I think that 2020 just put a light on that in terms of diversity, equity, and inclusion. And I'm more optimistic than I have been in years that we'll be able to address that.

Steve Barlett 32:53

Yes, we made some good sort of positive steps in the last three years, I think we clearly have a long ways to go. But the goal is to give people better options. And to do that, you have to give them knowledge. Yes, that's right. Financial Literacy so that they understand what it's amazing how many people don't either don't know how to do a budget, or they don't think it's important. I mean, it's just, it's just staggering.

Anita Ward 33:15

Yeah. And it goes even beyond the basics. I was on a call with somebody from chase the other day and shared that the first time I got the option, Steve, I was like, 28 years old, had a Ph.D. And I had no idea what the heck was an option? And why were they given them to me? And what did it mean? So even that literacy has to continue on. But let's go back to kind of the fun stuff. Because you know, I lived in Texas for a long time. I have this cup that my son bought me that says, chaos coordinator. And I have to tell you, I feel like that's you, you know, but so can we talk a little bit about the whole

experience in Dallas, because that truly was the Wild West? And I love the idea of you coming in and how the heck did you do that? And because Dallas is beautiful now. I'm I lived in Houston, but you know, I'll accept Dallas for a bit.

Steve Barlett 34:08

Well, again, the purpose should establish what the purpose is to get to the big issues. And that's why I ran for the mayor's because Dallas, we hate to admit it now, but Dallas was failing badly. I mean, people would, we were on, as they say, we were on the road to Detroit and God bless her I did a lot better, but it was so everything had gone wrong. That there you know, everything had gone wrong civil rights of the anger economy, when I got in the chamber of commerce came to see me and I say well, okay, first, let's focus on the positive. That's always a nice place to start. So bring me a list of the employers that have moved into downtown Dallas in the last 10 years. And we already had the list of those. They wouldn't list we had 120,000 people or jobs and left downtown Dallas in 10 years. 101,000. So I said right. Bring a list. To the employees that moved in, and lastly ask them why they moved in, and then we'll duplicate that for everybody else. A week later. Two weeks later, they came back said, Mayor, it's worse than you thought. I said, Okay. What is he said? We can't find a single employer that has moved downtown during the last 10 years. Not one.

Anita Ward 35:15

Wow. That is worse than I thought. Yeah.

Steve Barlett 35:18

Well, I said everybody back to their offices, both City Hall and chamber, and I said, the next two weeks, clearly, what we're doing isn't helping. So stop everything you're doing and assign everybody to find whatever list they want to find and cold call anywhere they want to cold call, except for the immediate suburbs of Dallas, because we didn't want to steal from our neighbors, okay. They can find any listing then call from the Los Angeles Yellow Pages, which actually one guy did, okay. And you just call and say we're looking for people to move to downtown Dallas, would you like to talk Two weeks later, they came back and they had found someone. It was a five-person chiropractor. And they signed a lease on Main Street. We declared it national chiropractors week for Dallas, we put up banners on Main Street, and I went over as mayor and on on the six o'clock news got a shoulder massage. And as I was leaving, the chiropractor said, Mayor, this is just great. But do you treat all of your new employers like this? I said, Well, so far, you're at Eric. So we said, okay, so we're going to change, we're gonna change what we're doing to attract business to downtown and stay with it until we get it. And so the

rest is history. So yeah, we started a movement. At one point, we had one 400 employee call center that signed a lease offer on a downtown Dallas building. The landlord in Chicago turned it down. I call the landlord in Chicago, I won't say his name and said, What do you do? And there's, this is like the only possible tenant you'll ever have. He said, I'd rather have an empty, I said, well, you make your point very clearly, I hung up the phone and called Trammell Crowe, and said, we've got 400 employees, they've signed a lease, if you will take this lease and white out this other developers name and put your name in it and sign it, you got the deal. And they did it. But they say, anyway, so you do whatever it takes to bring employers back in. And so with it now downtown Dallas, as you know, is just booming, which had to do everything at once. And then second is we had to get the city council and city governments kind of under control. That doesn't mean you don't have disagreements, but I developed what I call a peace plan, which is a nice political term. And that was that we're gonna peacefully argue our differences and violently and everybody signed up. How could you be against it?

Anita Ward 37:36

Could you please go to DC right now and get a peace plan?

Steve Barlett 37:40

And then the third is we really had a crisis and violent crime. I mean, we've had, we've had an increase in violence I hate to remember this devastating increase in violent crime in every single category murder, rape, robbery, aggravated assault, every month for 10 years, we had not missed a mountain that must not miss category. And so we set out to say, okay, where's the crime happening? Who's doing it? What can we do? And the deal that we did was, we didn't do the bust heads thing. Okay. So the police chief, thank goodness, we had a new police chief, and he just read the riot act to the troops and said, when you're going to make arrest felony arrests, and you're going to do so courteously. And you're going to say, Mr. Johnson and Miss Smith, and you're going to say, I'm now going to take you into custody. So is there anything you want to tell me and then you're going to courteously as it and if we get any complaints about you, we're gonna throw the book Look at you? And so we, and so that, so bomb crime stop, started down five months later, and went down every single month that I was my mayor, and then for five months after I left, and he's still down much less than it was always picked up now.

Anita Ward 38:47

It's a different city. It's amazing in a short time.

Steve Barlett 38:50

But it wasn't, it wasn't really that complicated, or that hard. It was just a matter of focusing on what's important and taking off one at a time.

Anita Ward 38:59

Now, back to your purpose and goals. Right? And did you the same for the financial services Roundtable, because that was kind of a mess, too at the time.

Steve Barlett 39:08

It was less hard. So banks had tried for 10 years to do what's called financial services reform, which is essentially let them finance their customers, easy way of putting it, but they're, there are way too many rules and regulations. And so it took, you know, it's amazing how fast it happened. It took six months to pass the modernization legislation, which allowed the banks to serve their customers better. Now, having said that, we discovered in the great recession that some of the banks, not the major banks, but some of the outlier banks didn't do well with newfound freedom and then we had to go back and make those corrections but I'd still rather have done that didn't have bank still you know, you remember the Oh, what was a banker rule in by nine by five? Well, it was I think it was in by nine out by three and golf course by four or something. Like, yeah, but that and that changed dramatically. So our banking system now is quite robust and has what's the Dodd-Frank reforms came in? That said, And oh, by the way, you have to treat your customer, right. That's a novel thought, then, you know, we've got the most robust and helpful finance system in the world.

Anita Ward 40:22

Yeah, and I like that we continue to refine CRA, and we continue to look at it through a socio-economic lens and, and layer in much more than just, you know, historic lending data. So I agree, it's a lot different from when I started as a banker, for sure. You know, Steve, there's a part you were talking about a minute ago about education and financial literacy, again, kind of tying back into this, but you work with a pretty amazing company called ever fi. And I wondered if just you might share some of that because I think they're doing amazing work in the content and learning space as well.

Steve Barlett 40:59

Yeah, they are, what they do is they use Operation Hope users, the users, the people to do counseling and good. So ever fire is done, it takes the same content, the same lessons, the same goal, and that is to give people the knowledge that will allow them to control their financial lives. So ever find partners with the usually the banks, but now

other companies like Google and Hilton, and Walmart, and others, and what they do is they take technology, and they put the technology into the classroom in easy bite-sized pieces, that core content is a six-week course, that really gives full knowledge of they teach things that the teachers aren't able to teach, because they don't have their own knowledge base, and they don't have a curriculum. And then the using technology, they do it, do it online, the students take that course. And then they have to take a test to go on to the next level. And if they don't pass the test, they go back to the beginning and take and take the course again, and then have to take it again. And then they get great for it. Oh, it's astounding. So ever fires in 40,000 school districts in the country.

Anita Ward 42:08

It's amazing. It's a skill. It's a scalability issue, right? So for me, if you can, technology is the key there as much as I love that individual human interaction amendment anthropologists, right. But I'm also a technologist the only way we're gonna get Financial Empowerment at scale is with digital technologies.

Steve Barlett 42:28

And ever five takes this takes you to scale and really changes. I've met a lot of the students and it just changed their lives, because suddenly they understand that really do have the power of their finances at their fingertips.

Anita Ward 42:41

Yeah. And then you have come back, and now you're on boards and enjoying a bit of your life where, where do you see financial services going next? Or is there a second mountain or a third mountain or fourth mountain that you're hoping that you know, you're going to climb now to and another big mess that you want to clean up and I vote to send you back to DC myself, and I'll be there to support you?

Steve Barlett 43:06

Except but there's only one vote for that reason. That's my wife. And she's already tested. Oh, I love corporate boards. I'm doing a lot of private boards. Now I'm doing some public boards. I'm doing a lot of private boards. I've learned that I have the ability to offer advice if you will sort of strict I call it strategic advice, strategic advice. I don't I don't I'm not required to go in and do it anymore. But to say this is so a lot of times I get an assignment from a company that says we want you to help us fix this particular problem. When I'm working with one with Medicaid right now. I want you to fix this problem. So I say well, okay, gosh, you know, when you want to show up for work, say Oh, we don't want you to work, we have people who work, we want you to come in and

tell our people how to do it and what the goal ought to be. And then a week later, come back and ask them how they did it. And so that's, that's really kind of fun.

Anita Ward 43:56

That's a little different for you, instead of rolling up your sleeves. Now, I started off by saying I watched a bunch of Seaspans videos and you know, dug a little bit deeper. And I think I could create a book now of Steve Bartlett's philosophies. So I thought it might be kind of fun. If I just say, okay, you said this, and maybe you just get a little color commentary around it, it would be kind of, I think, a little bit of fun. So bear with me, fire away, baby.

Steve Barlett 44:24

I can't wait to hear what I said.

Anita Ward 44:28

I thought they were pretty great. She said companies that treat their employees better do better on the bottom line, and that companies cannot be successful, and let's say pay attention to their employees. And I think first is the realization that stakeholders include the workers of the company. Well,

Steve Barlett 44:44

I did say that I think that's so so it's now you know, we're all students of Milton Friedman. And that was right, you know, the shareholders. That's true. shareholders are very important stakeholders because they put up the capital, but the work that the employees put up the labor and the brains And the ingenuity. So if you treat, you should treat your shareholders, right, because that helps to produce success. But you also have should treat your employees right. And your customers, if you don't treat your customers, right, you're dead meat. I won't mention any negative names of companies that didn't. But think of the successful companies that you know, Apple and one of their successes is they treat our Walmart now, you remember that? The old Walmart bless their hearts that were not didn't get this memo. Okay, they were always in trouble. And then the new blue leadership came in, by the way with my namesake, Dan Martin Bartlett, who is one of the VPS there. They came in, they said, Wait a minute, why don't we focus on our customers and our employees and our communities and our shareholders and think to look at how what much better Walmart is doing for all of those groups. So it is stakeholder engagement, as of which shareholders are a big stakeholder that is replaced the pure percentage profits, you know, can you get makeup anymore on earnings this quarter than we did last quarter?

Anita Ward 46:05

You sound like another great text in there, by the way. Mr. Herb Kelleher, too. So I think they, you know, Southwest showed this so well.

Steve Barlett 46:13

Do you know that Herb Kelleher would consistently when asked what was the secret of your success and southwest? He said, treated our employees right. So okay, what is it people say What else? He said, Nope, there was no What else? That's it. Now, I think there is somewhat else but a hurt a thing. So he said, treat your employees, right, and what his point is, if I treat my employees, right, they will treat my customers, right. And if they treat my customers, right, that will treat the shareholder wins.

Anita Ward 46:38

Right. That's it. Now, you said as a corollary to that concept that the reporting institutions like the Securities and Exchange Commission should actually incorporate human resource measurements into their reporting, and that CEO should be paid in direct correlation to how the company treats employees. That's pretty revolutionary thought there, Mr. Bartlett.

Steve Barlett 47:01

It shouldn't be the only factor, but it should be a factor. So the shareholders need some better insight into how the company is treating its employees. Okay. There's some reporting, if you will, the board, and I've been on eight boards now something like that the board needs to know how, how they're treating their employees. And I can tell you that with few exceptions, the latest being the one I've been on over the last eight years is Aries. Most Board of Directors doesn't know or have any way to find out or measure the company's treating employees, because it's sort of kept from them. So I think it ought to be brought out into the light, put a spotlight on it have measurements. So here's one of the little-appreciated facts of American life that you and I can find out how companies treat their employees just subscribe to Glassdoor and go on. And they will tell you the two big companies in Dallas, huge, huge companies in Dallas in the same geography in the same industry. Okay. And so I had a case, I had a little skirmish with one of them. So I thought, Okay, let me look at Glassdoor. Oh, my gosh, two employees just roasted them over the coals that one of the worst quotes I saw was, yeah, they get us together in these meetings, and they pray for us. Pray for us first, and then they screw us right after that. Right? That was funny boy, the other company, okay, same industry and same city, okay. The employees just raved about the finest place I've ever worked, I would never work anywhere else. And then they would take it to the

customers. And you know, what's even better is they treat they asked us to treat our customers, right? So we can actually help people with a novel idea. And of course, the one that treats employees badly according to Glassdoor is not doing well. And the one that treats your employees well, under Glassdoor is doing quite well, off-camera, I'll tell you who it is.

Anita Ward 48:49

I will I'm you know who I'm calling. But I think it would be fascinating, you talk about being on the board of areas that, Michael is so innovative anyway, but looking at that portfolio through the lens of employee satisfaction, or, you know, put those human pieces on as part of the valuation of the portfolio would be really quite fascinating. And I think revolutionary, but you got to CEO like that, then there's a good chance you could make that happen. So

Steve Barlett 49:21

Tdthank you for that called call. Mike. I've suggested that a time or two, I think he actually does that. I don't know that he shares too, though he does share a share with the board. The measurements of the direct employees are but you know, it hasn't quite shared with us how they how their portfolio companies are treating their employees, but it shows up in their results, you know, you know, areas board, we talk about individual portfolio names, and say, Well, what are they doing this? Why did they do that? How are they doing that? And so it comes up better? Gideon Eric giddy is this easily the smartest businessman I've ever met,

Anita Ward 49:54

And I'm one of the kindest people I know, ethical.

Steve Barlett 49:57

So I was just at the table. I was just on a town hall meeting with him, in which he rolled out their next step for diversity and inclusion. It is specific, it is large, it is impactful, and they may end it is measurable and irrigated, you know, they measured a lot of different set of factors. And air get he said with the ones that didn't turn out, it would didn't look so good. He would start by saying no, listen, this one doesn't look so good. Okay, and we're going to correct it. But I just want you to know that it doesn't look so good.

Anita Ward 50:30

Wow, I love him. He's an authentic leader, for sure. One of the other things you said that I love his leadership do a lot more listening and a lot less talking.

Steve Barlett 50:39

That is that is true. That's sometimes hard for me, by the way.

Anita Ward 50:43

I'm Italian, I'm gonna blame it in Italian, and that you should respect people, especially those you may not agree with. And I thought that you know, that's a great lesson, not just for us as leaders, but I think a great lesson for today.

Steve Barlett 50:59

One of the pieces of legislation that I passed, I passed it in the house, and it was a major deal. Again, it was about public housing, but it was a major. I don't know if you've noticed most people haven't if you're not in the housing, public housing business, is that the public housing in this country today is no longer largely dilapidated. You know, 20 years ago, it was so bad that the tenants would live in the backseat of their car before they would live in that apartment. Yeah, now they're largely repaired and habitable. And one of the reasons is, is because we change the format funding formula, spit this, this, this makes you cry, and then left, we spent the same amount of money. But we allocated it on a formula of who needs the repairs, instead of who's got the political skin. Okay. And that was a major amendment that I passed. I pass it over, Gonzales's objections, vocal objections in committee, I had to bring in the president of the San Antonio Housing Authority, you know, to help Henry see that see the light, or at least let it go through? Well, they guessed the conference committee, and that provision was knocked out. Right. So of course, I have friends everywhere. So I went, I asked the chairman respectfully. Mr. Chairman, I'd like to come to see you. When would a good time be said we'll come right now? I did. And of course, he had done it. He was the one that killed that provision. And I went to say, Mr. Chairman, you know, I've always respected you. I've always respected you. And I know that we've disagreed on things. But you've always been fair said, Yes. What's your point? I said I'm really disappointed. Because that provision that passed through your committee and our member you didn't like it, you allow being to be taken out of the conference report. And he said, Oh, well, I did. And then he turned to staff and he got an injury. And he blamed Jerry, he said, Jerry, Mr. Burton is right. I'm a fair man. Put it back in.

Anita Ward 52:56

Oh, wow. That's amazing. I love that. And then lastly, Steve, you said life is a joy. And I think anybody like you, that's purpose-driven, and, and full of love and full of kindness. I deeply appreciate and if you don't mind, I'm gonna I wrote those down when you said them, I'm gonna leave the today with everybody on and on their minds about what your

purpose blueprint was, at least that's what I'm going to call what you did in Congress, but get there early. And so hope I got these right. Get there early and stay late. Do your homework, know more about the subject than anybody else is the smartest kid in the room. Follow the rules, especially are including at least courtesy, civility, decency, and respect. And never ever, give up. So I would say that if you're going to lead a purpose-filled life, you're a shining example of that. And I really appreciate you spending so much time with us today and telling your story and, and actually more about your servant leadership. Thank you for making the world a better place for all of us. Thanks, Dave.

Steve Barlett 54:03

You're the best of you. Thank you keep up the good work yourself. Thanks. Thanks. Bye.

Anita Ward 54:15

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