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Creating and Sustaining Regional Collaboration in Silicon Valley? The Case of Joint Venture: Silicon Valley

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The Case of Joint Venture: Silicon Valley

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Assessment of the Collaborative Regional Initiatives Program

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TABLE OF CONTENTS

Creating and Sustaining Regional Collaboration in Silicon Valley? The Case of Joint Venture: Silicon Valley

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EXECUTIVE SUMMARY

Joint Venture: Silicon Valley (JV:SV) was launched in 1992 in response to an economic downturn and the perception that Silicon Valley was losing its competitive edge. By bringing together business, government and civic leaders, JV:SV established itself as a regional convener committed to enhancing the economy and quality of life in Silicon Valley. As a convener, JV:SV brought together leaders from business, government (elected officials as well as high-level city and county employees), education and large nonprofits to identify and then address regional issues. JV:SV's scope has been far-reaching: from 1993 through the present, JV:SV has undertaken a diverse range of projects, such as economic studies, regional assessments, educational reform, business incubation, building technological infrastructure and tax reform. By engaging regional decision-makers, using solid data to inform its decisions, and measuring its progress, JV:SV's founders created a responsive organization that changed the landscape of Silicon Valley.

JV:SV's work has both project- and regional-level outcomes. An exploration of three distinct JV:SV projects—Smart Permit, Challenge 2000 and the *Index of Silicon Valley*—reveals substantive project-level outcomes. These projects are distinct from each other in scope and approach, yet representative of the types of projects JV:SV undertook in the 1990s. Nonetheless, it should be noted JV:SV's project-level outcomes exceed those specific to the aforementioned three projects.

Smart Permit was a volunteer-driven initiative to use technology to streamline the cumbersome permitting process for new development, initiated in 1994. Businesses and contractors were frustrated with the existing system because it slowed their "time to market," and, in turn, believed that it was hindering economic growth. As a public/private partnership, permit streamlining was a way that JV:SV could contribute to the Valley's economic recovery. Ultimately, 27 jurisdictions participated in Smart Valley—25 cities and two counties—encompassing the entire Silicon Valley region. By working together under a steering committee, local amendments to state building codes were unified, reducing the number of amendments from 400 to two. By 1999, eight Valley cities had adopted a web-enabled system that connected relevant parties (local government, planners, contractors and architects) electronically. JV:SV estimated that in just one year—1996—reducing these amendments affected 90,000 development projects (both commercial and residential) worth $2–3 billion, saving millions in construction costs and accelerating permit processing. Moreover, Smart Permit's implementation coincided with and presumably contributed to the pace of the economic upturn in Silicon Valley: commercial vacancy rates went from 24% in 1990 to 5% in 1996.

Smart Permit provided concrete results related to JV:SV's goal of improving the business climate. By allowing businesses to expand more rapidly, streamlined permitting should facilitate

employment and a larger tax base. Equally important, Smart Permit established a precedent for collaboration across jurisdictions: the individual jurisdictions in the region had never previously worked together, and the business community had never before engaged with the jurisdictions as a partner. In fact the relationships between the jurisdictions in the region had historically been competitive, even factious; at the same time there was substantial mistrust between local business and local government officials. Smart Permit provided opportunities to collaborate at multiple junctions: in defining the project, in developing streamlining processes, in negotiating relationships with software vendors for the web-enabled system and in establishing an ongoing, iterative permit review process for the region. This collaboration was central to the success of Smart Permit.

Challenge 2000 responded to widespread concerns about the quality of public education in Silicon Valley from JV:SV's founders, Valley residents and educators. JV:SV's approach to educational reform encompassed all grades (K–12). Challenge 2000 was structured around "Renaissance Teams" that were organized at the district or inter-district level. Renaissance Teams were required to bring together a "vertical slice" of education stakeholders—teachers, parents and school and district administrators from kindergarten through 12th grade—to define and address local problems.

Challenge 2000's Renaissance Teams followed a venture capital model of educational reform. This model had five components: (1) investment in schools in the form of people, equipment and money for promising educational transformation ventures; (2) requiring a business plan for each Renaissance Team that specified a vision, intended accomplishments and results measurement; (3) collaboration between Challenge 2000 staff members—specific JV:SV employees—and the Renaissance Teams in order to maximize success; (4) return on investment in terms of improved student performance; and (5) limited duration of up to three years, with the possibility of extending to four or five years. Renaissance Teams were expected to generate results within this time period; investors hoped that those results would generate enough momentum to sustain the venture past their investment. Overall, Challenge 2000 reached more than 36,000 students at 55 schools and 12 school districts.

Evaluating the impact of Challenge 2000 on students, teachers, administrators and business partners is difficult. Activities varied across project teams, depending on project goals and implementation phase. JV:SV reports focus on team-level outcomes, but do not track a consistent set of outcomes over time. Additionally, the level of detail in the data each year varies greatly. Without an evaluation of Challenge 2000's initiative-level outcomes, it is impossible to assess the full impact of Challenge 2000. There are, nonetheless, some anecdotal outcomes of Challenge 2000 worth noting. There is evidence that Challenge 2000 transformed teachers' learning styles which, in turn, improved students' learning. Challenge 2000 was innovative in its time: it encouraged discussion between education and business executives about applying the venture capital model to different contexts.

There is little evidence, however, that Challenge 2000 produced systemic change across Silicon Valley. Challenge 2000's limited duration rendered it unable to overcome the institutionalized barriers that hindered genuine partnership and dialogue between business and education, and between different school districts within the educational system. Moreover,

policy-level changes would have been necessary to expand Challenge 2000's institutional impact; those policy changes did not occur. The effects of Challenge 2000 were thus short-lived: once the Challenge 2000 support disappeared, schools no longer had the resources to devote to systemic change.

The purpose of the *Index of Silicon Valley*, first published in 1995, is to provide readable, accessible measures of the region's performance. JV:SV continues to publish the *Index* every year; the most recent *Index* was released in January 2004. The *Index* relies on a wide range of public and private data sources. The first report included 26 indicators of trends in Silicon Valley's economy and quality of life. While the indicators tracked have evolved over the years, reflecting shifting regional priorities, newly available data and the *Index*'s evolution from a more business-motivated endeavor to a community-oriented document, the *Index* remains the only consistent source of data on the Valley's regional economy. The *Index* is widely cited internationally and is generally recognized as the best data source on Silicon Valley's economy.

The *Index* is not designed to measure the impact of JV:SV's work, but rather to assess overall progress towards regional goals. To this end, the *Index* provides a common framework for understanding issues affecting the Valley. Yet the *Index*'s influence extends beyond the data it captures. The *Index* is perhaps JV:SV's most notable project because of the responses it generates. The *Index* was a critical component in helping JV:SV become a well-known force in the community. The ongoing publication of a high-quality product established JV:SV as a reliable organization and helped "brand" the organization as a serious endeavor. The *Index* is now an anticipated product in the Valley, demonstrating the relevance of JV:SV's work to Silicon Valley. The *Index* thus established JV:SV as a leader in the Valley, and enabled JV:SV to use that position to affect wider changes.

The cumulative impact of JV:SV's projects in the 1990s is captured by three regional-level outcomes: an increased sense of regional identity within Silicon Valley; the development of social capital among JV:SV participants, especially women; and the growing use of research to inform regional action. These outcomes reflect positively on JV:SV and reveal significant accomplishments. It should also be noted that this report did not find any negative outcomes of JV:SV's work.

JV:SV established regionalism as an accepted way of taking action: it brought together sectors and constituencies that traditionally did not interact, thereby changing how some important decisions were made and implemented in Silicon Valley. JV:SV's regionalism explicitly crossed two important boundaries: sectoral, between the private and public sectors; and jurisdictional, between cities and counties. Until this point, Silicon Valley partnerships had not crossed either of these boundaries: JV:SV connected education, elected officials and business leaders for the first time. JV:SV's convening enabled participants to learn tremendously from each other. More than a decade after JV:SV's inception, this sense of regional identity is commonly accepted. Indeed, in the post-dot.com boom era, it is hard to imagine that Silicon Valley was not perceived as a coherent region in the early 1990s. JV:SV's success at fostering a regional identity is substantive.

Though building social capital was not an explicit or intentional goal for JV:SV, it is a significant outcome of its work. The tremendous social capital amassed through JV:SV benefited those who were once affiliated with JV:SV but are no longer directly involved with its work, as well as the Valley overall. JV:SV's projects resulted in significant social capital because they brought together new and established professionals who were committed to the future of Silicon Valley. The subsequent structure of these projects encouraged ongoing interaction between these professionals.

The social capital derived from JV:SV improved the region in three ways. First, myriad individuals and organizations throughout the Valley adopted JV:SV's vision, often informally and after their official JV:SV affiliation had ceased, thus extending JV:SV's vision beyond individuals' involvement with the organization. Second, the deep relationships formed in the JV:SV context have facilitated new programs and projects to this day: close personal and professional relationships initiated through JV:SV have continued to this day, particularly among women. These relationships have facilitated professional collaboration. Lastly, JV:SV-derived social capital has made decision-makers more willing to work together outside of the context of JV:SV. JV:SV attracted recognized Silicon Valley leaders from different sectors. Often, these leaders did not know each other. By creating a common forum for these leaders, JV:SV's work increased private, public and nonprofit sectoral leaders' willingness to work at a regional level.

JV:SV's research informed its own priorities, as well as those of other organizations in Silicon Valley. JV:SV generated a wide range of reports on relevant issue areas from workforce development to tax policy. JV:SV's widespread and ongoing use of new research emphasized that organizational and regional priorities needed to evolve over time. On a regional level, extending beyond JV:SV projects, economic and social issues came to be understood as dynamic rather than static.

JV:SV's successes in the 1990s can be attributed to three factors: (1) strong leadership, in terms of JV:SV's staff and Board members, and through its public image; (2) a responsive organizational structure that emphasized results; and (3) using a venture capital model to identify and solve regional problems, which was facilitated by Silicon Valley's entrepreneurial tendencies and its political climate.

Strong leadership was instrumental to JV:SV's success. Leadership existed at three critical levels. First, on the individual level, former State Senator Becky Morgan was JV:SV's first CEO. Morgan was both a skilled public persona for JV:SV and a hard-working, talented manager who motivated her co-workers to be effective. Having a credible and powerful CEO was essential to establishing JV:SV's credibility. Second, the Board was comprised exclusively of senior executives from the business and education/public sectors. By attracting a strong cadre of senior professionals willing to lead the Valley in assessing and addressing regional issues in a novel way, JV:SV's endeavor was understood as worthwhile. Third, JV:SV's public image promoted its status as a successful leadership organization. JV:SV deliberately crafted its public image and ensured that its results were widely publicized.

JV:SV's organizational structure was premised upon its clear mission as a convener and a facilitator of change for regional leaders. Two components of its structure made the organization

effective. First, the structure was responsive to the organization's goals; if the goals were not being furthered by a certain activity, the structure allowed the activity to be easily disbanded. The successful execution of results-based accountability was a distinctive feature of JV:SV. Second, JV:SV maintained its keen focus on being a leadership organization and ensured that its expectations, activities and results continually engaged the highest strata of leadership. Together, JV:SV's responsive, leadership-based structure fostered an organizational culture that generated results.

Under Morgan's leadership, JV:SV adopted a venture capital model to solve regional problems. It assembled a diverse group of accomplished professionals from different sectors (the venture capitalists) with diverse areas of expertise and resources (the capital) to tackle specific issues. Issue selection depended on whether the issues had traction and whether there was an opportunity for action. Once an issue was selected, it was sustained only if the issue and associated approach achieved results; if it did not have an impact, the issue and approach were discarded. JV:SV thus encouraged entrepreneurship and tolerated failed innovations, as is consistent with the venture capital model. Subsequently, JV:SV identified the issues upon which it could act most effectively, and it allowed the nature of the particular issues to guide its approach. JV:SV's flexible, network structure enabled this approach and forced the organization to be attentive to changing issues in the Valley.

Valley-specific traits facilitated JV:SV's venture capital model: the Valley is characterized by a historical lack of overt friction between the private, public, education and nonprofit sectors. Silicon Valley conceived of itself as a place that had been long ignored by the rest of the country, and had a pervasive can-do spirit. If the different sectors were more suspicious of others' motivations, JV:SV's activities would have easily stalled: rather than focusing on their common agenda, participants would have dwelled upon their doubts about others' interests. But each sector trusted others enough to allow the venture capital model to identify issues and approaches, and subsequently to shape the organization's trajectory. In time, they learned from each other and developed a strong working relationship.

These elements together made JV:SV a dynamic force for regional governance. JV:SV identified pressing issues, established action plans and produced results. These results were far-reaching and crossed many arenas: JV:SV contributed to economic growth and development in Silicon Valley, improved technological infrastructure, promoted a regional conversation about pressing issues, built social capital among new and established leaders and provided resources for educational reform, among others.

JV:SV was most effective under Becky Morgan, whose tenure extended from 1993 through 1998. Under her watch, JV:SV gained regional and national prominence. JV:SV was successful at identifying and executing projects with clear goals, well-defined outcomes and consensus regarding their necessity. JV:SV created a model that facilitated effective, innovative solutions to complex problems affecting the business climate and residents' quality of life in Silicon Valley. JV:SV captured regional leaders' enlightened self-interest by creating win-win opportunities for business, government, education and community members. JV:SV's most successful projects included Smart Permit and the *Index of Silicon Valley*. Through its myriad projects, JV:SV changed the decision-making culture in Silicon Valley. It leveraged its success

to influence other regions across the country, as well as state-level policy. It also demonstrated its potential to impact the three *e*'s of economy, environment and equity.

There is broad consensus among JV:SV Board members, current and former JV:SV staff, funders and project participants that JV:SV stumbled following Morgan's departure in 1998: JV:SV lost its credibility as a leadership entity and became less effective at obtaining results. This failed leadership succession reflected underlying transformations within JV:SV as well as changes in Silicon Valley. The organization faltered in the late 1990s because the three essential elements to its success—leadership, organizational structure and the venture capital model—all weakened. Both internal and external factors affected JV:SV's leadership from the late 1990s onwards: its CEO and Board changed, and the business environment, corporate governance regulations and Silicon Valley's civic leadership capacity also shifted. JV:SV's organizational structure suffered: it lost its cross-sectoral dynamism, diverse funding sources and positive public perception. Its structural issues were further exacerbated by its merger with its community outreach spin-off, Silicon Valley Civic Action Network (SV CAN), in 2001. The final contributing element to JV:SV's success, its venture capital problem-solving model, also dissipated. JV:SV engaged in its first large-scale community involvement process in 1997 through its Vision 2010 project, which yielded a complex agenda. Yet JV:SV did not apply its venture capital model to this agenda, and instead engaged sporadically and unsystematically with its new initiatives.

In many ways, these crises still pervade JV:SV: it is not apparent whether its present ambitious agenda and new leadership will regain JV:SV's currency in Silicon Valley. Business, public sector and nonprofit leaders alike agree that there is still a need for a cross-sectoral, collaborative regional organization in Silicon Valley to address the complex social, environmental and economic issues that confront Silicon Valley. While JV:SV's current initiatives represent viable responses to significant Valley challenges, it is unclear whether JV:SV in its present form will suffice. The problems from the late 1990s still plague the organization, such as leadership dynamics, Board composition, the tension between being a convener/incubator versus its own organization, perpetuating a foundation-dependent funding base and the lack of corporate involvement. JV:SV's current leadership is well aware of these challenges, though it remains uncertain whether the organization will be able to seize those challenges as an opportunity for action, as it did in through the 1990s, to help Silicon Valley continue to be an innovative, livable, engaged region.

Creating and Sustaining Regional Collaboration in Silicon Valley? The Case of Joint Venture: Silicon Valley

AnnaLee Saxenian and Nadya Chinoy Dabby

INTRODUCTION

Joint Venture: Silicon Valley (JV:SV) was launched in 1992 in response to an economic downturn and the perception that Silicon Valley was losing its competitive edge. By bringing together business, government and civic leaders, JV:SV established itself as a regional convener committed to enhancing the economy and quality of life in Silicon Valley. As a convener, JV:SV brought together leaders from business, government (elected officials as well as high-level city and county employees), education and large nonprofits to identify and then address regional issues. JV:SV's successes are widely documented in its own studies and publications, as well as through extensive media coverage. This report documents JV:SV's trajectory, identifies long-term outcomes of its work and discusses the contributing factors to JV:SV's accomplishments and weaknesses. It concludes with reflections on JV:SV's current endeavors.

JV:SV Origins, Approach and Theory of Change

JV:SV was created because its founders perceived a gap in the existing private/public infrastructure. Silicon Valley was particularly hard-hit by the early 1990s recession, and the business community was worried about Silicon Valley's business climate and its ability to compete. Jim Morgan, CEO of Applied Materials, along with other leading Silicon Valley executives, seized the opportunity to address these problems, following David Packard's tradition of Silicon Valley businesses contributing to community well-being. Morgan mobilized key business sector constituents, and together they solicited broad input from over 1,000 Silicon Valley leaders and residents regarding issues affecting regional economic viability. The findings from this process revealed substantial interest in regional change and constitute the basis for JV:SV's original publication, *Blueprint for a 21st Century Community*.[1] JV:SV thus emerged as a regional collaborative in 1993.[2]

Responding to a genuine need that was readily understood by a diverse group of stakeholders gave JV:SV internal momentum that was instrumental to its achievements. One participant noted, "There was an amazing group of men and women at the table who were really compelled to work together, to turn things around and to improve the quality of life in the community. If there hadn't been a recession—would this have happened? That was a compelling

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[1] Detail regarding this document is in Appendix: Overall Evaluation Methodology: Review of JV:SV Publications.

[2] A timeline of JV:SV's organizational development is in Appendix: JV:SV Timeline. This timeline specifies leadership composition/transitions and key projects and publications relevant to this report.

force."[3] One of JV:SV's early coups was securing a high-profile CEO: Becky Morgan, a state senator (married to Jim Morgan) who stepped down from her elected post and became JV:SV's CEO in 1993. As JV:SV's leader, Morgan was instrumental in establishing a successful organizational structure and focus and attracting high-caliber leaders, including local elected officials, senior education figures and high-level corporate executives, to work with JV:SV.[4]

JV:SV's scope has been far-reaching, as indicated in the timeline of JV:SV's organizational development in Appendix: JV:SV Timeline. Since 1993, JV:SV has undertaken a diverse range of projects, such as economic studies, regional assessments, defense transition strategy development, educational reform, business incubation, building technological infrastructure and tax reform. JV:SV's projects have differed along the following four main axes:

1. Associated activities;

2. Constituencies involved, including regional leadership engagement and community participation;

3. Resources, including levels of funding, funding sources and in-kind resources; and

4. Overall outcomes and associated timeframes.

Project activities have varied among JV:SV's endeavors, including community forums, leadership convenings, focus groups, public opinion surveys and indicator data research. These projects depended on the participation of a range of partners, including volunteers, consultants, board members, JV:SV staff and other Silicon Valley organizations. Each constituency's role depended on the particular project. Certain projects were largely volunteer-driven (e.g., Smart Valley, referenced in the discussion about Smart Permit in the Project-Level Outcomes section), while others required extensive staff involvement (e.g., Challenge 2000, also discussed in the Project-Level Outcomes section). JV:SV's policy to not undertake a project within the domain of an existing Valley organization led it to give certain projects to other organizations for implementation. Nonetheless, most JV:SV projects involved a range of partners, to greater and lesser degrees.

JV:SV coalesced regional leaders who could independently access resources—such as money; economic expertise; technology hardware, software and support; and bringing relevant constituencies "to the table"—and who also could collectively generate an even greater impact. As a group, these leaders could leverage additional participants and resources to further JV:SV's vision and agenda. This leveraging was direct—leaders recruited other leaders who brought additional resources—and indirect—JV:SV's visibility allowed staff to secure funding from government and foundations.

Furthermore, the results of JV:SV's projects have varied from project to project, both in terms of each project's original intent and overall impact. For example, a project to install

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[3] The data collection methods—including interviews with JV:SV affiliates—employed for this report are in Appendix: Overall Evaluation Methodology. Detail on the data collection methods for key informant interviews is in Appendix: Key Informant Interviews.

[4] Board membership is in Appendix: Analysis of Board Membership.

technological infrastructure in public schools, called Smart Valley, was intended to be short-lived: once the technology was installed and supported, JV:SV regarded it as a success and the project ended. On the other hand, JV:SV established an incubator for international businesses expanding to the United States as a longer-term process. The resulting organization, International Business Incubator, was spun out of JV:SV altogether and still exists today. As these examples illustrate, some of JV:SV's projects were declared successful and then terminated, some were spun out of the organization entirely, and others stumbled with results that did not satisfy JV:SV's original goals (Challenge 2000, for example, discussed in the Project-Level Outcomes section).

Given the diversity and multiplicity of JV:SV projects, it is not possible to define the quintessential JV:SV project. To do so would negate the nature of the organization, particularly in regard to its networked organizational structure and its venture capital model for regional problem-solving. The networked organizational structure that Morgan instituted was predicated upon a small administrative core with autonomous initiatives that related to JV:SV's mission to "bring people together from business, government, education and the community to identify and to act on regional issues affecting economic vitality and quality of life in Silicon Valley." JV:SV initiatives were wide-ranging, focusing on specific issues such as community health, business retention, workforce development and fiscal policy. The scale of these initiatives varied. Some were short-term, while others were broader in scope and thus longer-term. And while these initiatives were incubated by JV:SV, they were expected to gain financial self-sufficiency rather than remain dependent upon the organization. Members of JV:SV's board of directors were often involved in the initiatives, either as formal advisors who actively shaped the initiative or by recruiting key business, public or nonprofit leaders to be involved in the initiative.

The JV:SV approach was influenced by management principles of performance measurement and accountability (not surprising, given JV:SV's origins). JV:SV used research on Silicon Valley and conversations with its constituents to define issues to address. The issues were then refined by its venture capital model of problem-solving. In this model, JV:SV developed ventures with clear goals and accountability mechanisms. JV:SV resources were then directed toward the initiative; JV:SV acted as a collaborative partner to help ensure success. As one interview respondent recalled, "JV:SV was based on initiatives. An initiative was developed to follow through on an idea, and an initiative had a program of action which then related back to the core which was the joint venture."[5] In the absence of demonstrated results from an initiative, however, JV:SV would disband its involvement with the venture.[6]

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[5] JV:SV's networked organizational structure is discussed further in the following section: Contributing Elements to JV:SV's Success: Organizational Structure.

[6] JV:SV's use of research is discussed in the following section: Outcomes: Regional Outcomes: Use of Research to Inform Regional Action. JV:SV's venture capital model for regional problem-solving is discussed further in the following section: Contributing Elements to JV:SV's Success: Venture Capital Problem-Solving. The specific features of JV:SV's venture capital model are discussed in relation to Challenge 2000's structure in the following section: Outcomes: Project-Level Outcomes: Challenge 2000.

Though projects differed from each other in terms of activities, constituencies, resources and outcomes, measurement of progress towards the goals was an essential component of all initiatives, and it facilitated timely assessments about an initiative's efficacy. In the entrepreneurial environment of JV:SV, initiatives were encouraged and supported—but also allowed to fail. Given JV:SV's transparent approach to self-assessment, JV:SV's reports are publicly available. At the time of their release, evaluation reports were often disseminated to JV:SV's project constituency and discussed in public forums; presently, the reports are on JV:SV's website.[7] The documentation and assessment methods for projects have varied widely, however, depending on the nature of the individual project, available resources and the particular focus of the board and the CEO. This report will therefore evaluate in-depth three projects that were selected because they differ along the four main axes of JV:SV projects—type of activities, constituencies involved, resources and overall outcomes, and timeframe—yet they provide an overview of the range and nature of JV:SV's work during the 1990s.

By engaging regional decision-makers, using solid data to inform its decisions, and measuring its progress, JV:SV's founders created a responsive organization that changed the landscape of Silicon Valley. JV:SV's timing was fortuitous as well; JV:SV coalesced at the same time that academics, philanthropists and local leaders were discussing the relevance of the region and regional governance. Collaborative Regional Initiatives (CRIs) were at the center of this discussion. As regional partnerships that promote regional economic vitality and improved quality of life in the region, CRIs bring together the public, private and nonprofit sectors to address complex issues affecting the region. JV:SV's initial regional accomplishments pre-dated the CRI model, which made JV:SV's experiences central to the CRI discourse. JV:SV became particularly well known as foundations and academics published documents highlighting its achievements and as the leadership promoted it as a model worthy of emulation.

Argument and Structure of Report

This report begins by documenting the quantitative outcomes of three JV:SV projects: Smart Permit, Challenge 2000 and the *Index of Silicon Valley*.[8] These projects were selected because they are representative of JV:SV's projects, yet they are also distinct from one another. They incorporate different impetuses, challenges and outcomes. The outcomes presented here are based upon an amalgam of existing reports, including program evaluations and lessons learned documents. These outcomes reflect positively on JV:SV and reveal significant accomplishments.

The bulk of this report then focuses on three regional outcomes of JV:SV's work in the 1990s:

1. An increased sense of regional identity within Silicon Valley;

2. The development of social capital among JV:SV participants, especially women; and

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[7]   See http://www.jointventure.org.

[8]   There are other JV:SV projects that have had a significant impact. For the purpose of this report, however, these three key projects will be explored.

3. The growing use of research to inform regional action.

To the extent possible, the report treats these outcomes as distinct. Nonetheless it should be noted that these three outcomes are interrelated and mutually reinforcing. It should also be noted that this report did not identify any negative outcomes of JV:SV's work. JV:SV's successes in the 1990s can be attributed to the following three factors:

1. Strong leadership;

2. Responsive organizational structure; and

3. A venture capital model for regional problem-solving.

These elements together made JV:SV a dynamic force for regional governance. JV:SV identified pressing issues, established action plans and produced results. These results were far-reaching and crossed many arenas: JV:SV contributed to economic growth and development in Silicon Valley, improved technological infrastructure, promoted a regional conversation about pressing issues, built social capital among new and established leaders, and provided resources for educational reform, among others.

JV:SV was most effective under its first CEO, former state senator Becky Morgan, whose tenure extended from 1993 through 1998. Under her watch, JV:SV gained regional and national prominence. After her departure, however, JV:SV stumbled. It lost its credibility as a leadership entity and became less effective at obtaining results. In many ways, this crisis still pervades JV:SV. This report does not claim that the CEO change is the sole factor that undermined JV:SV's success. Rather, JV:SV faltered because the three essential elements—its leadership, organizational structure and venture capital model—all weakened in the late 1990s. The failed leadership succession was itself a reflection of these underlying transformations. This report explores how these factors played out and concludes with implications for JV:SV's current direction.

OUTCOMES

The outcomes of JV:SV's work can be evaluated at two levels: (A) project-level outcomes and (B) regional outcomes. These are necessarily different in nature. The discussion of project-level outcomes captures data that is quantifiable and that is specific to a particular JV:SV project. These outcomes specify, to the extent possible, the number of entities involved in the project including jurisdictions, geographies and people. They also estimate the fiscal impact, when appropriate. These outcomes relate to three distinct JV:SV projects: (1) Smart Permit, (2) Challenge 2000, and (3) *Index of Silicon Valley*. These projects are distinct from each other in scope and approach, yet representative of the types of projects JV:SV undertook in the 1990s. These projects were prominent in respondents' comments and media coverage, and thus merit further exploration. Of the three projects, Smart Permit has the most quantitative outcomes associated with it. Since these outcomes are project-specific, they do not reflect the overall impact of JV:SV in any particular arena. JV:SV's impact on economic development, for example, extends far beyond Smart Permit. Documenting the full scope of JV:SV's impact in the multiple arenas it touched, however, is not possible within this report.

The discussion of regional outcomes, on the other hand, provides a more holistic exploration of JV:SV's impact through the 1990s. These broad outcomes are threefold: (1) an increased sense of regional identity within Silicon Valley, (2) the development of social capital among JV:SV participants, especially women, and (3) an increased use of research to inform regional action. While this report attempts to examine these outcomes as distinct from each other, they are interrelated. For each of the three regional outcomes, this report explains the outcome achieved, including who was involved and the ways in which the change was felt; how JV:SV's activities contributed to the outcome; the general importance of the outcome; and the spillover effects or wider consequences when possible.

Project-Level Outcomes

The following section discusses the outcomes associated with three JV:SV projects: Smart Permit, Challenge 2000, and *Index of Silicon Valley*. These projects affected different constituencies at different points in time.

Smart Permit

Smart Permit originated from the initial 13 initiatives in JV:SV's 1993 founding document, *Blueprint for a 21st Century Community*. Two initiatives coalesced to form Smart Permit: (1) Smart Valley, which was tasked with creating "an electronic community by developing an advanced information infrastructure and the collective ability to use it;" and (2) Regulatory Streamlining, which was expected to "promote an efficient, consistent and reasonable regulatory environment while maintaining high safety standards."[9] A joint task force came together in 1994 to "determine how permitting could respond to global pressures on business to bring products to market better, faster and cheaper."[10]

The task force sought to use technology to streamline the cumbersome permit process. Businesses and contractors were frustrated with the existing system because it slowed their "time to market," and in turn, believed that it was hindering economic growth. Streamlining permitting was a way that JV:SV, as a public/private partnership, could contribute to the Valley's economic recovery. Implementing the task force's vision required integrating "several technologies, multiple departments and clients, and different processes."[11]

Smart Permit relied on volunteers. The task force included prominent local leaders from the Smart Valley and Regulatory Streamlining initiatives, the Silicon Valley Manufacturing Group (an industry association), and local jurisdictions.[12] John Young, retired president and CEO of Hewlett-Packard, chaired the Smart Valley task force. William F. Miller, professor at Stanford University's Graduate School of Business and retired CEO of SRI International, stepped in as

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[9] *Blueprint for a 21st Century Community*, p. 61 and p. 69.

[10] *Smart Permit: A Blueprint for Success*, p. 9.

[11] *Smart Permit: A Blueprint for Success*, p. 13.

[12] The number of local jurisdictions involved grew from 5 to 27 over the course of Smart Permit.

vice-chair. Both Young and Miller were recruited by Jim Morgan himself. Their involvement helped engage the business leadership of the Valley's technology sector.[13] The champions of the Regulatory Streamlining initiative were Linda Callon, attorney at Berliner Cohen; Chris Greene, an engineer who worked with JV:SV's Bioscience Working Group; and Tom Lewcock, city manager of Sunnyvale.

The Smart Permit process had three stages. Initially, it included a small group of stakeholders: three cities, one county, and that county's water district. Working together, they spent several months exploring permitting processes, which in turn, allowed participants to get to know and trust each other. This group undertook the first permit streamlining project, resulting in a prototype that was used in six cities, and demonstrated the potential of Smart Permit. This prototype was employed to recruit additional participants. The scope of Smart Permit's second project was larger. Guided by a steering committee, 27 jurisdictions participated—25 cities and 2 counties—encompassing the entire Silicon Valley region.[14] The outcome of this effort was tremendous. Local amendments to state building codes were unified, reducing the number of amendments from 400 to 11. JV:SV estimated that in just one year—1996—reducing these amendments affected 90,000 development projects (both commercial and residential) worth $2–3 billion dollars, saving millions in construction costs and accelerating permit processing.[15]

Smart Permit's implementation coincided with and presumably contributed to the pace of the economic upturn in Silicon Valley. Commercial vacancy rates went from 24% in 1990 to 5% in 1996.[16] After the new system was piloted, only two permit code amendments remained from the original 400. The final Smart Permit stage piloted a web-enabled permitting process through six pilot cities. This phase incorporated the most sophisticated technology to date, in which the web-enabled system electronically connected relevant parties—local government, planners, contractors and architects. By 1999, the eight cities that form the core of JV:SV had adopted the web-enabled permitting system.[17]

Smart Permit provided concrete results related to JV:SV's goal of improving the business climate. By allowing businesses to expand more rapidly, streamlined permitting facilitated employment and a larger tax base. Equally important, Smart Permit established a precedent for collaboration across jurisdictions. The individual jurisdictions in the region had never previously worked together, nor had the business community ever engaged with the jurisdictions as a partner before. In fact, the relationships between the jurisdictions in the region had historically been competitive, even factious. Similarly, at the same time, there was substantial mistrust

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[13] Smart Valley was a 501(c)(6) nonprofit organization affiliated with JV:SV. As such, it had its own board of directors. Members and affiliations of Smart Valley's board are in Appendix: Additional Detail on Individual Projects: Smart Valley Board of Directors.

[14] A list of the Smart Valley participating jurisdictions is in Appendix: Additional Detail on Individual Projects: Smart Permit Participating Jurisdictions.

[15] *Smart Permit: A Blueprint for Success*, p. 25.

[16] *Index of Silicon Valley: Measuring Progress Toward a 21st Century Community*, 1997.

[17] These cities are: Fremont, Milpitas, Mountain View, Palo Alto, San Carlos, San Jose, Santa Clara and Sunnyvale.

between local business and local government officials. JV:SV's former CEO regards Smart Permit as JV:SV's most successful measurable activity.[18] In her words:

> [Smart Permit was the most successful] because we got business people and city people working together toward streamlining the permitting process. [The outcome was that] permitting was streamlined in several cities…. They integrated the building codes in 27 cities…. So that was very measurable and made the front page in the *San Jose Mercury News*. [That was] the only [JV:SV] thing that made the front page—we had made the front page of the business section many times—but not the front page of the newspaper.

Smart Permit provided opportunities to collaborate at multiple junctions: in defining the project, in developing streamlining processes, in negotiating relationships with software vendors for the web-enabled system, and in establishing an ongoing, iterative permit review process for the region. This collaboration was central to the success of Smart Permit. As one participant commented, "Without the collaborative relationships that were established… Smart Permit's probability for success would be greatly diminished, if not impossible."

Challenge 2000

The genesis of Challenge 2000 was similar to that of Smart Permit. *Blueprint for a 21st Century Community*, JV:SV's launch report, emphasized the importance of educational reform. The former CEO of JV:SV commented that "the number-one priority of the team—of the public and private sector people that started JV:SV—was education." The 21st Century Workforce Initiative's mission was to "fundamentally transform Silicon Valley education and training to produce the world's highest-value-adding 21st century workforce."[19] The 21st Century Workforce Initiative's leadership board was difficult to assemble. As JV:SV itself noted:

> While key CEOs and education leaders were interested in the concept of working together for major improvements in education, they did not view the [21st Century Workforce] Collaborative as the right vehicle.[20]

Becky and Jim Morgan's efforts were key to changing this perspective. Jim Morgan requested Paul Locatelli, president of Santa Clara University, and Bill Krause, CEO of Storm Technology and co-founder of 3Com, to recruit a board. Becky Morgan sought out Glen Toney, vice president for global human resources for Applied Materials, to be board chair. From Becky Morgan's perspective, Toney's background made him the ideal chair because he had worked as a corporate executive for fifteen years and in education throughout the Valley for fifteen years.

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[18] In this respondent's opinion, other successes were more notable than Smart Permit, but those were less measurable.

[19] *Blueprint for a 21st Century Community*, p. 62.

[20] *Lessons for Regional Rejuvenation, Volume 1*, on web only:
http://www.jointventure.org/resources/publications/case_21s.html

Together, Toney, Becky Morgan, Locatelli and Krause recruited a board that included Valley CEOs and education and community leaders.[21]

Research by the board revealed the importance of educational reform on three distinct levels. First, the vast majority of Silicon Valley residents (nine out of ten) wanted high-quality schools and felt the current system was inadequate. Second, the local education system troubled regional businesses. They found it difficult to hire residents because they were inadequately prepared and had difficulty recruiting professionals from other regions because those professionals were reluctant to place their children in Silicon Valley schools. Third, educators perceived that declining fiscal support and low community involvement undermined their efforts. JV:SV thus launched its 21st Century Education Initiative, a slight name change that reflected JV:SV's understanding that workforce and education issues were intertwined. Challenge 2000's approach to educational reform was the lynchpin of this initiative.[22]

Past educational reform efforts informed the structure of Challenge 2000. The successes and failures of other educational local and national reform projects revealed that there were myriad possible ways to improve the Valley's educational system.[23] Correspondingly, JV:SV's approach to educational reform focused "on the process of change, not a particular solution."[24] This approach encompassed grades K–12 to "develop higher standards and clear measures of student performance, require new policies and systems, and fundamentally change the way we educate our children."[25] The 21st Century Education Initiative was launched in 1994 under the leadership of Glen Toney and Tim Cuneo, an experienced school administrator. The initiative was structured around "Renaissance Teams" that were organized at the district or inter-district level. [26] Renaissance Teams were required to bring together a "vertical slice" of education stakeholders—teachers, parents and school and district administrators from kindergarten through 12th grade—to define and address local problems.

The areas in which Renaissance Teams were established are detailed in the following table.

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[21] A list of the 21st Century Education Initiative's founding board members and their affiliations is in Appendix: Additional Detail on Individual Projects.

[22] Challenge 2000 was the first project of the 21st Century Education Initiative; these two names became synonymous. Later projects affiliated with the 21st Century Education Initiative/Challenge 2000 included the Multimedia Project (1995), Professional Development and Dissemination (1997) and Public Engagement (1998). Full discussion of these later projects is beyond the scope of this report.

[23] This report uses the terms "the Valley" and "Silicon Valley" interchangeably.

[24] *Challenge 2000 Annual Report 1996*, p. 2.

[25] Ibid., p. 2. It should be noted that this approach pre-dated California's expansion of mandatory K–12 educational testing.

[26] Only one team represented just one district—the rest were inter-district teams.

Table 1. Challenge 2000 Renaissance Team Locations and Duration

Team Name	Area Impacted	Team Duration
(1) Palo Alto	Palo Alto	1995–2000
(2) Overfelt Familia	East San Jose	1995–1998
(3) Blossom Valley Learning Consortium	South San Jose	1995–2000[27]
(4) Family of Schools	Belmont, East Palo Alto and San Carlos	1995–1999[28]
(5) Morgan Hill	Morgan Hill	1996–2000
(6) San Jose Unified School District River Alliance	San Jose[29]	1996–1999
(7) Lighthouse for Literacy	La Honda–Pescadero	1997–2000
(8) Aragon–Borel Complex	San Mateo and Foster City	1997–2000
(9) Gilroy	Gilroy	1998–2000

One of the 21st Century Education Initiative Board's strategies was to learn from varied environments. These teams therefore reflected widely different geographic/socioeconomic settings and issues and employed unique approaches. Overall, Challenge 2000 reached more than 36,000 students at 55 schools and 12 school districts.

Challenge 2000's Renaissance Teams followed a venture capital model of educational reform.[30] There were five components to this venture capital model:

1. *Investment* in schools in the form of people, equipment and money for promising educational transformation ventures. This investment was intended to leverage other resources and could "serve as a catalyst to trigger a process of continuous improvement."[31] Challenge 2000 invested "loaned executives" from Silicon Valley firms, money, and equipment in the Renaissance Teams. This was not a minor contribution; Hewlett Packard and Applied Materials donated senior executives to the project on a full-time basis. The Challenge 2000 program raised some $33.3 million, mainly from corporate sponsors, to cover the program's administrative costs as well as the money, human resources, and equipment for schools with Renaissance Teams;[32]

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[27] The Blossom Valley Learning Consortium was temporarily suspended during in the 1997–1998 school year; it continued working and eventually regained full funding two years later.

[28] The Family of Schools Team's funding was temporarily suspended at the beginning of its participation in Challenge 2000.

[29] San Jose Unified School District River Alliance included five science magnet schools in San Jose: Carson Elementary, Hacienda Elementary, Randol Elementary, John Muir Middle School and Pioneer High School.

[30] The distinctions between a venture capital model and traditional grants are detailed in Appendix: Additional Detail on Individual Projects: Contrasting the Challenge 2000 Venture Capital Model with Tradition Grants.

[31] http://www.jointventure.org/initiatives/21st/venturecap.html

[32] About half of the $33 million was cash; the other half was in-kind corporate donations.

2. *Business plan* for each Renaissance Team that specifies a vision, intended accomplishments and results measurement;

3. *Collaboration* between Challenge 2000 staff members—specific JV:SV employees—and the Renaissance Teams in order to maximize success;[33]

4. *Return on investment* in terms of improved student performance; and

5. *Limited duration* of up to three years, with the possibility of extending the venture's duration to four or five years. Renaissance Teams were expected to generate results within this time period; investors hoped that those results would generate enough momentum to sustain the venture past their investment.

The venture capital model in an educational context was met with considerable resistance. The reasons were two-fold: first, educators were accustomed to a standard grant structure and found it difficult to accept a new, more competitive approach. One respondent stated what was distinct about the model employed:

> The difference between 21st Century [Education Initiative] and previous grants was that the board [of the 21st Century Education Initiative] wanted a real partnership in the process of reinvigorating education. The vast majority of grants give technology, computers and such, and expect schools to reform themselves as a result. But reform takes substantial investment in people, not just physical resources. The people have to learn what needs to be changed and how to use technology to change their teaching processes.

Second, educators lacked confidence in the venture capital model because they were not accustomed to thinking of the business sector's expertise as relevant to education. As one respondent offered, "The idea that the private sector brings knowledge and [intellectual] re3ources did not go over well [with educators]." Indeed, in the beginning of the initiative, many of the challenges stemmed from the clashes between these two different worlds. One respondent recalled, "From the very beginning, there was a problem of language between educators and business. The business language frightened the educators with its emphasis on output and quantitative assessment." On the other hand, another respondent noted:

> The private sector executives first had to grasp the vast difference in resources between business and education. For example, business people who might have expected that there would be computers and internet hook-ups in every classroom were certainly surprised to learn that the teachers don't even have phones in each room.

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[33] The number of staff associated with Challenge 2000 increased significantly through the program's duration, peaking at 35 staff—located within JV:SV and at school sites—mainly due to a large grant from the US Department of Education, which necessitated a more traditional educational program model with significant reporting requirements.

The intended scope of Challenge 2000 was broad: "measurable improvement in student achievement in Silicon Valley by the turn of the century."[34] Ultimately, Challenge 2000's reach was more limited; nine Renaissance Teams were launched over the program's five-year existence. Though these teams did not affect all of Silicon Valley, the areas with Renaissance Teams experienced important changes over the programs' duration.

Yet evaluating the impact of Challenge 2000 on students, teachers, administrators and business partners is difficult. Activities varied across project teams, depending on project goals and implementation phase. JV:SV reports focus on team-level outcomes, but do n/t track a consistent set of outcomes over time. Additionally, the level of detail in the data each year varies greatly.[35] Without an evaluation of Challenge 2000's initiative-level outcomes, this report cannot discuss the full impact of Challenge 2000. Challenge 2000's evaluator, SRI International, published a retrospective evaluation in 2001 entitled *Silicon Valley Challenge 2000: Longitudinal Case Study Report*. This document focuses on the context of Challenge 2000 and then presents in-depth qualitative research on the four original Renaissance Teams. There is little initiative-level data or analysis in this evaluation, though it concludes that Challenge 2000's success was nominal. The lack of detail regarding the overall initiative makes SRI International's evaluation of limited use for this report. [36]

There are some anecdotal outcomes of Challenge 2000 worth noting. There is evidence that Challenge 2000 transformed teachers' learning styles. An evaluation report notes that the Multimedia Project "helped three of the four [original] teams develop classrooms in which teaching is now more student-centered, and students are learning complex communication and problem-solving skills as they complete course work."[37] A teacher commented:

> This partnership has been hard work with a high learning curve. It has been the impetus for transforming much of our thinking and learning in our district. Our students have grown in their learning as a direct result of the efforts of this partnership.

While respondents familiar with Challenge 2000 also felt that students' learning improved, it is difficult to document.

Challenge 2000 was innovative in its time in that it encouraged discussion between education and business executives about applying the venture capital model to different contexts. JV:SV's venture capital model for educational reform stipulated that the funders' experience and knowledge of the corporate world would benefit the schools. Challenge 2000's approach to funding educational reform was hands-on: the funders expected to participate in, offer guidance to and learn from the schools. JV:SV facilitated discussion between education and business

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[34] *Challenge 2000 Annual Report 1996*, p. 2.

[35] It is unclear whether these data were collected but not reported, or whether they were never collected.

[36] Detail regarding this document is in Appendix: Overall Evaluation Methodology: Review of JV:SV Publications.

[37] SRI International. 2001. *Silicon Valley Challenge 2000: Longitudinal Case Study Report*, p. xi.

executives within the school system. One respondent observed, "Challenge 2000 has made an effort to share best practices and successes between the different families of schools by acting as a clearinghouse for information and holding meetings and working groups." JV:SV also diligently published and disseminated the lessons learned so other regions and programs would benefit from JV:SV's experiences.[38]

There is little evidence that Challenge 2000 produced systemic change across Silicon Valley. The institutionalized barriers that hindered genuine partnership and dialogue between business and education, and between different school districts within the educational system, would take longer to change. SRI International, as Challenge 2000's hired evaluator, noted that business and education "lacked a common language to communicate the reforms they envisioned and the process for conducting them. They had different views of measurements used to monitor progress toward Challenge 2000 goals and objectives."[39] Moreover, policy-level changes would have been necessary to expand Challenge 2000's institutional impact; those policy changes did not occur. Interview respondents, nonetheless, noted that Challenge 2000 began an important dialogue across the education and business sectors. This dialogue resulted in a renegotiation of Challenge 2000's original vision, where the private sector's initial intent to make rapid changes using performance management techniques was tempered to accommodate the realities of the public sphere. This discussion and reinterpretation was fruitful for participants. One respondent observed, "The two sides, education and business, learned and evolved together." In the process of working together over the course of the initiative, these different constituencies developed a language that allowed them to collaborate. This may have been one of the initiative's most significant, if not measurable, changes. Another respondent perceived that this co-mingling was a rare occurrence:

> [Challenge 2000] was very demanding and there was a lot of accountability. That was very successful and thoughtfully crafted. It got business involved in systemic educational reform in a way that we haven't seen before or since.

It is possible to reconcile SRI International's negative assessment with the positive view of respondents regarding Challenge 2000. Producing systemic change in any context is difficult; people are reluctant to give up their established ways of doing things. As one respondent noted, "There is no systemic change without personal change." Moreover, shifts in JV:SV's priorities lessened its ability to affect systemic change. JV:SV itself changed its vision as the initiative unfolded. One respondent observed:

> The initiative was first seen as completely self-serving, in that a strong education system would be a piece of competitive advantage—business had to

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[38] Key publications were *Lessons for Regional Rejuvenation, Volume 1* and *Lessons for Regional Rejuvenation, Volume 2*. These publications are annotated in Appendix: Overall Evaluation Methodology: Review of JV:SV Publications.

[39] SRI International, p. xi.

produce workers for the Silicon Valley and be able to attract excellent employees to the area. There was a concrete change in their vision from making the Valley competitive, to making the Valley a good place to live.

However, JV:SV's commitment to this vision did not endure. Shifting organizational priorities meant that the initiative was no longer essential to JV:SV's work; changes in leadership facilitated Challenge 2000's end. (Discussion regarding leadership changes is in the following section: Explaining JV:SV's Stumble: Leadership). JV:SV decreased the provision of resources to teams in 1999 and ended the program in 2000. The former CEO of JV:SV commented:

> The other successful activity of JV:SV during my tenure was the education initiative…. Unfortunately, it didn't sustain itself in the way that you'd like it to. And it was not continued after I left [in 1998]…. "Digital divide" was the buzz word at the time, 1998–99, and my successor got hooked on doing something different."

Additionally, furthering institutional change would have required changes in public policy, which were beyond Challenge 2000's reach.

The effects of Challenge 2000 were thus short-lived. Once the Challenge 2000 support disappeared, schools no longer had the resources to devote to systemic change. On an individual basis, however, it is possible that participation in Challenge 2000 affected teachers' and administrators' approaches. One respondent noted, "I think [Challenge 2000] took people out of that sense of complaining and into doing something about it." While this impact may have endured past the program's duration, the program itself ultimately was not sustained. One participant pondered the question of sustainability while Challenge 2000 was still underway, commenting, "The question now is how to transfer the knowledge and processes developed under the initiative throughout the Valley." The initiative was ultimately unable to address that challenge.

Index of Silicon Valley

JV:SV published its first *Index of Silicon Valley* in 1995 and continues to publish the *Index* every year. The purpose of the *Index* is to provide readable, accessible measures of the region's performance. The most recent *Index* was released in January 2004. The *Index* was produced by Collaborative Economics, an independent Silicon Valley-based consulting firm whose three principals established a reputation for nonpartisan, high-quality work regarding regional collaboration. Collaborative Economics develops the *Index* each year, always in conjunction with an *Index* board of advisors. This board is comprised of representatives from the private and public sectors, as well as researchers and academics.[40] The *Index* relies on a wide

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[40]   A list of board members and their affiliations from 1997–2003 is in Appendix: Additional Detail on Individual Projects: Board of Advisors 1997–2003.

range of public and private data sources.[41] The first report included 26 indicators of trends in Silicon Valley's economy and quality of life. While the indicators tracked have evolved over the years, reflecting shifting regional priorities, newly available data and the *Index*'s evolution from a more business-motivated endeavor to a community-oriented document, the *Index* remains the only consistent source of data on the regional economy.[42]

The *Index* is useful for diverse constituencies, as it covers a wide array of topics and the data presented are objective and consistent. The *Index* is not designed to measure the impact of JV:SV's work, but rather to assess overall progress towards regional goals. To this end, the *Index* provides a common framework for understanding issues affecting the Valley. As one respondent commented, "The most successful project has been the *Index* because that had provided a research framework from which to make decisions in Silicon Valley. There is a multitude of organizations who use it." Another respondent offered:

> The *Index* is a signature piece. I think people use it as a default
> information source for a lot of things that are happening in the Valley. People
> refer to it all the time. It's downloaded frequently. It gives people context on an
> annual basis to understand what's going on in the Valley.[43]

Indeed, the *Index* is widely cited internationally and is generally recognized as the best data source on Silicon Valley's economy.

The *Index*'s content is not static; it evolves based on current issues, establishing a cross-sectoral agenda. As one respondent said:

> [The *Index*] was widely distributed; [it was] something that both
> businesses and cities used. Because of that kind of factual information, it became
> a resource…. But more than that, it served as an indicator of areas that need to be
> worked on—transportation, education, health care. It reminded us of where we
> were lacking, what we needed to prioritize.

Another respondent concurred that the *Index* influences regional priorities by "recognizing needs, convening groups, facilitating and bringing analytical tools to bear on the development of programs to address concerns of the region."

The *Index*'s influence extends beyond the data it captures. The *Index* is disseminated widely—the publications from 1996 through 2003, for example, are available at no charge

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[41] These sources include: BT Commercial Real Estate, Bureau of Labor Statistics, California Association of Realtors (CAR), California Department of Education, California Department of Health Services, California Employment Development Department, Claritas, Environmental Protection Agency, GreenInfo Network, MoneyTree Survey, National Science Foundation, North American Industry Classification System (NAICS) and US Census.

[42] Most government data (e.g., the Census) is collected at the city, county and state levels only. The region, however, includes parts of several different counties.

[43] It is not possible to estimate the number of people the *Index* reaches.

through JV:SV's website—and JV:SV has an annual *Index* release event that consistently draws hundreds of business, government and nonprofit representatives. The *Index* is perhaps JV:SV's most notable project because of the responses it generates. The *Index* was a critical component in helping JV:SV become a well-known force in the community. The publication clearly defined the region and tracked regional data. Silicon Valley's sense of regionalism at the time of the publication's inception, however, was still nascent. The *Index* thus contributed to a sense of regionalism within the Valley.[44] As one respondent stated:

> The *Index* is the important legacy of JV:SV. It really defined Silicon Valley, including parts of Alameda and San Mateo [counties]. It wasn't hard and fast, but it made it clear that Silicon Valley was about more than a state of mind. There's a physical network of relationships. I think that's a huge legacy today. It created awareness of people among the region. And [it created] global awareness of Silicon Valley—people would mistake it for San Francisco. It also updated people's idea of what Silicon Valley was as a region.

Moreover, the ongoing publication of a high-quality product established JV:SV as a reliable organization and helped "brand" the organization as a serious endeavor.[45] The *Index* is now an anticipated product in the Valley, demonstrating the relevance of JV:SV's work to Silicon Valley. The cumulative impact of the *Index* has thus been to establish JV:SV as a leader in the Valley, and to enable JV:SV to use that position to effect wider changes. As one respondent noted:

> The *Index* played the role of thought leadership: you frame the issues and take on a leadership role. I think people have come to rely on the stable product from JV:SV. People use it. The *Economist* uses it. It's helped to tell a story of Silicon Valley in a very accessible way.

Regional Outcomes

JV:SV's activities during the 1990s collectively resulted in three regional outcomes: (1) an increased sense of regional identity within Silicon Valley; (2) the development of social capital among JV:SV participants, especially women; and (3) the growing use of research to inform regional action.

<u>Increased Sense of Regional Identity within Silicon Valley</u>

Silicon Valley is widely understood as a region; in part, this reflects JV:SV's success. This sense of regional identity is reflected in numerous ways across the globe. For the purpose of this report, it should be noted that respondents, press coverage and other JV:SV-related writings all discuss Silicon Valley as a region. At the time of JV:SV's inception, Silicon Valley was the

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[44]   The development of a sense of regional identity is discussed later in this report.

[45]   This point is discussed later in this report.

locus of certain technology-oriented enterprises, but it did not have a cohesive identity. Was it just Santa Clara County? More? And what made Silicon Valley distinctive? Silicon Valley was fragmented in the early 1990s as shared issues were not widely acknowledged. Coming together as a region was a new concept for the Valley. JV:SV's impressive success as a regional convener contributed to making Valley residents and decision-makers think of themselves as part of a region. [46]

JV:SV brought together sectors and constituencies that traditionally did not interact, thereby changing how some important decisions were made and implemented in Silicon Valley. It established regionalism as an accepted way of taking action. Researchers have argued that Silicon Valley's economic success is partially due to a tradition of public/private partnerships (such as those between Stanford and industry, buoyed by the military contracts of the 1960s). Indeed, one respondent commented, "JV:SV was born and grew in a networked region. That's a cultural thing to begin with. People feed off each other. People connect at interesting connections. That's specific to Valley culture." While this report agrees with this understanding of the Valley's history, it argues that JV:SV's partnership model broadened the earlier approaches in the Valley.

JV:SV's regionalism explicitly crossed two important boundaries: (1) sectoral, between the private and public sectors; and (2) jurisdictional, between cities and counties. Until this point, Silicon Valley partnerships had not crossed either of these boundaries. One respondent offered that JV:SV "was the first time that the working together happened across the public and private sectors. That hadn't happened… before JV:SV, and certainly not on a regional scale." Another respondent concurred, commenting that JV:SV "brought people together. It raised awareness of the challenges of the Valley." Another noted, "Thousands of people have gone through various [JV:SV] initiatives. By being touched by this, they get more of a regional perspective, they understand a little more about how all of this connects, they learn by doing." Silicon Valley's history of cross-sectoral collaboration—between technology and universities, as noted earlier—facilitated this convening, but JV:SV connected education, elected officials and business leaders for the first time. As one respondent commented:

> The Valley in the last four years has been recognized as a place that does networking. But it primarily does networking within industry and the private sector. And JV:SV was an attempt to do cross-sector networking, which meant getting industry groups connected with the public sector and the community. This is a bit more complicated because the industry groups are always changing… so getting them connected to the government and the nonprofits is a challenge.

JV:SV's convening enabled participants to learn tremendously from each other. Indeed, many respondents said that their first years of participation were spent absorbing new

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[46] Other factors also enhanced Silicon Valley's sense of regional identity. In particular, Saxenian's *Regional Advantage: Culture and Competition in Silicon Valley and Route 128* in 1994 has been influential. It appears, however, that this book contributed to JV:SV's efforts and momentum, but that among the business and public sectors, JV:SV was more directly influential.

information and perspectives. Developing a sense of cross-sectoral regionalism was perhaps JV:SV's main accomplishment. One respondent elaborated thus: "People who are in government don't realize that there are people outside government. And with business—likewise. With tech, all the people they know are in tech. Connecting those sectors across geography is so important in a big place that's changing rapidly, that has a lot of new people coming in." JV:SV managed to do just that at a critical juncture in Silicon Valley's development.

JV:SV's cross-sectoral approach had substantial positive externalities. It also affected those who were not directly involved in its work. One respondent perceived a shift in cultural norms regarding organizational effectiveness:

> There was this idea that more public/private collaboration was a way of getting things done. I think part of the outcome of having so much press, and in everything there, was coverage of this public sector organization working with this private sector organization to make these things happen—it started to establish a narrative of how things can happen. It created an expectation of bridging across traditional boundaries.

Another respondent perceived how JV:SV's work influenced the more traditional organizations in the Valley. In her words:

> The presence of JV:SV really influenced the Chamber of Commerce in San Jose and the Silicon Valley Manufacturers Group to be more regional, to reach out to government and elected leaders. After JV:SV, you have no forum for that collaboration. Could things happen spontaneously? To a certain extent, you have examples of that [now]—child care, health care. People are behaving more regionally, more naturally. I think partly that's because JV:SV put such an emphasis on regional collaboration so that it became part of the culture.

Respondents concurred that JV:SV's approach had important trickle-down effects. One respondent stated:

> During the Becky [Morgan] years, JV:SV did exactly what it set out to do, and more so. It catalyzed the statewide and national movement where people were talking about doing regional collaborations, talking about what we call civic entrepreneurship. People from business and elected officials like Susan Hammer [former Mayor of San Jose] saw that it was in her interest to put time into this regional collaborative. It wasn't like these people were going to vote for her, it wasn't in her narrow self-interest, but it was in her long-term interest. This whole notion of these civic entrepreneurs, of people who have a sense of responsibility for the region, for the big picture, and not just a little piece [came from JV:SV]. There was a really strong sense of civic entrepreneurship here for a while.

JV:SV's projects facilitated the growing sense of regional identity. The *Index* was essential to fostering a regional perspective and further expressed the interconnectedness of the

Valley. As one respondent commented, "The *Index* is fundamentally about the concept of the region. [By] creating regional data sets, people realized that we need to think as a region, not just as one county or 17 cities." Moreover, JV:SV consciously worked with existing and new media to emphasize its regional impact. Jay Harris, the publisher of Silicon Valley's regional newspaper, *The San Jose Mercury News,* was on JV:SV's board and helped facilitate JV:SV's mainstream press coverage. As JV:SV notes, "Harris became another force driving the organization towards results. Reporters and editorial writers reported on results once they began to appear."[47] JV:SV also created its own media channels to publicize its regional accomplishments, including a quarterly newsletter and reports on specific projects such as the 21st Century Education Initiative. By 1998, in addition to its widespread coverage in the *San Jose Mercury News*, JV:SV had published more than a dozen newsletters, four *Indexes* and various studies.[48] JV:SV's extensive media coverage regarding its regional results "reshaped the thinking of much of the population of the Valley, helping to foster the perception that there was a 'region' that needed to work together and Joint Venture was providing leadership within that region to get results."[49]

More than a decade after JV:SV's inception, this sense of regional identity is commonly accepted. Indeed, in the post-dot.com boom era, it is hard to imagine that Silicon Valley was not perceived as a coherent region in the early 1990s. Current press coverage reflects a regional perspective. Similarly, most interview respondents initially assumed that Silicon Valley was a region. After being prompted, however, they revealed that this perspective was relatively new. A former JV:SV staff member's description of her work at JV:SV highlights how entrenched the sense of regionalism now is: "I brought together all of the economic development departments from all of the different cities. It doesn't seem like a big deal [now], but in Silicon Valley no one had done that before." A comment from a newer board member of JV:SV's response indicates that the Valley's sense of regionalism now runs deep, and that this is inexorably connected to JV:SV. In her words:

> Everybody knows who JV:SV is. Everybody understands or gets the sense that it's an organization that's working in the interests of the region. I care about increasing prosperity, I care about economic development, I understand how this ties to the ability for my work… to be supported, I care about the region being innovative and attracting people who can contribute to that, and I care about having people around the Valley to be participating in that innovation…. It was clear to me that JV:SV was an organization that could bring people together and mobilize people to work towards those efforts.

For this newer board member, the region is an accepted entity, reflecting JV:SV's earlier success at fostering a regional identity.

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[47] *Lessons for Regional Rejuvenation, Volume 2*, p. 31.

[48] The number of JV:SV-related articles in the *San Jose Mercury News* from 1992 to 2003 is tallied in Appendix: Analysis of Press Coverage.

[49] *Lessons for Regional Rejuvenation, Volume 2*, p. 32.

Developing Social Capital among JV:SV Participants, Especially Women

Social capital, according to Robert Putnam, is "the networks, norms and trust that facilitate coordination and cooperation for mutual benefit."[50] Though building social capital was not an explicit or intentional goal for JV:SV, it is a significant outcome of its work. The tremendous social capital amassed through JV:SV benefited those who were once affiliated with JV:SV but are no longer directly involved with its work, as well as the Valley overall.

JV:SV's projects resulted in significant social capital because they brought together new and established professionals who were committed to the future of Silicon Valley. The subsequent structure of these projects encouraged ongoing interaction between these professionals. A separate study of JV:SV participants conducted by Dara Menashi concurred that this interaction was key to building social capital, and correspondingly, increasing civic activity in Silicon Valley. Menashi notes, "Perceiving change in others, willingness to cooperate, access to new information and the creation of high quality networks are the aspects of social capital most associated with change in civic activity."[51] One respondent expanded upon how JV:SV's projects developed social capital:

> You don't build social capital by just bringing people together. You build social capital by working on projects together to advance regional goals that you have. And that first part of JV:SV [under Morgan]—it was all about that. I felt like it was really working. We were identifying shared interests, turning that into a project and then working to implement that project and drive the results. We never, in the second part of JV:SV [after Morgan left], got to those projects that were compelling, fundable and which really people would volunteer their time to rally around.

This understanding of social capital differs from Putnam's concept of social capital as arising from civic engagement (e.g., bowling clubs). Rather, social capital in Silicon Valley is tied to business innovation and the ensuing partnerships. Cohen and Fields comment:

> Social capital [in Silicon Valley] can be understood in terms of the collaborative partnerships that emerged in the region owing to the pursuit by economic and institutional actors of objectives related specifically to innovation and competitiveness.[52]

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[50] Putnam, Robert. 1993. "The Prosperous Community: Social Capital and Public Life." *The American Prospect* (4)13: 1.

[51] Menashi, Dara. 1997a. *Making Public/Private Collaboration Productive: Lessons for Creating Social Capital.* Cambridge, MA: Harvard University. PhD dissertation, p. 163.

[52] Cohen, Stephen and Gary Fields. 1998. *Social Capital and Capital Gains, or Virtual Bowling in Silicon Valley.* Berkeley, CA: Berkeley Roundtable on the International Economy Paper, p. 3.

JV:SV followed this pattern exactly. Its original objectives were related to competitiveness and it brought together economic and institutional leaders; in turn, it developed social capital.

The social capital derived from JV:SV improved the region in three ways: (1) myriad individuals and organizations throughout the Valley adopted JV:SV's vision, often informally; (2) the deep relationships formed in the JV:SV context have facilitated new programs and projects to this day; and (3) there is an increased willingness across private, public and nonprofit sectoral leaders to work at a regional level.

JV:SV's approach of using regional collaboration to improve life in Silicon Valley resonated with participants. Participants adopted and subsequently implemented JV:SV's vision in myriad ways throughout the Valley—often long after their official JV:SV affiliation had ceased. JV:SV's vision thus extended beyond individuals' involvement with the organization. As one respondent stated:

> Lots of other groups—mainly headed by former staff and participants of JV:SV—have taken on parts of the vision [now].... It's not so much organizations that make a difference. [When I stopped being involved with JV:SV, I thought] all the people who have been involved with JV:SV, they're all going to take this on and do it in different venues. There will be ripples. I think they accomplished that.

Second, close personal and professional relationships initiated through JV:SV have continued to this day, particularly among women. These relationships have facilitated professional collaboration. Former JV:SV colleagues have made innovative connections between their current organizations. One respondent's comments are illustrative:

> Right now I'm using my JV:SV network in a huge way around initiatives at [current employment]. I use all of my skills and approaches in terms of collaboration. One of my partners around [current project] came right out of JV:SV.

Another respondent identified a current funding opportunity that she is pursuing in partnership with a former JV:SV colleague. Moreover, the JV:SV-derived cadre of professional women in Silicon Valley gives former participants a network that helps sustain them professionally and personally. Almost all of the female respondents interviewed mentioned their ongoing connections with other women formerly affiliated with JV:SV, and affirmed that these relationships were essential to their professional success and personal satisfaction. One female respondent offered:

> I feel so thankful when I look back. When I started, I knew nobody here [in Silicon Valley]. The most special people in my life now are people I met through JV:SV. [Names five women who were involved in JV:SV.] The women especially—we are the network, we make stuff happen around here. I know so many people and I met them in the context of working on something with JV:SV.

If there's a legacy, then that's part of it—the celebration of people knowing each other who, to this day, are working together.

Another female interviewee also reflected positively about her engagement with JV:SV:

Personally and professionally, it was a fabulous opportunity. It was intellectually stimulating. You develop friendships that you don't necessarily do as an adult…. It was a forum for adults to connect with other human beings.

Third, JV:SV-derived social capital has made decision-makers more willing to work together outside of the context of JV:SV. JV:SV attracted recognized Silicon Valley leaders from different sectors. Often, these leaders did not know each other. By creating a common forum for these leaders, JV:SV changed the decision-making process in the Valley. Menashi's study of JV:SV anticipated this conclusion. She notes:

The effects Joint Venture has on the people who participate may be equally as important in the long run as the immediate influence of Joint Venture…. Participants have new information and templates for working cooperatively that may well increase the possibility for cooperative problem solving in the future.[53]

In turn, decision-makers now approach regional issues in a collaborative fashion because there is a tradition of cross-sectoral mutual learning and trust. One respondent spoke to this outcome:

I think there was enlightenment in all sectors, an understanding of the other sector, a willingness and an openness to talk about hard problems that came from not a defensive position, but more of an open and a friendship and community caring dialogue.

Furthermore, enhanced leadership and collaboration, perpetuated by significant social capital, positioned JV:SV well to address the social and economic issues in the Valley. One respondent summarized this trait:

People are interested in looking at the future, [at] how to support the organizations that are here in this globalized environment. Developing local leadership was a consequence of JV:SV's work over the years. JV:SV has touched individual leaders and networked with so many organizations—the networking and the collaboration has really helped Silicon Valley. People connect with each other and dialogue with each other…. [They] look at common questions, come up with a vision and I think JV:SV has helped with that.

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[53]   Menashi, 1997a, p. 60.

Use of Research to Inform Regional Action

JV:SV's research informed its own priorities, as well as those of other organizations in Silicon Valley. The *Index* is the most obvious reflection of this dual use of JV:SV's research, but JV:SV also generated a wide range of reports on relevant issue areas from workforce development to tax policy. JV:SV's partnership with Collaborative Economics was instrumental.[54] Through its partnership with Collaborative Economics, JV:SV established a relationship with a reliable research source.[55] This credibility allowed diverse constituencies to utilize JV:SV's research, from the *Economist* to government and local nonprofits. Furthermore, JV:SV's ability to communicate its research to other organizations and the broader public increased the visibility of its analyses. It also encouraged others to embrace JV:SV's research-oriented approach. One respondent noted:

> We've been very fortunate to have partners, like the *San Jose Mercury News* in particular, and others who've been willing to publicize our research. For instance, the *Index* gets a lot of publicity. It goes out to the entire community, either on the front page or somewhere…. The research that gets done by JV:SV gets good publicity. The information that's put out there gets widely disseminated. I think that's helpful. The research doesn't get siloed within a particular group of people. It gets widely disseminated. The fact that the research is shared widely and that people then have the ability to learn together helps…. It's a very interesting model of research leading to action, but I would say that the communication piece has been very interesting too.

Additionally, JV:SV's widespread and ongoing use of new research emphasized that organizational and regional priorities needed to evolve over time. On a regional level, economic and social issues came to be understood as dynamic rather than static. Even the content of the *Index* changed over time; while a certain portion of the core economic and demographic data remained constant, the rest shifted as new data became available and issues changed. The *Index*'s advisors were astute at identifying both new topics of regional interest and new sources of information. One respondent observed how JV:SV's dynamic approach to research influenced the Valley:

> We had this research base, this *Index* over 10 years, so people know we're going to look at [different] perspectives… economy, quality of life, government, education, business. We're going to look at the issues that are central now, this year, to people. Universal health care or child care—they weren't prominent 10

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[54] As mentioned earlier, Collaborative Economics is an independent, Silicon Valley-based consulting firm whose three principals established a reputation for nonpartisan, high-quality work regarding Collaborative Regional Initiatives (CRIs) across the country.

[55] Indeed, Collaborative Economics was established because its founders perceived that such an organization would be essential to JV:SV's work and, ultimately, to other organizations regionally and nationally.

years ago. Those [prominent] issues have changed over time…. I think that research culture is really something that has been a great benefit to the Valley.

Other interviewees concurred that JV:SV and Collaborative Economics changed the way that research is used in regional agenda-setting and decision-making. Indeed, this change has permeated Silicon Valley so thoroughly that it has become the norm. When a newer board member was asked about the role of research/data in guiding regional issues, the respondent stated that she presumed that the Valley had always used research in such a fashion.

CONTRIBUTING ELEMENTS TO JV:SV'S SUCCESS

The preceding section discussed some causal factors of JV:SV's success in the 1990s.[56] This section of the report takes a broader perspective and explores the systemic factors that contributed to JV:SV's success. These elements affected both the program and regional outcomes discussed earlier. These elements are as follows: (A) strong leadership, in terms of JV:SV's staff and board members, and through its public image; (B) a responsive organizational structure that emphasized results; and (C) using a venture capital model to identify and solve regional problems, which was facilitated by Silicon Valley's entrepreneurial tendencies and its political climate.

Leadership

Strong leadership was instrumental to JV:SV's success and helped establish JV:SV as a credible organization. Leadership existed at three critical levels: (1) on the individual level, in the form of a credible and powerful CEO; (2) on the board level, which represented both the business and education/public sectors; and (3) through its public image, which promoted its status as a successful leadership organization.

The success of a new organization depends largely on building credibility. Strong leadership allowed JV:SV to establish its credibility early. It was critical that this leadership existed at three different levels. Strength at only one of these levels would have made JV:SV vulnerable to its critics, which in turn, would have hampered its credibility. This dynamic was most clearly illustrated by JV:SV's early critics at the *San Jose Mercury News*. Prior to Becky Morgan's role as the CEO, these critics lamented that the corporate leadership on the board would simply perpetuate the status quo. Morgan's ascension was lauded as a bold indication of JV:SV's seriousness—particularly among those who were not closely affiliated with the business sector leaders who formed JV:SV, such as media and public sector leaders—and was essential to establishing JV:SV's credibility. Respondents were also quick to note that JV:SV's credibility was dependent on its CEO. One interviewee commented on Morgan's importance: "It was really important to have a day-to-day president who was recognizable, who had good relationships with business and the community, and who could really move JV:SV forward." Respondents were

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[56] JV:SV's success is well documented in its own publications and earlier reports, many of which are annotated in Appendix: Review of JV:SV Publications. This report adds to (rather than repeating) that literature. Research for this report is consistent with earlier documents, including JV:SV's own reports.

unanimous in their praise for Morgan, concurring that she was instrumental to JV:SV's success. One respondent exclaimed:

> It really was brilliant to get Becky [Morgan] to resign her state senateship and become president of JV:SV. She's very smart. She has a dynamic personality. She's really committed and driven to make this successful. Her name was absolutely synonymous with JV:SV. She was very well known and respected—she became a real force, along with the organization. She had a lot of ideas and worked well with all of the entities that were involved with it.

Morgan was both a skilled public persona for JV:SV and a hard-working, talented manager who knew how to motivate her co-workers to be effective. One respondent commented, "Becky [Morgan] was a very serious executive—she had a staff, she raised a lot of money, she took it very seriously." A former staff member clearly perceived Morgan's two-fold impact on JV:SV's credibility and success:

> Becky [Morgan] was absolutely pivotal. Becky's departure from the Senate and coming back to Silicon Valley and heading up JV:SV did two things: outwardly, it signaled to everyone that this was a serious effort, because Becky had more credibility in her pinky than most politicians have in their entire thing [*sic*]. She doesn't give up, she sticks to it, she doesn't take on things that aren't serious. Becky and Jim Morgan are this dynamic duo—she's the public sector person, he's the private sector person, they're both collaborative and well networked. This reinforced the image that this was going to be a public-private partnership; Becky assured that Jim was going to stay involved. I don't think JV:SV would have been what it was without Jim. Internally, Becky took this broad organization and gave it focus by having a business plan and working teams and chairs. She's got an MBA approach to things. She helped the organization mature. She also helped this creative and chaotic thing get some infrastructure, credibility—that was so important. I think the most important thing that she did was continue to demand results, to maintain fiscal stability.[57]

Securing a board of the highest strata of corporate and public sector leadership positioned JV:SV well. The following two critical factors buoyed the board's leadership preeminence: (1) the board was multi-sectoral, representing the business sector, government officials and, to a slightly lesser degree, education leaders (both public and private); and (2) it was comprised entirely of senior executives from each sector.[58] JV:SV selected its board members carefully. As the former CEO commented, "Choosing the right people was key to maintain a balance where the business community would participate in a meaningful way in collaboration without having

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[57] Detail regarding Morgan's managerial approach is discussed under the following section: Organizational Structure.

[58] Nonprofit organizations, such as United Way, were included to a limited degree.

them come and try to run it." Successfully including leaders from different sectors signaled that JV:SV was intent on being both collaborative and innovative. It also gave JV:SV needed professional expertise to execute its vision. As one respondent observed, "JV:SV's [board] stakeholders were public and private…. It was leadership—city mangers, department heads, CEOs, people who were at a level in their professional lives that they had the ability to focus on the broader picture." JV:SV's credibility was thus enhanced. Moreover, by attracting a strong cadre of senior professionals willing to lead the Valley in assessing and addressing regional issues in a novel way, JV:SV's endeavor was understood as worthwhile. Simply put, if prominent leaders were involved, the public perception was that the organization had to matter. As one respondent stated:

> There was a real void in the community in tough economic times. I think having the quality people—who got it started and were on the board—saying they were hoping to make us more competitive and keeping and retaining jobs and addressing issues about education and health care—that kind of leadership was the reason JV:SV was successful for so many years.

JV:SV's ability to manage how it was perceived publicly was crucial to its success. Part of JV:SV's public persona was merely a reflection of the organization itself; its figureheads were strong leaders who garnered public recognition. As one respondent asserted, "People saw that letterhead, with the heads of universities, the chair of the Board of Supervisors, the mayor, a CEO, and that gave it a whole lot of credibility." But JV:SV also deliberately crafted its public image. Morgan successfully "branded" JV:SV by using her expertise as a former public official to champion JV:SV's achievements. Additionally, a consistent, strong product—the *Index*—gave JV:SV strong name recognition. Furthermore, because the product was high quality, the public came to expect high-caliber work from JV:SV. An interviewee commented at length about JV:SV's skills at working with the media:

> Becky [Morgan] was really good at hiring people…. She had the best people around her. That played out in the media. We had communications counsel that had advised people in Washington, they were wise old heads. Most start-up nonprofits don't have the media savvy to release their index with an editorial board briefing with the publisher of the *San Jose Mercury News*. But that's what JV:SV did. That's the kind of people who were involved with it, that's the quality level they were going for…. Part of needing that media savvy and marketing JV:SV was the enlightened self-interest of JV:SV; in order to continue to draw funding from the private sector, we had to show results and those results needed to be visible. You had people who were used to working at that level—Lew Platt, Becky Morgan, Susan Hammer—they're used to being on the front page of the paper. This is not the grassroots organization that protests in front of a community center in the hopes that they'll get media coverage. This is a different strata of leadership.

The press analysis conducted for this report and JV:SV's self-assessment confirms that JV:SV used media channels well to generate awareness of its work and communicate its message. [59] The quantity of press coverage tracks with JV:SV's activities (i.e., when JV:SV was very active, coverage was high; when it was less active, coverage slowed). This strong public portrayal further enhanced JV:SV's credibility. Indeed, by the late 1990s, JV:SV was considered a leader in regional thought. As one respondent observed:

> I think the visioning process itself really popularized the goals and got those out on a regional scale in a way that was really important. Smart growth was just becoming something that was important. That popularized that idea on a regional scale. Even if JV:SV didn't take on something, it made it acceptable to be shooting for.

Another respondent saw JV:SV's main strength in the nexus between leadership involvement and the image JV:SV created, noting:

> I think JV:SV is one of the most visible examples of a public-private partnership. It has also a successful history and image. It has, from the start, been able to attract the true leaders on the business, government and nonprofit sides. It has developed the image of a high-impact initiative.

Furthermore, JV:SV's strong leadership—buoyed by its image as a results-driven, high-impact organization—enabled it to garner significant resources. These resources were both human and financial, including high-quality consultants, top-caliber researchers and significant financial support from myriad sources. JV:SV's leadership was thus self-reinforcing.

Organizational Structure

JV:SV's organizational structure was premised upon its clear mission as a convener and a facilitator of change for regional leaders. Two components of its structure made the organization effective. First, the structure was responsive to the organization's goals; if the goals were not being furthered by a certain activity, the structure allowed the activity to be easily disbanded. The successful execution of results-based accountability was a distinctive feature of JV:SV. Second, JV:SV maintained its keen focus on being a leadership organization and ensured that its expectations, activities and results continually engaged the highest strata of leadership.

JV:SV's internal organizational structure emphasized results. Internally, JV:SV relied on a "network" structure. It was decentralized, with an intentionally small administrative core and relatively autonomous projects that could have been spawned internally but eventually were required to become self-sustaining. This structure was modeled after the emerging business model in Silicon Valley. It allowed for experimentation with a range of different types of initiatives that could not have been tried as easily within a more centralized and bureaucratic

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[59] A tally of JV:SV-related articles in the *San Jose Mercury News* is in Appendix: Analysis of Press Coverage; *Lessons for Regional Rejuvenation, Volume 2*, p. 31–32 presents JV:SV's self-assessment of its use of the media.

structure. It also encouraged the bottom-up generation of ideas and agenda. JV:SV's emphasis on performance measures and goals as well as the use of the venture capital model of funding experiments (as with Challenge 2000) reflected other lessons from local industry. As one former staff member commented:

> [JV:SV's internal structure] focused on tasks. We organized around an outcome. When the outcome was achieved, you either disbanded or morphed into something else. It was a fabulous structure. And we were pretty judicious about letting go of things. We were created with that intent. We were able to create a quality collaborative/process environment.

All former staff members agreed with the above assessment of JV:SV's internal emphasis on outcomes. The former CEO's comments reflect this distinctive feature:

> I think that what was different [from other nonprofits], with Connie [Martinez] and me in the lead and both of us having an MBA, was that we required a business plan—for the overall organization and for each initiative—with objectives, measurements and sharing the results.

A former staff member elaborated on the benefits of this approach:

> JV:SV was non-bureaucratic, results-oriented. It was hierarchical in the sense that you had a clear organizational chart. It wasn't a flat organization; it had a really good structure in place to do good work. The thing that was very non-hierarchical was that it really was a meritocracy. You either could produce results or you didn't. If your project didn't produce results then you went away because you weren't fundable."

The high-quality and focused execution of JV:SV activities was ultimately self-reinforcing. Its successes as a civic catalyst for the Valley drew in those interested in improving life in Silicon Valley. Once people were drawn in to JV:SV, they could not help but be impressed with its inner-workings. JV:SV's strong grasp of group process made participation effective and streamlined: meetings were effective, expectations were clearly communicated, participants were respected, trust was built among project participants, opportunities for individual participants' engagement were delineated and manageable, and conflicts were treated as resolvable. These qualities were integral to JV:SV's endeavors. Menashi's analysis of JV:SV supports this finding. Based on her JV:SV research, she notes, "The quality of the administration matters in the social capital that is created. Treating people well is extremely important in encouraging people to stay engaged in the process."[60] One respondent noted:

> A collaborative is mostly about the process. Multi-sectors [working across sectors] is very messy stuff. The quality of bringing together created an

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[60] Menashi, 1997a, p. 122.

environment different from what people had experienced before. I think one of the early reasons that [JV:SV] attracted such high-level people was that quality process…. If you think about it, the private sector is the hardest nut to crack. The public sector is about process. Democracy is about process. Nonprofits live in a far more complex and multi-dimensional world. So the readiness of the nonprofits and the public sector was there, but the interests and ability to attract and sustain dialogue with the private sector—that made the difference…. That quality attracted people.

Throughout its diverse projects, JV:SV maintained its focus on leadership and intentionally resisted bringing in representatives who were not central to its mission. In JV:SV's early and most successful years, the organization was primarily comprised of private executives, and government and education sector leaders.[61] Respondents concurred that greater representation from other sectors (nonprofit or labor, for example) might well have lessened the business sector's involvement and diminished JV:SV's capacity to be effective. The business sector brought clout and resources, and its activities were central to JV:SV's issues. Moreover, inclusion of other sectors would have made JV:SV a grassroots organization rather than a leadership organization and would have expanded its focus, thereby weakening the organization's effectiveness. One respondent's comments are illustrative:

The more community people you bring in, you're going to drive out the business people. It's hard to figure out who to bring in and why, and you're additionally criticized if you don't involve community members. The board was structured into three parts—business, government/education and then "community" as a catch-all. But over time [after Morgan's departure], the community members became more involved and it definitely changed the dynamic. Nonprofit people don't bring resources to the table the way business people do. And nonprofit people don't often have the discipline about focus and results, which the business culture brings to nonprofits, which is really, really important.

Another stated:

We are not a grassroots organization; we are a leadership organization. Don't apologize for it—that's who we are. Engaging leaders from the grassroots can be part of the strategy. When you start dancing in the masses, you know it's a big mistake.

JV:SV's organizational structure, which emphasized mission-driven process and measurable outcomes, and thus contributed greatly to its success under Morgan's tenure.

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[61]   A few community representatives were on JV:SV's board. Nonetheless, they did not have a preeminent role in the organization.

Moreover, JV:SV's ability to bring diverse groups together was another manifestation of its focused, results-driven internal structure. One respondent makes this connection explicit:

> The private-sector/Silicon Valley way of getting things done—results-oriented, quarterly outlook—was the operating ethos of JV:SV. You wouldn't get that at any other nonprofit. At the same time, I don't think JV:SV would've been successful had it not had a really strong public sector capability…. If you didn't have public sector leaders there, the ah-ha's never would have happened in the private sector. I think it was the wisdom that comes from that diversity [of the public and private sectors] that made it successful. You had the top tier of leadership. You had really high-level people…. I think it was the wisdom of joining those two together that was the biggest contributor to JV:SV's success.

Venture Capital Problem-Solving

Under Becky Morgan's leadership, JV:SV adopted a venture capital model to solve regional problems. It assembled a diverse group of accomplished professionals from different sectors (the venture capitalists) with diverse areas of expertise and resources (the capital) to tackle specific issues. Issue selection depended on whether the issues had traction (i.e., those in which JV:SV affiliates were interested) and whether there was an opportunity for action (i.e., those which JV:SV affiliates could contribute to). Once an issue was selected, it was sustained only if the issue and associated approach achieved results. If it did not have an impact, the issue and approach were discarded. JV:SV thus encouraged entrepreneurship and tolerated failed innovations, as is consistent with the venture capital model. Subsequently, JV:SV identified the issues upon which it could act most effectively and it allowed the nature of the particular issues to guide its approach. In other words, JV:SV's issues consistently defined the organization's structure, rather than the organization defining the issues. JV:SV's flexible, network structure enabled this approach and forced the organization to be attentive to changing issues in the Valley. This approach is consistent with Henton, Melville and Walesh's three-pronged cycle for civic revolutionaries: discover, decide and drive change.[62]

Silicon Valley's political context facilitated JV:SV's venture capital problem-solving approach. As discussed earlier, though cross-sectoral collaboration was not new to Silicon Valley, the collaboration across these specific sectors—education, public officials and business—was original. These sectors did not have a tradition of working together, but neither did they have a contentious history. They were not inherently suspicious of each other, which enabled them to proceed—albeit cautiously. AnnaLee Saxenian's study of Silicon Valley business' political mobilization is consistent with this analysis and JV:SV's experience in the 1990s. She writes:

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[62] Henton, Doug, John Melville and Kim Walesh. 2004. *Civic Revolutionaries: Igniting the Passion for Change in America's Communities*. San Francisco, CA: Jossey-Bass, p. 14–18.

A permissive political environment in Silicon Valley, characterized by an accommodative local government and the absence of challenges from other organized interests, produced a conciliatory high tech community committed to business-government collaboration in the preservation of the regional environment and productive infrastructure.[63]

The lack of overt friction between sectors is historically specific to the Valley; it conceived of itself as a place that had been long ignored by the rest of the country and had a pervasive can-do spirit.[64] As one respondent noted:

> I think the operating influence in the early days [of JV:SV] was the Silicon Valley tech sector tradition of libertarianism… "We can do it ourselves." …There was a sense that if we wanted to have a bright future, then we needed to roll up our sleeves and get things done. That's very Silicon Valley.

Had the different sectors been more suspicious of others' motivations, JV:SV's activities would have easily stalled. Rather than focusing on their common agenda, participants would have dwelled upon their doubts about others' interests. One respondent observed the particular nature of sectoral relations in the Valley:

> You didn't have a history of contentiousness [between sectors]. I think that comes from the fragmentation of Silicon Valley…. In Silicon Valley, each industry and sector are lone wolves. We have all the fragmentation of local government, which compels people to work together, but it's highly unlikely you have entrenched relations.

Thus, each sector thus trusted others enough to allow the venture capital model to identify issues and approaches, and subsequently to shape the organization's trajectory. In time, they learned from each other and developed a strong working relationship.

EXPLAINING JV:SV'S STUMBLE

There is broad consensus among JV:SV board members, current and former JV:SV staff, funders and project participants, that JV:SV stumbled following Becky Morgan's departure in 1998. Yet JV:SV's difficulties can be only partially attributed to the absence of a strong leader. In fact, the three contributing elements to JV:SV's success discussed earlier—leadership, organizational structure and a venture capital problem-solving model—explain JV:SV's downfall after Morgan left the organization. Both internal and external factors affected JV:SV's leadership: its CEO and board changed in addition to shifts in the business environment,

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[63] Saxenian, AnnaLee. 1989. "In Search of Power: The Organization of Business Interests in Silicon Valley and Route 128." *Economy and Society* (18)1: 60.

[64] Certainly this may be true in other regions. For the purpose of this report, it should be noted that it is not true for *all* regions.

corporate governance regulations, and Silicon Valley's civic leadership capacity. JV:SV's organizational structure suffered. It lost its cross-sector dynamism, diverse funding sources and positive public perception. Its structural issues were further exacerbated by its merger with its own community outreach spin-off. JV:SV's venture capital problem-solving model, the final contributing element to JV:SV's success, also dissipated. JV:SV engaged in its first large-scale community involvement process, which yielded a complex agenda. However, JV:SV did not apply its venture capital model to this agenda, and instead engaged sporadically and unsystematically with its new initiatives. This section explores these issues in greater detail.

Leadership

Morgan was succeeded by Ruben Barrales, who had been a board member prior to becoming the CEO. At the time of Morgan's departure, JV:SV affiliates were divided over the selection of Barrales as Morgan's replacement. In retrospect, however, former JV:SV staff, board members and other JV:SV affiliates all agree that Barrales was a poor choice to head JV:SV. Barrales' lack of substantive experience and disengagement with JV:SV's issues made him ill-suited to the CEO position, especially in contrast to Morgan. He was also missing the necessary Silicon Valley connections and public recognition as a credible, devoted local leader, both of which limited Barrales' ability to sustain JV:SV's high-level profile and achievements. Furthermore, Barrales made a key error during his tenure at JV:SV that contributed to doubts regarding his professional maturity: he accepted a public position affiliated with a political party (the George W. Bush 2000 presidential campaign). He was lambasted for this in the *San Jose Mercury News* and ultimately resigned the position. As one respondent commented, "This undermined the credibility of JV:SV. JV:SV has got to be seen as a non-partisan group." Respondents deemed this as amateur behavior, and often used the phrase "up and coming" to describe Barrales. In other words, he was not well enough established professionally to take over the role of a CEO of what was then a powerful and visible regional organization. It appears that Barrales treated JV:SV as a stepping-stone for his career, rather than as a pinnacle. One interviewee observed:

> When Becky [Morgan] left, she had hard shoes to fill. She wasn't happy about the board's decision about her replacement. That transition led to the decline of JV:SV's credibility. Ruben [Barrales] was more up-and-coming. I would not have put an up-and-coming political person in that spot, because they're going to use it as a stepping stone to the next thing. You needed someone like Becky, who had the industry contacts but was going to take JV:SV to the next level, but also continue the connection to the tech community and the business community. Ruben didn't do that. When he left, the board started ratcheting down in terms of the level of person and the connection to the business community.

As the above quote illustrates, Barrales' unsuitability became part of a downward trajectory for JV:SV.

Barrales' performance was also affected by his unwillingness or inability to grasp and promote JV:SV's agenda. His message did not resonate with his constituents, as had Morgan's. One respondent stated bluntly, "The transition to Ruben [Barrales] never worked…. We hired the wrong person…. He was unable to connect with the community and the concept of JV:SV." Another offered, "Ruben wasn't effective at all in that role [as CEO]…. I don't think he had the personality or the understanding of what JV:SV was, how to make it relevant or how to move it forward." Barrales' ineffectiveness yielded few, if any, of the results that were expected of JV:SV, which put the organization on a treacherous path. As the former CEO observed:

> It's terribly hard to recover from a slide in leadership. In the year and a half after I left, there was virtually no money raised and the $3 million that I left in the JV:SV account was gone. There was nothing that one could point to or that the newspapers would publish—as an example of one criterion to gauge activity—regarding JV:SV activity.

Though Barrales' tenure coincided with JV:SV's stumble, it is not clear that Barrales instigated that trend. Barrales' ascension may have, in fact, indicated the board's diminished attention towards JV:SV. Barrales became the CEO against Morgan's wishes, largely because one board member, Condoleezza Rice, advocated for him.[65] Rice sought out and garnered support from another key board member, Lew Platt, and together the two pushed the Executive Committee to support Barrales over Morgan's choice, Connie Martinez. The board's distraction with other issues meant that perhaps it did not examine the implications of choosing Barrales. Yet this perspective benefits from hindsight. JV:SV's board was reasonably engaged with the organization. Nonetheless, respondents concluded that the board did not fully grasp the distinctiveness of JV:SV's organizational purpose and structure at this juncture. JV:SV's network structure relied on a strong leader; this differed from most board members' own organizations and was not discussed overtly within JV:SV. One respondent commented:

> I think Condoleeza [Rice] underestimated the complexity of JV:SV and I believe that she thought Ruben [Barrales] could do a fine job. Also, I think that some of the board members didn't fully appreciate that this isn't like replacing the CEO at HP where you have an infrastructure below you that is not totally dependent on one or two people. There's a foundation and you can make a lot of mistakes [at HP]. The nature of a collaborative is fragile because it has everything to do with relationships, and people.

Similarly, another respondent exclaimed:

> I don't think JV:SV's board ever fully appreciated the enormity of what JV:SV was trying to accomplish…. I don't think the board understood how important the CEO role is. If they had, how could they have put Ruben [Barrales] in charge? … He was energetic and ambitious, but anyone worth their salt knew

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[65] At the time, Rice was the provost of Stanford University.

he wasn't ready for that job. He didn't have the regional credibility. He didn't have a track record of his own. He didn't know how to manage people. It was like the intern was running the show.

Barrales left JV:SV for the White House in early 2001 after two years of disappointing results. Other issues exacerbated JV:SV's troubles. The board changed at this time; it became less business-dominated and included people with less leadership experience.[66] This transition reflected both internal limitations in JV:SV's board development strategy and an external shift in the corporate world. Internally, JV:SV failed to anticipate and prepare for the retiring of key board members. One respondent lamented:

After five years [from JV:SV's inception], I think that the board gradually weakened…. There needed to be a rejuvenation a couple of years sooner. You have to anticipate it [the board weakening] while [strong] people are there.

And while Morgan had selected board members carefully, Barrales' inattentiveness to detail further contributed to weakening the board. Moreover, Barrales' ineptitude made leaders who had been involved with JV:SV (but who were not necessarily board members) reluctant to continue—let alone deepen—their involvement with the organization. This disengagement was particularly acute among the business sector due to the fissure between the JV:SV business constituents regarding Barrales' appointment. The preeminence of JV:SV's board thus dissipated.

Externally, the nature of competition in the technology industry changed over the course of JV:SV's existence. Local business leaders became more globally connected and consequently less committed to the region in which their companies were located. One respondent opined:

In the context of the Valley, the David Packards and Lew Platts and others, they were the first generation of the real business leaders who understood how important it was for them and their companies to be involved in the community and to be leaders. I'm not sure that the next generation of business leaders ever really grasped that and stepped up to be the leaders… of JV:SV or other things…. They're so disengaged from the communities they live and work in…. That feels very different than it used to when you had those other folks from the giants of industry who understood how important it was to be involved in their community.

Other respondents also felt this shift acutely. One long-time Valley resident observed:

I think the [business sector's] focus has changed from the local/regional to the global focus…. When Lew Platt and Susan Hammer were involved, there was a real commitment to being here and to making this region work because it's our

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[66] Analysis of JV:SV's board membership is in Appendix: Analysis of Board Membership.

long-term future. And today's business leaders' message is, "We are globally focused, we do live here, the quality of life isn't necessarily where we're focused…." There's a new cadre of business leadership. We're in a transformational state. There are no more David Packards and Jim Morgans. We don't have the magnetic icons who have the force of their organization to make change locally.

Respondents agreed that the Valley lacks a new generation of civic leaders—those who are entering their professional prime and willing to take leadership positions in Silicon Valley organizations. As one respondent observed:

> JV:SV has to be able to transition to a new generation of leadership. Jim and Becky [Morgan] are in their late 50s or 60s. Jim is retired from the CEO of Applied Materials. There should be a transition to a generation of 40-something leaders who aren't beginners, but are not at the retirement age either. But I think if you were to draw the age pyramid, there's sort of a dip there. There are not a lot of those types of people.

Two reasons for this generational gap were cited: (1) JV:SV's failure to mentor JV:SV-affiliated rising leaders in the 1990s, and (2) the impact of the 1990s economic bubble. One respondent offered:

> You learn that community is important in hard times, not when things are easy. So they missed a learning experience. These people haven't had the intense experience of working together with government and nonprofits in difficult, precarious conditions.

Moreover, during the dot.com boom, people came to Silicon Valley to get rich quickly. Such people were not interested in improving the quality of life in Silicon Valley. One respondent was quick to note the impact of the boom on business leadership:

> The boom changed everything. Beginning in 1995, 1996, this region was just crazy. That context shifted for JV:SV. All these new people flocking in here—people were working around the clock, people didn't have time for the community, and you didn't need to worry [about the economy] because everything was just going gangbusters. And you had this next generation of people who were from India, Taiwan, or the Midwest who were here to make a buck or advance their careers. They didn't know Packard, they didn't know these role models, they didn't know if they were going to be here for a long time; they were totally focused on meeting their corporate objectives. Once the boom started, it became even harder to bring in these new people, but it became even more of a requirement. The generational change is probably the biggest thing. Who's going to fill the void now? JV:SV falters because there isn't the same indigenous business leadership. That's a huge challenge, especially now with the

global business model. The world's a small place now, yet you still have to have them connected to the place where they live.

More recently, corporate governance reforms have also contributed to business leaders' reluctance to involve themselves with community-oriented endeavors. In order to increase corporations' accountability to their shareholders, these reforms emphasize transparency in business decisions. This has come at a cost, however, as business executives have less leeway to engage in activities that fall outside shareholders' prescribed purview. As one respondent opined:

> Today's CEOs are on a very, very short leash. The need to justify every single investment—even modest investments in nonprofits—is more acute than ever…. So what I find as a dangerous paradox is that, at a time when we need even more CSR [Corporate Social Responsibility], the side effect of the governance reforms precipitated in the wakes of the Enron scandals and Sarbanes-Oxley [legislation]—these reforms have had the opposite effect. Sarbanes-Oxley optimizes for transparency and indepencence, and the side effect of it is that it has reduced the space allowed for CSR…. The governance reforms of the last two or three years have made corporations vehicles of shareholders, vehicles to defend shareholder interest in the narrowest of senses.

The changes in the business environment and leadership, combined with JV:SV's failure to develop the more experienced members into visionary leaders and lack of confidence in JV:SV's CEO, led to a quick and dramatic change in the nature of JV:SV's board. One respondent observed how the board's decline limited organizational effectiveness:

> You need the highest levels of leadership [on the board]. Without that, you're going to get the second and third tier people in these diverse organizations who neither have the authority to make the investment of their time to allocate competent people, nor figure out successful strategies for sustainability. The problem is once you get away from the leadership, you're a community organization and it's hard to drive that infrastructure.

JV:SV thus lost its preeminence as a leadership entity. One respondent articulated this confluence of external and internal factors that weakened JV:SV's board:

> I think it [board weakening] has more to do with the fact that there isn't a large number of people who are the Jim Morgans, the Lew Platts. It's a very small universe. When things turned, it would have taken a lot of mentoring. Where is the next generation of Jim Morgans? The global emphasis additionally brings a less distinct connection with the local community. The bottom line is that there isn't a large universe to pick from. There wasn't a strategy to bring some of the new leaders along under the wing of the Jim Morgan's. The mentoring didn't happen. We were probably tired.

Consequently, the business sector became less engaged with JV:SV. This continues to be an issue for JV:SV today. Some people within JV:SV today see a longer-term business constituency among emerging start-ups in the biotech, nanotechnology, and information technology fields, as these fields are more dependent upon the local institutions and infrastructure. It remains unclear, however, whether this constituency will step up to a leadership role in the way that JV:SV's early founding members did.

Organizational Structure

JV:SV's organizational structure weakened under Barrales' watch. Barrales was not a skilled manager, nor was he able to envision and guide innovative projects that brought the business and public sectors together. After Barrales' departure, JV:SV ceased to be the dynamic force where the business and public sectors came together. The subsequent identity crisis rendered JV:SV rudderless: participants and observers were unsure of the organization's direction and, indeed, whether the organization itself should continue to exist. In fact, JV:SV contemplated disbanding after Barrales' departure, but ultimately decided that the organization's mission was still relevant to the Valley. JV:SV thus kept its doors open. Yet the question of whether JV:SV has outlived its utility continues to plague the organization. Moreover, maintaining the momentum of an established institution has proved challenging. One respondent queried:

> Should things last forever? And if they should, how do you keep the energy going and transitioning people in? The process of creating something from scratch is so intense and so exciting. You get really serious people involved if you take on something that's big and they're really going to be able to craft it and make a difference. But over time… it gets institutionalized, people's lives change…. I look back at JV:SV and one of the things that was very difficult was sustainability of institutions and keeping the energy up.

JV:SV's flexible structure was particularly dependent upon sustaining its momentum. As one respondent stated, JV:SV's structure "largely depends on leveraging 'networks of networks'—[for example] networks of board members with other networks to which they are connected." Once those networks weakened, the dissipating energy perpetuated the collapse of JV:SV's structure.

In 2001, following Barrales' departure, JV:SV merged with its community outreach spin-off, the Silicon Valley Community Action Network (SVCAN). This merger exacerbated JV:SV's identity crisis because it changed the composition and purpose of JV:SV. Furthermore, SVCAN itself had been struggling and brought its own challenges to the merger. The timing of this merger was problematic. At the same moment that JV:SV was trying to redefine its purpose, it had to incorporate a new focus. This confusion further perplexed the public and JV:SV affiliates. Moreover, the merger raised questions about how to structure a leadership organization. Is it possible to be both community-oriented and leadership-driven? JV:SV's struggles indicate that this co-mingling is difficult, if not impossible, to execute. As one respondent stated:

Power attracts power. And so JV:SV fizzled [after the SVCAN merger]. It's easy to look at it in retrospect…. Having been in the public sector where you have total community inclusiveness and everyone has a right to speak—there isn't a single CEO in this Valley who would stick it out in that kind of context. You can't mix the two. You cannot mix the grassroots environment with a high-level business executive. It doesn't mix. They're different ways of doing things.

JV:SV participants wondered why the organization was no longer actively pursuing an agenda and often focused on JV:SV's past rather than its current direction. This, too, perpetuated JV:SV's inaction. One newer JV:SV participant commented:

People would always talk about the past…. As someone who was very new to the organization, I felt that focusing on the past was significantly draining the energy of the new people and the present. You're never going to attract people this way…. The challenge is that if you're always thinking about the past, then you have no time to think about your future.

JV:SV's confusion about its organizational purpose was reflected in its funding. In the early years, JV:SV was funded by corporate contributions and funds from participating cities; in later years, however, JV:SV began to rely on grants. Generally, a grant-based financial structure is not sustainable for a convener such as JV:SV. Grant funding favors results-oriented programs, rather than organizations, institutions and high-level issues. Being forced to operate programs or to continually seek out new grant money undermines JV:SV's ability to function as a regional leadership organization. One current participant noted:

We've been funded mostly in the last few years by foundations rather than business and I think that's been a real challenge. JV:SV won't survive on foundation money. Foundations like to give money to programs. They aren't in the business of sustainability. This work is so messy that without the business sector's economic investment over time, I'm not sure that JV:SV can do what it needs to do; though I think what it's trying to do seems very critical.

JV:SV's reliance on program-dependent funding reflects how its funding strategy has weakened over the years. As one respondent commented:

We're working hard to maintain the nonprofit, rather than asking the right questions. You don't have that philanthropic strategy. JV:SV values itself in addressing the questions and ideas that are most important to this region. How do we team up with other regions in California? What can each region contribute? You can't answer those questions when you're struggling with running a nonprofit.

Ideally, JV:SV's funding base would be a diverse portfolio that included corporate, endowed, foundation and government contributions. JV:SV's failure in its later years to engage the business community inhibited such a structure. One respondent stated:

> [JV:SV faltered] without a strategy to bring the private sector along, using the confidence that we had built in the first five years. Given the [changing] agenda, it would have been natural to have a diverse portfolio—but it went completely to the other side [foundation funding]. And that's not a good strategy.

Becoming dependent on philanthropy changed how JV:SV saw itself, and in turn, how it came to be perceived. One respondent observed, "People in the community should see JV:SV as an organization they do things through, rather than another organization with a staff that delivers results." Indeed, JV:SV became less driven by its vision and more focused on delivering program-specific results, such as meeting the US Department of Education's funding requirements for Challenge 2000, thus undermining its broad focus. One participant noted, "Over time, JV:SV became less focused on initiatives that the community really wanted, such as getting tangible results, more focused on having meetings, going to meetings, and being part of that."

Venture Capital Problem-Solving

JV:SV's agenda and approach also began to shift in the late 1990s. In part, this was a necessary adaptation in that it reflected JV:SV's accomplishment of many more modest goals. Subsequently, JV:SV decided to tackle some of the deeper structural issues affecting the Valley. Instead of employing its venture capital model to identify and address regional problems, JV:SV identified issues in the late 1990s through a large-scale community involvement process called Silicon Valley 2010. This endeavor involved over 2,000 representatives from service clubs, business organizations, labor, elected officials and residents. The visioning process included resident questionnaires, eight focus groups in various languages, a resident poll, ten community forums, an executives' forum and interviews. Silicon Valley 2010 thus differed from JV:SV's earlier work in two significant ways. First, the visioning process was JV:SV's first large-scale community-oriented endeavor. Second, it responded to divergent circumstances; at the same time that the Valley was experiencing an extraordinary economic boom (very different from the crisis context of JV:SV's first publication, *Blueprint for a 21st Century Community*), the Valley was also facing long-term challenges regarding physical infrastructure and social equality.

The Silicon Valley 2010 process consequently yielded a complex regional agenda that differed from the issues JV:SV had previously addressed, including issues such as housing, transportation and land use. One respondent noted:

> This new initiative was launched and became Silicon Valley 2010. That took JV:SV into a whole other range of topics. And this is where it really became known as a CRI [Collaborative Regional Initiative], in the sense that environment, equity and the economy—the three *e*'s—and the broader world was brought into consideration.

Yet JV:SV did not implement Silicon Valley 2010's three-*e* vision. As the Silicon Valley 2010 visioning ended, the two key characteristics that made JV:SV's earlier venture capital model for regional problem-solving possible—JV:SV's high-level leadership and organizational structure—changed. JV:SV abandoned the venture capital model at this juncture. Morgan left JV:SV after completing the visioning process. She contributed a venture capital approach to problem-solving that determined which issues were tackled, how they were approached and what results were measured. Not only did Barrales lack this approach, but he also abandoned the intended next step for Silicon Valley 2010—an internal implementation planning process.[67] Furthermore, JV:SV's organizational structure changed. It became a large, program-oriented nonprofit. Instead of addressing the leadership gap, changes in organizational structure, and the need for an implementation plan for Silicon Valley 2010, JV:SV lost its focus. JV:SV moved from one issue to another with little regard to which issues had the most traction or proven ability to make change. One respondent noted:

> There was a poor transitional process. The leadership focused more narrowly on particular issues that did not address the breadth of issues laid out in the most recent goal-setting process [Silicon Valley 2010]. And so, JV:SV seemed adrift for about two years and I think it lost credibility in the community. It wasn't able to follow through on some of these commitments.

Losing its venture capital approach led to a downward spiral for JV:SV. It lost its leadership base, its preeminent role in the Valley and its ability to identify an agenda upon which it could make an impact. In short, JV:SV lost both its venture capitalists and capital at the same time. As one respondent commented, "The organization was doing a lot of everything but not [enough] of one thing. Also, it was being pretty reactive to short-term fads…. It was opportunistic, and it wasn't strategic… [so] you abdicate your leadership role." Instead of refining or developing a model that maximized JV:SV's resources and used results to guide decision-making, participants worried about the lack of involvement of leaders from different sectors. As one respondent stated:

> The danger is, if you attract high-level players and your stuff isn't together, it's easy for someone to get cynical…. I think the problem with JV:SV is that it spends all of its time thinking about what the right ratios are between education, public sector, social sector, whatever. I don't want to sound overly pessimistic, but it spends so much time counterbalancing those things—and I understand the instinct—but I think… that's not appropriate.

The convergence of a leadership crisis both in terms of the figurehead and the driving board members, a weakened organizational structure and the abandonment of the venture capital problem-solving approach undermined JV:SV's organizational integrity. One respondent drew these themes together thus:

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[67] The intent of the JV:SV staff, including Morgan, and board was that implementation planning would follow the Silicon Valley 2010 visioning process.

After Ruben's [Barrales] departure, people in civic groups started coming in more and more. It's partly natural—the issues were becoming more quality-of-life and less economic. But it just became different. It's lost its way in terms of leadership. They never found another Becky [Morgan].

These challenges continue to affect JV:SV today.

REFLECTIONS ON JV:SV'S ACCOMPLISHMENTS AND CURRENT DIRECTION

In the 1990s, JV:SV was successful at identifying and grabbing the "low-hanging fruit"—that is, the projects with clear goals, well-defined outcomes and consensus regarding their necessity. JV:SV created a model that facilitated effective, innovative solutions to complex problems affecting the business climate and residents' quality of life in Silicon Valley. JV:SV captured regional leaders' enlightened self-interest by creating win-win opportunities for business, government, education and community members. As discussed in this report, JV:SV's most successful projects included Smart Permit and the *Index of Silicon Valley*. Through its myriad projects, JV:SV changed the decision-making culture in Silicon Valley. It leveraged its success to influence other regions across the country, as well as state-level policy. It also demonstrated the potential to impact the three *e*'s of economy, environment and equity. Yet, JV:SV has stumbled since the 1990s and it is not apparent whether its present ambitious agenda and new leadership have served to regain JV:SV's currency in Silicon Valley.

Changing Culture in Silicon Valley and Beyond

JV:SV's outcomes in the 1990s were substantial, though most were not quantitatively measurable. JV:SV changed the decision-making process and culture in Silicon Valley. As one respondent noted:

> The most important outcome of JV:SV was turning the psychology of the community, of engaging people to express their optimism about the Valley. You attracted people who were wiling to work on the future, even though it was [economically] ugly in the Valley at that time. There was a real need to say, "What's next?" Some of the things that JV:SV worked on didn't amount to an enormous impact, but some of that was getting people to consider alternatives and look at the future. They created a whole conversation.

The long-term consequence of this shift is hard to quantify, but it is reasonable to surmise that JV:SV affiliates' approach to making change in their community and through their workplace has been affected. A respondent observed:

> Once you've broken down that barrier [between and within sectors], can you put it back up? I don't think so. I think you've changed the paradigm. My hunch is, once you break down these barriers, people make those contacts and see that they can work together. I've seen that in so many regions.

Two channels were key to JV:SV's influence on other organizations within Silicon Valley and beyond: (1) the James Irvine Foundation's Sustainable Communities program, and (2) the Alliance for Regional Stewardship. The Irvine Foundation funded one of JV:SV's most influential publications, *Lessons for Regional Rejuvenation*, Volumes 1 and 2. The Irvine Foundation promoted this document through its Sustainable Communities program and encouraged JV:SV associates, Becky Morgan and the founders of Collaborative Economics to communicate with other CRIs in California.[68] A respondent observed how JV:SV's experience influenced other CRIs:

> We carefully documented what we learned [from JV:SV in *Lessons for Regional Rejuvenation*, Volumes 1 and 2]. People [outside of JV:SV] found that enormously helpful because it's very real and it's not about generalities. It helped inspire other efforts. We used it to help inspire other efforts…. The Irvine Foundation funded JV:SV and Collaborative Economics to spread the message.

The Irvine Foundation's events, particularly the CRI summits, were integral to spreading the JV:SV-pioneered model of collaboration and civic engagement to other California regions.

The Alliance for Regional Stewardship was founded in part by three JV:SV affiliates to create a national network for regional problem-solvers (or stewards). At present, it includes about 40 regions from across the United States. While the Alliance for Regional Stewardship is influenced by many organizations, including JV:SV, its existence is partially attributable to JV:SV, thereby widening JV:SV's sphere of influence. One respondent commented:

> [When JV:SV was created] there was no mechanism for facilitating regional collaboration. There wasn't such a thing as a regional index…. We just created the whole thing, and then it became a standard…. There was a lot of innovation that others in California benefited from.

Indeed, JV:SV's wider policy impact is illustrated by key JV:SV figures' involvement with the Speaker's Commission on Regionalism in 2001–2002.[69]

Transforming the Economy, Equity and Environment

JV:SV's influence on the economy, equity and environment varied throughout the 1990s. JV:SV's most obvious accomplishments fall under the economy. It developed a sense of regional identity, improved the regulatory climate, tracked regional economic performance, and enhanced

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[68] As noted earlier, for the purpose of this report, CRIs are defined as regional partnerships that promote regional economic vitality and improved quality of life in the region. They bring together the public, private and nonprofit sectors to address the complex issues affecting the region. CRIs were promoted and funded through various foundations, principally the Irvine Foundation.

[69] Staff from the James Irvine Foundation's Sustainable Communities program and the Alliance for Regional Stewardship's staff, as well as Becky Morgan, were involved in the Speaker's Commission on Regionalism. See Speaker's Commission on Regionalism. 2002. *Final Report. The New California Dream: Regional Solutions for 21st Century Challenges*. http://www.regionalism.org/pdf/scorfinalreportsummit02feb02.pdf

social capital in the Valley, all contributing to the economic health of Silicon Valley. JV:SV's progress toward improving regional equity and the environment is more indirect.[70] How can this be explained? Did JV:SV intentionally focus on the economy more than on the environment or equity? How did JV:SV's focus on the three *e*'s compare with that of other regional organizations?

In JV:SV's first organizational phase—from its inception through the late 1990s—the organization's primary focus was on the economy. Improving the economic conditions in Silicon Valley was the original impetus for JV:SV's convening. Indeed, this focus helped JV:SV flourish. As Menashi's study revealed:

> For a given participant, having a common goal with other members of the group leads to high levels of meeting attendance, which significantly corresponds to change in social capital, activity and continued participation. The economy-focused participants are the most likely to share a common goal with other Joint Venture members.[71]

As the Silicon Valley economy began to boom in the mid to late 1990s, JV:SV took on issues related to managing that growth related to environment and equity concerns. One respondent noted:

> It's been an evolution [with the three *e*'s]. I think in the beginning it was clear that people came together because of what people perceived as an economic crisis…. People got into that. When the economy got better, people began to worry about the environment more broadly. "How is this affecting the quality of life?" "Are we growing too fast?" That came up particularly in the fast growth period of the '90s. Then we began worrying about the effect of the economy on issues like smart growth. The equity issue came in a little bit later.

As discussed, JV:SV lacked focus in its second phase—from the late 1990s to 2002—and it thus addressed all three *e*'s at that time, with varying degrees of success. Indeed, its goals for Silicon Valley 2010 related to an innovative economy, livable environment, inclusive society and regional stewardship—thus reflecting all three *e*'s. In JV:SV's current incarnation—its third phase—its relationship with the three *e*'s has again shifted. Currently, JV:SV has four initiatives based on the original Silicon Valley 2010 goals:

1. *Innovative Economy,* whose projects include Next Silicon Valley (developing a framework for understanding and communicating about the Valley economy and a process to engage leaders in a regional discussion), Regional Economic Strategic Leadership Team (RESuLTs, which assesses Silicon Valley's economy, proposes new public/private partnerships and stimulates innovation), Tax and Fiscal Policy Group and

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[70] JV:SV had its own language regarding the three *e*'s, which evolved through JV:SV's existence. "Economy" was a familiar term, but "environment" and "equity" tended to be addressed using other terminologies.

[71] Menashi, 1997a, p. 89.

Economic Development Roundtable (which brings together city economic development officials);

2. *Livable Environment*, which includes Main Street Silicon Valley (developing a collaborative management approach for El Camino Real, Silicon Valley's "main street"), Smart Growth Network (support for regional architects, engineers, housing developers and designers to share information and experiences) and Photo Simulations (for planning mixed-use, high-density housing);

3. *Inclusive Society*, which focuses on youth and workforce issues; and

4. *Regional Stewardship*, whose projects include the *Index of Silicon Valley*, Silicon Valley 2010 and Harwood Project (encouraging political engagement).

Although economy is the main focus of JV:SV's work, equity and environment are also part of its vision. Equity, however, is seen as a by-product of a healthy economic base. As the current CEO stated, "In regards to the best way to address equity issues, I firmly believe that you need to grow the economy by creating jobs, attracting and retaining companies. A job is the best social program. Equity is a long-term outcome of our economic focus." Thus JV:SV's shifting emphasis on each of the three *e*'s reflects changes in context externally (i.e., larger economic and social forces) and internally (i.e., changes in organizational leadership).

Throughout JV:SV's trajectory, the environment has been the *e* that is perhaps the least central to JV:SV. JV:SV was less directly connected to the environmental constituency than it was to affiliates concerned about the economy or equity. In part, this explains why environmental concerns have been less explicit in JV:SV's goals. Yet even though the environment was not central to JV:SV's work, JV:SV's accomplishments were not inconsistent with environmental goals. Indeed, quality of life became a concern for JV:SV as the economy grew and environmental issues confronted the Valley more overtly. Correspondingly, Silicon Valley 2010 explicitly addressed environmental issues through its livable environment goals. One respondent saw the three *e*'s as implicitly connected to JV:SV's work over the years, commenting:

> We didn't call it the three *e*'s at the beginning, but people shared the common vision to revive an economy so that the quality of life in this place could be sustained as well as the economic opportunities. People who got involved had a long-term view and an enlightened self-interest that did not emphasize one *e* over another…. JV:SV's work had that triple-*e* flavor.

It is worth comparing JV:SV's focus and relationship to other regional organizations in the Valley. The other long-standing regional organization, the Silicon Valley Manufacturing Group (SVMG), continued its work through JV:SV's course, mostly focusing on housing and transportation. David Packard founded SVMG in 1977 to create a "proactive voice for Silicon Valley businesses…. SVMG was founded on the premise that local employers should be actively involved in working with government to find innovative solutions to issues like transportation,

housing, permit streamlining, education, and the environment."[72] Accounts of the relationship between JV:SV and SVMG differ; some respondents noted ongoing tensions between the two organizations, some had experienced a cooperative relationship with the SVMG and some noted both positive and negative experiences. Nevertheless, SVMG and JV:SV influenced each other; the ways each organization affected the other varied over the years.

When JV:SV began, the two organizations agreed that SVMG would focus on housing and transportation issues, while JV:SV would tend to other issues. Regardless, SVMG experienced a lull in its activities during Morgan's tenure at JV:SV. (SVMG's involvement with JV:SV, including its president and CEO having served on JV:SV's board in the mid and late 1990s, most likely gave SVMG ideas about how to be effective.) As one respondent offered, "[SVMG] would come, find out what we [JV:SV] were going to be doing, and then do something very similar." Subsequently, SVMG gained momentum; this coincided with JV:SV's stumble, which further repelled business leaders from JV:SV. SVMG thus emerged as the stronger group in the late 1990s. One respondent observed:

> We [at JV:SV] were mishandling our own issues and the SVMG went gangbusters. Carl Guardino [president and CEO of SVMG] really built the organization as the gathering place for Silicon Valley business. He crowded out JV:SV.

This is not to suggest that there is only room for one regional organization. Rather, SVMG's pull factor illustrates that leaders are naturally drawn to organizations with credibility and momentum regarding pressing issues. JV:SV suffered when that credibility and momentum switched from JV:SV to SVMG. As Menashi notes:

> The results of this examination indicate that groups with different major motivations require different factors to promote attendance. For economy-focused groups, the presence of an alternative organization and an unhealthy area are significant factors. This result suggests that if people perceive the alternative organization [SVMG] as successful, then people will be less inclined to participate in JV:SV.[73]

Moreover, the region also suffered as a result of SVMG's momentum. SVMG's vision is narrower than JV:SV's, in that it is not cross-sectoral, exclusively claiming itself as a business group that does not purport to convene a larger, community-level constituency. As Saxenian discusses, the group context in which the corporate elite define their agenda shapes that very agenda. She notes:

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[72] http://www.svmg.org/About_Us/index.cfm. Presently, SVMG represents 190 employers who provide nearly 250,000 jobs in the Valley.

[73] Menashi, 1997a, p. 152–153.

While united by a common desire for profit, businessmen face considerable ambiguity in selecting the means to that end. It is through association that businessmen, like all other groups, develop shared outlooks and define common interests. Thus, the appropriate unit of analysis in the study of business in politics is… the self-defined groups of businessmen who, through the process of organization, develop common world views and define their politics, interests and strategies.[74]

SVMG's narrower view thus imposed a more confined regional policy agenda. In turn, SVMG was even less focused on the equity and environmental components of the three *e's*.

Working Partnerships is another Silicon Valley regional organization whose model differs from JV:SV's. Working Partnerships is closely aligned with organized labor and began in 1995 to "respond to the growing rift between business competitiveness and community prosperity in Silicon Valley."[75] Working Partnerships perceived JV:SV as a business-run organization that supported private interests rather than shared community goals. While this is an inaccurate assessment of JV:SV, it likely reflects Working Partnerships' displeasure with JV:SV's relative distance from organized labor. Indeed, the only union consistently involved with JV:SV was the Building Trades Council, thus excluding public sector and service employees unions. Moreover, Working Partnerships established itself in overt opposition to JV:SV through various publications, making it difficult, if not impossible, for the two organizations to work together. Yet the differences between the two organizations may not have been as dramatic as the organizations imagined. For example, one respondent noted that their reports did not differ substantively:

> There have been times in the past when the [JV:SV] *Index* has been put out and Working Partnerships has put out their own index and tried to point out differences. But when you actually look at the data, it's the same.

Although SVMG and Working Partnerships perhaps had different agendas than JV:SV's, all were undoubtedly influenced by the others' activities. None of these three organizations had static agendas and were thus able to play off and respond to each other in interesting ways. One respondent observed how the three Silicon Valley regional organizations functioned in this unique way:

> If you were to go SVMG, it's mainly focused on the economy—maybe a little about the environment. Working Partnerships is mostly about equity. If you look at JV:SV today, it bounces around. From 1998 to 2000, there were a lot of issues about equity and then it flipped again. We lost 200,000 jobs [in the post-dot.com bust] and then everybody said, well that's good stuff [equity] but what

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[74] Saxenian (1989), p. 59–60.

[75] Working Partnerships USA and the Economic Policy Institute. 1998. *Growing Together or Drifting Apart: Working Families and Business in the New Economy*. San Jose, CA: Working Partnerships USA, p. 60.

about economy? …They [JV:SV] didn't start out with the three *e*'s; it evolved that way.

Nonetheless, this evolution toward making JV:SV a true three-*e* organization is not complete. As compared with SVMG and Working Partnerships, JV:SV is the most three *e*-oriented, largely due to its cross-sectoral base. At the same time, SVMG and Working Partnerships' approaches are shifting. Working Partnerships, for example, has recently focused on housing issues.[76] Moreover, it is not apparent whether JV:SV, in its current incarnation, will give the same weight to equity and environment as it does to the economy. It remains clear, however, that JV:SV has the potential to successfully impact all three *e*'s, whether by using its focus on the economy to impact equity and environment, or by implementing a more balanced approach.

Moving Forward?

Since the late 1990s, JV:SV has been unable to sustain its high-profile accomplishments from the early and mid 1990s. In the late 1990s, JV:SV attempted to transition to a more complex agenda. It tackled the three *e*'s more directly—especially equity—through its Silicon Valley 2010 initiative. But the initiative was never implemented. As one respondent commented:

> I think JV:SV went through a second phase between 1998 and 2001 where it wasn't as active, it didn't have as many initiatives, and it was sort of following through on some of the current initiatives that it had done. And then the boom busted and people began to ask questions. "Where is Silicon Valley going next?" These types of questions led to this Next Silicon Valley Initiative, which I think is the third phase of JV:SV. That's where it is now.

JV:SV now faces the structural tension between being a convener that uses the venture capital model, and being a nonprofit that delivers stable programs with consistent results. If its earlier experience is illustrative, engaging on both of these levels can be nearly impossible. One respondent offered, "We have to be action orientated, delivering measurable achievements. We've never resolved whether JV:SV is just an incubator. Do we just spin things out? Or are we an organization that keeps things in-house and pursues initiatives and charts progress?"

Respondents agreed that JV:SV's current initiatives represent viable responses to significant Valley challenges. Moreover, they concurred that there is still a need for a cross-sectoral, collaborative regional organization in Silicon Valley to address the complex social, environmental and economic issues that confront the Valley. It is unclear, however, whether JV:SV in its present form—and third phase—will fulfill that need. Respondents were unsure about the ideal structure for the organization, but most hoped that JV:SV would discover an approach that suits today's challenges and opportunities. As one respondent stated:

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[76] Full discussion of the evolution of SVMG and Working Partnerships' activities is beyond the scope of this report.

That's what JV:SV should be all about—how to make sure that we remain the most innovative place…. I think JV:SV has a role of putting information on the table, being a convener, and taking on some initiatives—not every initiative— and working with other groups—the SVMG, for example. JV:SV needs to work with local government, the foundation community, community foundations, the schools, the training system, workforce investment. It's a web and JV:SV should be in the middle of that web. It's a connector, but it can't do everything. It's got limited resources. It really has to be more of an information and convener group. Its vision, communication and action is more catalytic action…. And it does that in a lot of different ways—through communication, reports, convening groups.

The structure of the needed forum, however, is not clear. Some respondents felt that there was sufficient interest—particularly from the business sector— to make JV:SV dynamic again, but that this interest needed to be channeled appropriately. One respondent observed:

There are still people who want to collaborate at these high levels. They just need the vehicle. For awhile, there was a lack of interest. What I'm sensing now is that there is a growing interest, but we're trying to figure out what the vehicles are. They may be different vehicles than civic leaders felt comfortable with in 1992 [when JV:SV began]. That's the task of JV:SV—to create new vehicles for the time. This is an experimentation process. JV:SV is still… trying to figure out the best way…. It's not science; there's a lot of experimentation…. So how do we mobilize around the challenges and get something done? …There is no real alternative [to collaboration]—top-down, bottom-up, staying within jurisdictions, issue advocacy? We've traveled down that path and it doesn't get you there. We meet with people every month who say, 'We're ready to collaborate and we'll figure out how.'... I'm optimistic.

Respondents agreed that while the current context of globalization, corporate governance reforms, increased competitiveness and economic performance pressures have limited corporate engagement in JV:SV, this same context is precisely the reason that JV:SV is important. One respondent noted, "It's about who can enhance [the Silicon Valley ecosystem] in the face of global competition. That's part of the vision and this is where JV:SV can help. They can serve as the vehicle that attracts the right players to do that." Yet respondents did not see the business sector as monolithic. Many noted that the newer companies were less invested in Silicon Valley as a place, and less community-oriented. The most commonly cited explanation was that their attention is focused on creating a viable business, and that they did not perceive their business viability as connected to participation in regional activities. As one respondent observed:

The majority of companies in Silicon Valley are small, entrepreneurial companies…. The smaller companies, they're so small they don't have a voice. It's an interesting question about how you organize them, particularly the entrepreneurial community. I don't know the answer to it. Particularly the younger companies—the eBays, Yahoos, Googles—they're not engaged as far as

I can tell. They're young, and their business people are too busy to go to meetings.

While respondents agreed on JV:SV's usefulness, many were unsure about its current capacity. The problems from the late 1990s still plague the organization, such as leadership dynamics, board composition, the tension between being a convener/incubator versus its own organization, perpetuating a foundation-dependent funding base and the lack of corporate involvement. The current CEO, Russell Hancock, is well aware of these challenges. As he commented, "JV:SV is the weak little sister, the orphans of the poor. Nobody's sure what we're doing anymore. They've heard rumors of our demise. We don't have the hard edge. We don't represent anyone…. My coming on board is like starting all over again." A more optimistic respondent noted that JV:SV has been adaptive, and that trait may serve it well today:

> JV:SV has gone through different phases and each time it's reconfigured itself with new leadership and new structure. From that standpoint, I think it's been successful. It's had its ups and downs—it hasn't been a straight line.

Yet Silicon Valley today faces economic challenges that surpass those of the early 1990s:

> This [phase] requires a more fundamental question, which is, what is the role of Silicon Valley in the global economy? There are other Silicon Valleys— we're not the only one. There are a lot of innovation regions—Boston, Austin, Seattle, Portland, San Diego. So what is the role of this region? How do we position this region to compete? …What does that mean for the workforce? What kind of workforce are we going to have? How do we train the workforce? … These are fundamental questions. That's what JV:SV is working itself into— trying to answer those questions. They're much more challenging questions than they were 10 years ago.

It remains unclear whether JV:SV will be able to seize those challenges as an opportunity for action, as it did in the early 1990s to help Silicon Valley continue to be an innovative, livable, engaged region. Whether the leadership and appropriate structure is currently in place will become clear in the near future.

APPENDIX

OVERALL EVALUATION METHODOLOGY

Various methods were used for this report, including reviews of JV:SV's own publications and other publications related to regional collaboration, open-ended qualitative key informant interviews with JV:SV affiliates and analyses of press coverage and board composition. Additionally, this report draws on the authors' historical knowledge of JV:SV.

Review of JV:SV Publications

JV:SV has published numerous documents since its inception. These documents include strategic plans, assessments of secondary data, annual reports on specific programs, guides for other organizations engaging in similar activities and lessons learned documents. All of these documents are available through JV:SV's website.[77] For the purpose of this report, many of these documents were reviewed. Specific documents upon which this report relies include:

- *Blueprint for a 21ˢᵗ Century Community*: This document is a result of JV:SV's collaborative planning process involving more than 1,000 business, government and community leaders. It outlines changes and challenges to Silicon Valley's economy and employs clusters as a primary unit of analysis. Consequently, the report identifies three emerging clusters and four clusters that are being transformed. The *Blueprint* details 13 action initiatives to "provide a blueprint for continuous improvement in our ability to compete globally and enjoy a high quality of life." These 13 initiatives are grouped by 4 objectives, as follows:

Objective	Initiatives
I. Develop Specialized Infrastructure	1. Smart Valley 2. 21st Century Workforce 3. Silicon Valley Technologies Corporation
II. Reduce Cost of Doing Business	4. Regulatory Forum 5. Council on Tax and Fiscal Policy 6. Health Care Task Force
III. Retain and Expand Existing Industry	7. Defense/Space Consortium 8. Silicon Valley Global Trading Center 9. Economic Development Team
IV. Support Growth of New Industry	10. Environmental Partnership 11. Software Industry Coalition 12. Enterprise Network 13. New Business Incubation Clusters

For each initiative, the *Blueprint* specifies a mission, principal activities, rationale, organizational approach for the initiative (including responsible organizational entities), progress to date, anticipated first-year milestones and the expected impact of the initiative by its fifth year. The document also discusses JV:SV's role

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[77] The information in all JV:SV reports is consistent with information from other sources.

of benchmarking and tracking progress for each of the initiatives and the corresponding objectives.

- *Challenge 2000 Annual Reports*, 1996–2000: These documents discuss each team's progress towards overall goals for Challenge 2000, using a combination of quantitative and qualitative data. These reports also highlight comments from participants. The format for discussing each team's progress evolves over the course of the project. Initially, in the 1996–1997 reports, progress in six areas is discussed: (1) teaching and learning strategies; (2) systemic approach; (3) assessment and outcomes (4) commitment and involvement of stakeholders; (5) use of resources; and (6) sustainability. In 1998, the report does not use sustainability as a goal, but keeps the other five. This report also raises lessons learned: (a) knowledgeable "voices" give teams valuable new perspectives; effective leadership is critical to team success; (b) collection and analysis of interim data must become a natural part of the assessment process; (c) no matter how great the student results, if a program serves a small minority, it is difficult to sustain; and (d) a strong commitment by all stakeholders is essential. The 1998 report also looks at the Multimedia Project and Teacher Professional Development, two other components of the 21st Century Education Initiative. The 1999 report takes a more integrated approach to assessing progress towards the goals and does not focus as closely on each team separately. The two goal areas explored in this report are: (1) commitment and involvement and (2) achieving success through continuous improvement. This report also presents lessons learned: (a) strong sponsorship is critical; (b) data collection, coordination and analysis require extra resources; (c) assessments must be meaningful to stakeholders; (d) teams benefit from "outside" partnerships; and (e) systemic change requires a commitment to the continuous involvement process. The 2000 report is the final year of the program and includes individual reports for each team. Final lessons learned are discussed: (a) improvement happens when goals are agreed to; (b) teacher collaboration needs support at all levels; (c) teams are "positioned" for accountability; and (d) teams benefit from "outside" critical friends.

- *Index of Silicon Valley*, 1995–2004: These reports track indicator data reflecting issues affecting Silicon Valley. These issues are wide-ranging, and evolve through the decade of publications. In 1995–1998, for example, the report focuses on two types of indicators: economic and quality of life. The actual indicators in each of these categories vary, however. They include assessments of: job quantity, job quality, business vitality, economic capacity and vitality under economic indicators; for quality of life indicators, they include education, environment, infrastructure, civic engagement, children and youth, built environment, natural environment and community health. Following JV:SV's Silicon Valley 2010 project, the *Index* presents data as regional trend indicators and then charts specific progress measures for Silicon Valley 2010.

- *Lessons for Regional Rejuvenation, Volume 1*: This document offers a chronology of the first three years of JV:SV's existence, 1992–1995, including how JV:SV began, the factors that influenced its creation, its methods for initiating community action, its business-plan approach for its initiatives, its transition into a formalized organization and organizational challenges. This document presents case studies of three initiatives: the Economic Development Team, the Regulatory Streamlining Council and Smart Valley. It then discusses JV:SV's impacts on Silicon Valley and the lessons learned from the overall experience. The outcomes of JV:SV's work include: tangible results, new regional capacities and new individual practices. Lessons learned are: take time to build momentum for collaboration, balance top-down influence with bottoms-up innovation, encourage big ideas and achievable first steps, always look for new ways to connect ideas and people and demand measurable outcomes and accountability.

- *Lessons for Regional Rejuvenation, Volume 2*. This document takes up where *Volume 1* left off, tracking JV:SV's work from 1995–1998 and reflecting upon earlier impacts and lessons learned. It also includes the purpose and status of the first JV:SV initiatives, and presents three case studies: the 21st Century Education Initiative, the Economic Development Team and Regulatory Streamlining. The document is organized around three types of lessons: chartering the regional collaborative, managing the regional collaborative and renewing the regional collaborative. Chartering lessons are: incubate rather than own; cross-boundary problems require cross-boundary solutions; organize for results; and connect the charter to fundamental needs the organization will address. Managing lessons are: define and move towards a "regional community;" the "regional community" must take responsibility for itself; select staff and leadership, including volunteer leaders, with care; go slow to go fast; encourage big ideas and achievable first steps; demand measurable outcomes and accountability; work with the media; expect and encourage "civic entrepreneurs;" expect and prepare for completion and, sometimes, failure of the organization's initiatives; and stay focused. Renewing lessons are: be prepared to adjust the organization to an evolving, achievable agenda; be alert to the next big issues that will require regional collaboration; plan for succession; and be open to closing the organization's doors.

- *Silicon Valley 2010*: This document is the result of an extensive public engagement project. This process is detailed herein, and summaries of the findings from the various data sources are presented. The document presents JV:SV's assessment of strengths and challenges for Silicon Valley's economy, environment, society and regional stewardship. It then presents a complex agenda of 17 goals and progress measures for each goal.

- *Silicon Valley Challenge 2000: Longitudinal Case Study Report*, prepared by SRI International: Case studies of the first four Challenge 2000 teams constitute the

bulk of this report. These four teams are: Overfelt Familia, Blossom Valley Learning Consortium, Family of Schools and Palo Alto Unified School District. The report is generally pessimistic about the lasting effect of Challenge 2000, and illustrates the significant challenges regarding lack of a common language, different perspectives on measuring progress towards Challenge 2000 goals and objectives, and difficulties collaborating across districts. The report cites the Multimedia Project as the most successful component of Challenge 2000/the 21st Century Education Initiative.

- *Smart Permit: A Blueprint for Success*: This document is a guidebook, with the hope that it will inspire other regions to take on similar processes as JV:SV's Smart Permit process. It includes general information regarding the rationale, process and technology for smart permitting. It also presents more detailed information regarding technical issues to consider for other smart permitting projects. Finally, it includes specifics about how JV:SV conducted its permit streamlining process, with a timeline, lessons learned, relevant resources and vendor profiles.

Citations of these reports are footnoted in the body of the text.

Literature Review

A non-exhaustive literature review was conducted at the onset of this project. The purpose of this literature review was to contextualize the research design, data collection and analysis. This review looked at academic and professional documents to assess the value of regionalism, and then used case study and leading practices literature to develop a framework for understanding the structure of effective regional organizations.

A summary of this literature review is in Appendix II; a list of the sources for this review—and those that influenced this evaluation—is in Appendix VIII.

Key Informant Interviews

Twenty-four key informant interviews were conducted in three phases. The first phase was in 1999; these interviews were conducted by a research assistant to Professor AnnaLee Saxenian and focused primarily on Challenge 2000, a key JV:SV project. The second phase of interviews was in spring 2003, when Professor AnnaLee Saxenian and Graduate Student Researcher Joanne Manson conducted interviews assessing broader issues in JV:SV's evolution. The third phase was in winter/spring 2004; Graduate Student Researcher Nadya Chinoy Dabby explored emerging themes in greater depth. All interviews were confidential and were conducted in accordance with the Committee for the Protection of Human Subjects regulations.

A list of the interviewees, the year in which the interview was conducted and the interview protocols can be found in the Key Informant Interviews section of the Appendix.

Analysis of Board Membership

In order to assess how the composition of JV:SV's board had changed over time, basic analysis on board membership was conducted. This analysis identified the beginning and ending dates of board members' positions with JV:SV, and classified each board member by sector. These six sectors were: (1) industry, (2) public, excluding education, (3) community/nonprofit, (4) education, (5) professional services, finance, insurance and real estate and (6) other.

This information is in the Analysis of Board Membership section of the Appendix.

Press Coverage Analysis

Press coverage was critical to JV:SV for myriad reasons. It accounts for its widespread influence, helped establish JV:SV as a leader of a new model of regional collaboration and reflected JV:SV's evolution over the years—in terms of the *perception* of this evolution and the actual changes in JV:SV. This report assumes that both the perception and the actual changes are important. Moreover, it should be noted that press coverage also shaped JV:SV. Interview respondents were quick to discuss how JV:SV responded to various incidents/trends in press coverage.

The *San Jose Mercury News* is by far the most important press source for JV:SV. In order to analyze this coverage, a tally of the number of articles in the *San Jose Mercury News* mentioning JV:SV was computed. For comparative purposes, a tally was also computed for articles in the *San Francisco Chronicle*. This analysis relied on the online databases of the *San Jose Mercury News* and *San Francisco Chronicle*.

A summary of this analysis is in the Analysis of Press Coverage section of the Appendix.

LITERATURE REVIEW

Recent analysis of globalization has highlighted the importance of the region as an economic unit. In the United States, the primacy of the region is complicated by the fact that there is no corresponding government structure that functions at the regional level. The re-emergence of regional governance is a response to this situation. Hence, two questions arise: first, what is the value of regional governance in its latest incarnation? It is not sufficient to say that regionalism is appealing on theoretical, philosophical or symbolic grounds. Second, if regionalism does create value, under what circumstances does that occur? In other words, under what parameters is regionalism most likely to be successful? This section presents the findings from a brief literature review on regionalism regarding the two questions outlined above.[78]

Terminology

The vocabulary surrounding regionalism varies and includes terms such as regional government, regional governance, regional collaboratives, regional cooperation, regionalism and

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[78] The scope of this report permits only a cursory discussion of the various debates upon which it touches.

metropolitanism. Certainly these terms are related (and some are perhaps synonymous); indeed they are often used interchangeably.[79] For the purpose of this paper, however, one term will be principally employed: *regional governance*. This term implies that the regional structure is necessarily extra-governmental. Given the lack of direct governmental authority that corresponds to regions and the subsequently voluntary nature of regionalism, the term *governance* (as opposed to *government*) seems most appropriate.

The Historical Context of Regionalism

Regionalism is not a new concept. The literature discusses the "three waves" of regional governance. (See, for example, Olberding, 2002.) The first wave began in response to the Great Depression and flourished in the 1930s. The second wave occurred in the 1960s and 1970s, largely due to federal policies that encouraged regional planning. The third wave started in the 1990s and is characterized "not by the type of policy but rather by the type of organization" (Olberding, p. 253). These organizations are coalitions involving the public, private and nonprofit sectors. These three sectors share responsibility for providing funding, determining and supporting the governance structure and selecting the organization's scope and activities.[80] This report focuses on the third wave of regionalism that is currently underway. In this context, regional governance is understood as voluntary partnership organizations that take on multi-jurisdictional issues such as economic development, affordable housing, land use and environmental issues.[81]

Adding Value: The Case for Regionalism

The general impetus for regionalism is well documented in the literature. Problems that affect a region—including educational systems and workforce development, in addition to the issues specified above—have become seemingly intractable. Moreover, the scale of these problems is too great for any one local government to take on. In turn, these issues are exacerbated by the lack of a regional response network to deal with these problems in their entirety, such that the outcome benefits the region as a whole. Barbour and Teitz. (2001) understand the problem thus: "the crux of the regional planning problem is how to develop coordinated policies to address problems that are regional in scope in the absence of general-purpose governments operating at a regional scale" (Barbour and Teitz, p. 3). Without a regional governance structure, localities are often pitted against each other as they scramble to eke out precious resources; this process only exacerbates the problem. As Barbor and Teitz comment:

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[79] Further discussion of these terms is beyond the scope of this report (see Norris, 2001 for detail).

[80] Whether these coalitions share these powers equally varies on a case-by-case basis.

[81] It should be noted that regional governance is not intended to replace local governments as some have feared (for example, see Hawkins, 1992). Moreover, given the enthusiastic participation of many local governments in regional governance, local governments do not necessarily share the aforementioned anxiety in this latest round of regionalism.

The fractured government system creates perverse incentives that undermine the overall economic health and cohesion of a region. In an economy that operates at a regional scale, but without public accountability at that scale, local governments have both the means and the incentive—because of their land use and taxing authority—to establish and maintain policies that benefit them locally, but that may harm the region as a whole. (Barbour and Teitz, p. 5)

Further, among those concerned about equity, many argue that regionalism is necessary to address the city-suburb imbalance and that greater regional equity, in fact, benefits the region as a whole.

Yet while the motivations for regional governance may be clear, the value of regionalism is not clearly delineated in most of the literature. Indeed, it is frequently assumed that regionalism is inherently good, posited upon the notion that regional governance promotes economic equality. This position is not based upon sound analysis. It would be erroneous to presume that regional governance is an inevitable result of out-of-control regional problems, and/or of economic equality imperatives.

There are, nonetheless, some authors who address the question of the value of regional governance. Most significant in this literature review are Swanstrom's (2001) findings. He concludes that regional governance does not add economic value. "The evidence that less fragmented policymaking would improve regional economic performance is weak and contradictory. The factors that influence economic development are so many and so intertwined that it is difficult, if not impossible, to separate out one factor from the mix" (Swanstrom, p. 488). This finding is corroborated by Norris, who concludes that "economic competitiveness is insufficient to… adopt… regional governance" (Norris, 2001, p. 566). In the absence of strong evidence of the economic value of regional governance, does it create value in other arenas? There is even less discussion of this issue in the literature. Again Swanstrom makes an interesting argument; he believes regional governance adds tremendous political value. Swanstrom states, "Regional reforms enhance deeply held political values" (Swanstrom, p. 493). These values are political equality, civic tolerance and local liberty; Swanstrom claims that there is broad consensus regarding their importance to American life.[82] Regional governance can thus be understood as adding political value because it enhances cherished American principles.

Structuring Regional Governance Organizations

Given that regional governance adds political value for the American public, the subsequent question is to understand the circumstances under which successful regional governance occurs. The literature on regional governance in the 1990s is not yet fully developed. There are limited case studies and just one national study of these organizations (Olberding, 2002) which yields little in-depth information. Furthermore, the literature has yet to develop a framework for analyzing regional governance. Instead, existing case studies attribute certain

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[82] A discussion of whether, in fact, these are deeply held values among Americans is beyond the scope of this paper.

factors to an organization's accomplishments and/or failures, but do not contextualize those factors in a larger typology of how successful regional governance organizations develop and operate.

This literature review of theory and cases of regional governance reveals that organizations across the country have utilized varying structures for regional governance. There is, however, little conclusive evidence about which structures are the most effective. The wide variation in the characteristics of regional governance organizations suggests an important fact: regional governance is not monolithic. In turn, effective structures in one situation may correspond to particular circumstances; that structure may not be appropriate for all other scenarios. Nonetheless, my literature review reveals three repeatedly cited structural elements that are specific to effective regional governance organizations.[83] Further discussion of these components follows.

1. *Flexibility*. Regional governance organizations differ significantly from government structures in that they are more flexible. This enables these organizations to adjust their structure (for example, from small-scale to large-scale, or changing the constituencies involved) as the issues dictate. Indeed, the literature reveals that a regional governance structure may shift in course of a particular project in order to adjust to circumstances as they arise. This flexibility is one of regional governance's strengths. As Barbour and Teitz comment, "the proper scale at which to address planning problems defined in functional terms often differs…. Therefore, institutional flexibility is a necessary component in any… effort to promote effective regional planning" (Barbour and Teitz, p. 14–15).

2. *Cross-Sectoral Involvement*. The public, private and nonprofit sectors bring a particular set of assets and perspectives that are crucial to regional governance. Teitz et al. note that it is essential to incorporate a wide cross-section of participants, including government, "representatives of civic organizations, the business community, labor, and the public at large" (Teitz et al., p. 3). Correspondingly, Olberding's national survey of regional governance organizations working on economic development found that, on average, these coalitions involved city government, county government and the private sector (she does not differentiate the private sector). These cross-sectoral participants should be incorporated at every level of the organization's work. The literature reveals that the ability of each of these sectors to participate effectively depends on two factors: (1) the independent strength of the sectors so that the coalition members have a powerful constituency to which they are accountable—though in the short term that may make partnership more treacherous; and (2) a non-acrimonious relationship between the

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[83] The literature discussed other elements that were important to regional governance organizations. In this section, however, the authors have only included the elements they thought were specific to regional governance organizations, rather than those that are generally true of coalitions (such as such as creating credible, motivated and effective leadership, or establishing concrete goals and objectives through a collaborative process). Additionally, it should be noted that how the elements discussed here play out in a particular situation may vary; the authors' literature review simply suggests that it is important for regional governance organizations to take these considerations into account.

sectors. Because regional governance requires voluntary participation, excessive hostility and/or skepticism about the other sectors' motivation to participate can undermine the regional governance organization. As Barbour and Teitz note, "Voluntary governance structures tended to reinforce existing arrangements at the local level" (Barbour and Teitz, p. 16). If those arrangements are unworkable, the regional governance process will stall. Thus while harmonious relations may not be necessary (though helpful), a general willingness to explore partnership possibilities is necessary.

3. *Continual engagement with local institutions.* This engagement must be two-faceted: (1) political mobilization must be incorporated. As Weir states, "ongoing political mobilization must accompany efforts to create metropolitan regionalism" (Weir, p. 148). Regional governance organizations, particularly bottom-up ones, are vulnerable to shifting political winds because (a) political representatives are coalition members and (b) the organizations may take on issues to which the government may be sensitive. Ongoing political mobilization thus fosters ongoing support for the organization's work. (2) Civic engagement is critical. Grassroots support, advocacy and ongoing involvement with the organization is critical to regional governance, particularly insofar as it can assuage the impact of opposing groups and provide a check and balance to assure that regionally relevant issues are addressed.

Concluding Comments

Overall, the large volume of regional governance literature does not offer deep analysis of the third wave of regionalism. This may be because we are still in the midst of this wave and thus do not have the benefit of hindsight. Future case studies may benefit from explicitly addressing the value of the regional governance organization and analyzing the factors that affected the organization's success and/or failure, particularly those related to organizational structure.

KEY INFORMANT INTERVIEWS

Methodology

As stated earlier, 24 key confidential informant interviews were conducted in three phases. The first phase was in 1999; these interviews were conducted by a research assistant to Professor AnnaLee Saxenian and focused primarily on Challenge 2000, a key project of JV:SV. The second phase of interviews was in spring 2003, when Professor AnnaLee Saxenian and Graduate Student Researcher Joanne Manson conducted interviews assessing broader issues in JV:SV's evolution. The third phase was in winter/spring 2004; Graduate Student Researcher Nadya Chinoy Dabby explored emerging themes in greater depth.

List of Interviewees

The 23 interviewees, comprising 24 interviews, are as follows:

1. Benhamou, Eric—Chair of the Board, 3Com Corporation, PalmOne and PalmSource, Inc. (2004)

2. Choi, Susan Martimo—Morgan Hill Unified School District (1999)

3. Darin, Art—Principal, Mt. Pleasant High School and former Team Leader, Eastside Unified School District (1999)

4. Escobar, Magda—Executive Director, Plugged In (2004)

5. Hammer, Susan—Former Mayor, City of San Jose and former board member, Joint Venture: Silicon Valley (2004)

6. Hancock, Russell—CEO, Joint Venture: Silicon Valley (2004)

7. Henton, Doug—President and Founder, Collaborative Economics (2003 and 2004)

8. Huntsman, Sharon—Former Staff, Joint Venture: Silicon Valley (2004)

9. Kanter, Martha—Chancellor, Foothill–DeAnza Community College District and Co-Chair of the Board, Joint Venture: Silicon Valley (2004)

10. Kennedy, Keith—Former President and CEO, Watkins-Johnson, former Chair of the Board, Joint Venture: Silicon Valley and current board member, Joint Venture: Silicon Valley (2003)

11. Krause, Bill—Founding Board Member of Challenge 2000, CEO of LWK Ventures, co-founder of 3-Com (1999)

12. Locatelli, Paul—Founding board member, Joint Venture: Silicon Valley and President, Santa Clara University (1999)

13. Malen, Ruth—Renaissance Team Leader, Palo Alto Unified School District, former Principal of Lucille Nixon Elementary School (1999)

14. Martinez, Connie—Executive Director, Children's Discovery Museum and former Staff, Joint Venture: Silicon Valley (2004)

15. Melville, John— Principal and Founder, Collaborative Economics (2004)

16. Morgan, Becky—President, Morgan Family Foundation and former CEO, Joint Venture: Silicon Valley (2003)

17. Pearce, Kim—Challenge 2000 Loaned Executive from IBM, Morgan Hill Unified School District (1999)

18. Richardson, Susie—Renaissance Team board member (1999)

19. Ryder, Dan—Lighthouse for Literacy Program, La Honda/Pescadero School District (1999)

20. Service, Barbara—Principal, Sakamoto Elementary School, Oak Grove Unified School District and founding board member of Challenge 2000 (1999)

21. Toney, Glen—VP of Corporate Affairs, Applied Materials and Chair of the Board, Challenge 2000 (1999)

22. Walesh, Kim—Assistant Director, Office of Economic Development, City of San Jose and Principal and Founder of Collaborative Economics (currently on leave) (2004)

23. Wilbur, Marguerite—Former CEO, Joint Venture: Silicon Valley (2003)

Interview Protocols

The questions asked of interviewees in 1999 were as follows:

1. Can you tell me how you came to work for the JV:SVN?

    a. What did you see as a problem in the region?

    b. What was your vision for what the JV:SVN would accomplish?

    c. What was your profession/primary activity prior to working at JV:SVN?

2. What were the main initiatives during your tenure?

    a. How and why did each of these get started? What was the purpose?

    b. Who was involved? How did you get people involved?

    c. Did you have a concept about how this would work and be managed?

    d. What did staff do? What did others do?

3. Were there some initiatives that got started and dropped? If so, what and why? We need to know about what did not work as well as what did.

4. What do you think have been the most successful activities of JV:SV and why do you think this?

5. Who did you work with in the beginning? Which organizations? What individuals?

6. What were some of the outcomes you were looking for?

    a. What were some of the outcomes you got?

    b. What are some of the outcomes that you hope for over time?

7. Did you have some major challenges at times? What were they? And what did you do to address them? To what degree did these strategies work?

8. How do you think the organization has changed as it has grown?

9. If you were to describe what you hope for the region as a result of JV:SV, what would it be over time?

The questions asked of interviewees in 2003 were as follows:

1. Can you tell me how you came to work for the JV:SV?

    a. What did you see as a problem in the region?

    b. What was your vision for what the JV:SVN would accomplish?

    c. What was your profession/primary activity prior to working at JV:SVN?

2. What were the main initiatives during your tenure?

    a. How and why did each of these get started? What was the purpose?

    b. Who was involved? How did you get people involved?

    c. Did you have a concept about how this would work and be managed?

    d. What did staff do and what did others do?

3. Were there some initiatives that started and got dropped? If so, what and why? We need to know about what did not work as well as what did.

4. What do you think have been the most successful activities of JV:SVN and why do you think this?

5. Who did you work with in the beginning (organizations, individuals)?

6. What were some of the outcomes you were looking for?

    a. What were some of the outcomes you feel you got?

    b. What are some of the outcomes you hope for over time?

7. Did you have some major challenges at times? If so, what were they and what did you do to address them? To what degree did these strategies work?

8. How do you think the organization has changed as it has grown?

9. If you were to describe what you hope for the region as a result of the JV:SVN, what would it be over time?

The questions asked of interviewees in 2004 were as follows:

1. How did you first get involved in JV:SV?

    a. How did you find out about JV:SV?

    b. What motivated you to get involved?

    c. What did you think JV:SV would accomplish?

2. Are you still involved with JV:SV? If so, in what capacity? And if not, why not?

3. What were/have been the main projects during your involvement? (Projects on which evaluation will focus: Challenge 2000, Smart Permit, *Index*)

a. What did you see as the successes of each of these projects?

b. What did you see as the limitations and/or failures of each of these projects?

c. Looking back, if you could do something differently with each project, what would it be and why?

d. Overall, what was JV:SV's most successful endeavor? Least successful?

4. How would you assess JV:SV's leadership throughout your involvement?

a. Generally, how do you think leadership—good or bad—has affected JV:SV's work?

b. How do you think organizational transitions have affected JV:SV's work?

c. What were the leadership highlights?

d. What were some of the leadership low points?

5. How effective do you think JV:SV's structure was?

a. How would you describe its structure? (Probe: hierarchical, non-hierarchical, network, grassroots)

b. Do think it was efficient? Bureaucratic? Flexible? Willing to experiment? Willing to take risks?

c. What were the strengths and weaknesses of this structure?

6. One of the things we're looking at is how context influenced JV:SV.

a. How did the political context influence JV:SV?

   i. Were elected officials willing to participate? In what capacity? In your opinion, was that important?

   ii. What about organized labor?

   iii. What about the environmental movement?

   iv. What about nonprofits?

   v. What about the public sector?

b. How did the economic context influence JV:SV?

   i. Did economic conditions affect who was willing to participate? If so, how?

c. On a community/social level, do you think there's a sense of commitment to being involved (in the community) that's specific to Silicon Valley? (e.g., corporate leaders initiating community engagement at beginning of JV:SV) If so, how is it distinct? How did it impact JV:SV?

7. Based on your experience with JV:SV, who are the different stakeholders that you think need to be involved in this kind of a collaboration? (e.g., elected officials, media)

   a. How do you outreach to different stakeholders?

   b. Were there certain stakeholders that JV:SV was better or worse at including? If so, which ones? How did this impact JV:SV's work? How did this impact the perception of the organization?

8. What were some of the outcomes you sought from JV:SV?

   a. Were your expectations met? How so?

   b. Overall, how well do you think JV:SV accomplished its tasks?

9. If you were to describe what you hope for the region as a result of JV:SV, what would it be? Has that vision changed over time?

10. Those are all of my questions. Is there anything else you would like to add?

ANALYSIS OF BOARD MEMBERSHIP

The following table tracks JV:SV's board over time by identifying the beginning and ending dates of board members' positions with JV:SV, and classifying each board member by sector. These six sectors were: (1) industry, (2) public, excluding education, (3) community/nonprofit, (4) education, (5) professional services, finance, insurance and real estate (FIRE) and (6) other. Note that representatives of industry organizations (such as Chambers of Commerce) are classified as "industry;" representatives of labor organizations are classified as "other."

This table illustrates key moments of change in board composition. In 1997, a significant number of industry board members left the organization, and the new board members, in turn, represented various sectors. In 1999, many board members from various sectors left JV:SV; and presently the board represents various sectors, with a strong cadre of industry leaders involved.

The information below is presented in chronological order by end date, with the current Board members at the end of the table.

Board Member		Dates of Involvement		Sector Represented					
Last Name	First Name	Beg. Date	End Date	Industry	Public	Non-profit	Educa-tion	Prof. Svcs./FIRE	Other
Boulton	Barry	Jun-93	1994–1995			x			
Chen	Winston	Jun-93	1994–1995	x					
Del Prado	Yvette	Jun-93	1994–1995	x					
Nelson	Peter	Jun-93	1994–1995	x					
Norton	James	Jun-93	1994–1995	x					
Tryon	Barbara	Jun-93	1994–1995		x				
Burke	Gary	Jun-93	1996	x					
Cunningham	Lee	Jun-93	1996				x		
Gonzales	Ron	Jun-93	1996		x				
Miller	William	Jun-93	1996				x		
Koppel	Barbara	Aug-95	1996		x				
Hayes	Tom	Jun-93	1997	x					
Lewcock	Thomas	Jun-93	1997		x				
Morgan	James	Jun-93	1997	x					
McCracken	Edward	Jun-93	1997	x					
Sobrato, Sr.	John	Jun-93	1997	x					
Hubbard	Pat Hill	Aug-95	1997	x					
Kalmbach	Lisa	Aug-95	1997					x	
Barrales	Ruben	Jan-97	Dec-98		x				
Fulcher	Tommy	Jun-93	1999			x			
Kennett	John	Jun-93	1999					x	
Seid	Allan	Jun-93	1999			x			
Hammer	Susan	Sep-93	1999		x				
Coulter	David	Aug-95	1999					x	
Hamilton	Judith	Aug-95	1999	x					
Ruiz	Raymond	Aug-95	1999			x			
Bartz	Carol	Jan-98	1999	x					
Cavigli	Robert	Jan-97	2000					x	
Dostal, Jr.	Charles	Dec-98	2000					x	
Rice	Condoleezza	Sep-96	2000				x		
Platt	Lew	Jan-97	2000	x					
Fong	Katheryn	Jun-98	2000	x					
Harris	Jay	Aug-95	Nov-00						x
Bowers	Ann	May-99	Nov-00				x		
Nadler	Judy	Jan-97	Nov-00		x				
Simitian	Joe	Jan-98	Nov-00		x				
Infante	Beatriz	Aug-00	Nov-00	x					
Deichen	James	1999	2001					x	
Tedesco	Steve	Jun-93	Aug-01	x					
Chavez	Leo	Jan-97	Aug-01				x		
Guardino	Carl	Jan-97	Aug-01	x					

| Board Member		Dates of Involvement		Sector Represented					
Last Name	First Name	Beg. Date	End Date	Industry	Public	Non-profit	Educa-tion	Prof. Svcs./ FIRE	Other
Gustafon	S. Reid	Jan-98	Aug-01					x	
Diechen	James	Dec-98	Aug-01					x	
Wang	Chester	Dec-98	Aug-01					x	
Hyde	Mark	May-99	Aug-01						x
Wright	David	Aug-00	Aug-01	x					
Patterson	J. Michael	Aug-95	2002						x
Neece	John	Jun-93	Jan-02						x
Agnello	Bill	Aug-00	Jan-02	x					
Gonzales-Escoto	Laura	Aug-01	Jan-02				x		
Larson	Greg	Aug-01	Jan-02			x			
Torres	Alex	Aug-01	Jan-02	x					
Caret	Robert	Jan-98	2003				x		
Gonzales	Ron	May-99	2003		x				
Garza	Victor	Aug-01	2003			x			
Morantes	Memo	Aug-01	2003					x	
Beveridge	Crawford	Aug-01	2004	x		x			
Locatelli	Paul	Jun-93	present				x		
Parisi	Joseph	Jun-93	present	x					
Vasconcellos, Jr.	John	Jun-93	present		x				
Kennedy	W. Keith	Aug-95	present	x					
Wilcox	Colleen	Sep-96	present				x		
Guerra	Rebecca	Aug-00	present	x					
Hanford	Dierdre	Aug-00	present	x					
Cunneen	Jim	Aug-01	present	x					
DeBusk	Ann	Aug-01	present			x			
Escobar	Magda	Aug-01	present			x			
Jacobs Gibson	Rose	Aug-01	present		x				
Kanter	Martha	Aug-01	present				x		
Struthers	Neil	Aug-01	present						x
Williams	Linda	Aug-01	present			x			
Benest	Frank	Jan-02	present		x				
Healy	Kevin	Jan-02	present						x
Giles	Peter	May-02	present			x			
Campagna	Peter	2003	present	x					
Earle	Gordan	2003	present				x		
Hooper	Gary	2003	present	x					
Perez	Daniel	2003	present	x					
Roche	Paul	2004	present					x	

68

ANALYSIS OF PRESS COVERAGE

Methodology

As stated earlier, The *San Jose Mercury News* is by far the most important press source for JV:SV. In order to analyze this coverage, a tally of the number of articles in the *San Jose Mercury News* mentioning JV:SV was computed. For comparative purposes, a tally was also computed for articles in the *San Francisco Chronicle*. This analysis relied on the online databases of the *San Jose Mercury News* and *San Francisco Chronicle*.

Frequency of Press Coverage Regarding JV:SV

Local Press Coverage of Joint Venture: Silicon Valley, 1992–2003
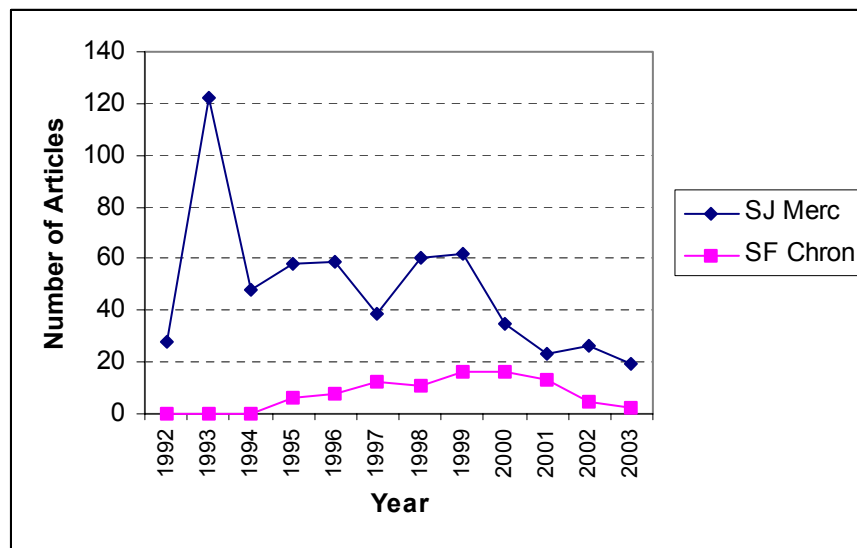
ADDITIONAL DETAIL ON INDIVIDUAL PROJECTS

Smart Valley Board of Directors

Chair
John Young
President and CEO, Hewlett-Packard Co., Retired

Vice-Chair
Professor William F. Miller
Graduate School of Business, Stanford University; Retired CEO, SRI International

Eric Benhamou
CEO, 3-Com

William Davidow
General Partner, Mohr, Davidow Ventures

Seth Fearey
Technical Staff, Hewlett-Packard

Marty Kaplan
Executive Vice President, Pacific Bell

Ed McCracken
CEO, Silicon Graphics

Regis McKenna
CEO, Regis McKenna Inc.

Hon. Norman Mineta
Representative, U.S. Congress

Smart Permit Participating Jurisdictions

Town of Atherton
City of Belmont
City of Campbell
City of Cupertino
City of East Palo Alto
City of Fremont
City of Gilroy
City of Los Altos
City of Los Altos Hills
City of Menlo Park
City of Milpitas
City of Monte Sereno
City of Morgan Hill
City of Mountain View
City of Newark
City of Palo Alto
City of Redwood City
City of San Carlos
City of San Jose
City of San Mateo
County of San Mateo
City of Santa Clara
County of Santa Clara

City of Saratoga
City of Scotts Valley
City of Sunnyvale
Town of Woodside

21st Century Education Initiative Founding Board

Chair
Glen Toney
Group Vice President, Corporate Human Resources, Applied Materials

Ann S. Bowers
Trustee, The Noyce Foundation

Judy Buchanan
President and CEO, RSP Manufacturing Company

Susan Martimo Choi
Past President, Santa Clara County School Boards Association

Joe Coto
Superintendent, Eastside Union High School District

Lee Cunningham
Assistant Superintendent, Morgan Hill Unified

Floyd Gonella
County Superintendent of Schools, San Mateo County

Bill Krause
President and CEO, Storm Technology

Pat Lamson
Superintendent, Cupertino Union School District

Paul Locatelli
President, Santa Clara University

Bill Miller
Chair and CEO, Quantum

Ed McCracken
Chair and CEO, Silicon Graphics

Linda Murray
Superintendent, San Jose Unified School District

Lew Platt
Chair, President and CEO, Hewlett-Packard

Galen Rosenberg
Teacher, Los Altos High School

Barbara Service
Teacher, Oak Grove School District

Kevin Sullivan
Senior V.P., Human Resources, Apple Computer

Rose Tseng
Chancellor, West Valley and Mission Community College District

Bill Zuendt
Vice-Chair, Wells Fargo Bank

Contrasting the Challenge 2000 Venture Capital Model with Traditional Grants

	Grants	**Challenge 2000**
Investment	Grantor gives dollars; encourages "grab for cash."	Both parties invest dollars, equipment, and human resources; encourages entrepreneurship.
Application Process	Individual or small group writes proposal in response to grant requirements; emphasis on past success.	Team develops business plan; emphasis on vision, gap analysis, strategies and clear criteria for success.
Relationship	Recipient responsible for implementation; annual written report to grantor.	Both parties play active role in managing the project; continuous dialogue among parties.
Return on Investment	Incremental; program focus	Systemic change; students achieve world-class standards.
Duration	Varies; may be short term with expectation that all goals will have been reached; may be long-term support.	Results expected quickly; 3-5 year relationship.

Source: http://www.jointventure.org/initiatives/21st/venturecap.html

Index Board of Advisors, 1997

Jeanette Garretty
Bank of America

Judith Larson
Dataquest

Steve Levy
Center for the Continuing Study of the California Economy

Edward R. McCracken
Silicon Graphics Computer Systems

Tapan Munroe
Pacific Gas & Electric

AnnaLee Saxenian
University of California, Berkeley

John Taylor
Stanford University

Hon. John Vasconcellos
California State Senate

Index Board of Advisors, 1998

Wendy Everett
Institute for the Future

Jeanette Garretty
Bank of America

Steve Levy
Center for the Continuing Study of the California Economy

Frank Lockfeld
Center for Urban Analysis, Santa Clara County

Edward R. McCracken
Silicon Graphics Computer Systems

Tapan Munroe
Pacific Gas & Electric

AnnaLee Saxenian
University of California, Berkeley

John Taylor
Stanford University

Hon. John Vasconcellos
California State Senate

Index Board of Advisors, 1999

Chris Benner
Working Partnerships

Ann Bowers
The Noyce Foundation

Neilson Buchanan
U.S. Health Strategies

Leslee Coleman
American Electronics Association

Elaine Costello
City of Mountain View

Jane Decker
Santa Clara County, Intergovernmental Relations

Mike Evanhoe
Valley Transportation Authority

Jeanette Garretty
Bank of America

Jay T. Harris
San Jose Mercury News

Greg Larson
City of Milpitas

Steve Levy
Center for the Continuing Study of the California Economy

Frank Lockfeld
Center for Urban Analysis, Santa Clara County

William Miller
Stanford University

Vicki Moore
Greenbelt Alliance

Becky Morgan
Joint Venture: Silicon Valley (retired)

Tapan Munroe
Pacific Gas & Electric (retired)

Mike Nevens
McKinsey & Co.

Manuel Pastor, Jr.
University of California, Santa Cruz

Jan Perkins
City of Fremont

Bill Piche
Good Samaritan Hospital

Risë Pichon
Santa Clara County Consolidated Courts

Jim Ritchie
Moreland School District

AnnaLee Saxenian
University of California, Berkeley

John Taylor
Stanford University

Hon. John Vasconcellos
California State Senate

Index Board of Advisors, 2000

Jay T. Harris
San Jose Mercury News

Steve Levy
Center for the Continuing Study of the California Economy

Frank Lockfeld
Center for Urban Analysis, Santa Clara County

Dan Perez
Solectron

AnnaLee Saxenian
University of California, Berkeley

Hon. John Vasconcellos
California State Senate

Index Board of Advisors, 2001

Frank Benest
City of Palo Alto

Kim Belshé
The James Irvine Foundation

Jane Decker
Santa Clara County

Jay T. Harris
San Jose Mercury News

Greg Larson
United Way Silicon Valley

Steve Levy
Center for Continuing Study of the California Economy

Dan Perez
Solectron

AnnaLee Saxenian
University of California, Berkeley

Timothy Steele
City of San Jose

Hon. John Vasconcellos
California State Senate

Index Board of Advisors, 2002

Frank Benest
City of Palo Alto

Jane Decker
Santa Clara County

Carolyn Gonot
Valley Transportation Authority

Deirdre Hanford
Synopsys

Jon Hellesoe
Aide to Senator Vasconcellos

Martha Kanter
De Anza College

James Koch
Santa Clara University

Greg Larson
United Way Silicon Valley

Stephen Levy
Center for Continuing Study of the California Economy

Manuel Pastor, Jr.
University of California, Santa Cruz

Nancy Ragey
Community Foundation Silicon Valley

AnnaLee Saxenian
University of California, Berkeley

Sterling Speirn
Peninsula Community Foundation

Linda Williams
Planned Parenthood Mar Monte

Index Board of Advisors, 2003

Larry Aceves
Franklin-McKinley School District

Frank Benest
City of Palo Alto

Kris Casto
Cities Association

Jane Decker
Santa Clara County

Mike Evanhoe
Valley Transportation Authority

Fred Ferrer
Estrella Family Services

James Koch
Santa Clara University

Stephen Levy
Center for Continuing Study of the California Economy

John Maltbie
San Mateo County

Connie Martinez
   hildren's Discovery Museum

Manuel Pastor, Jr.
University of California, Santa Cruz

Nancy Ragey
Community Foundation Silicon Valley

Amor Santiago
Asian Americans for Community Involvement

AnnaLee Saxenian
University of California, Berkeley

Sterling Speirn
Peninsula Community Foundation

Mark Valentine
The David and Lucille Packard Foundation

JV:SV TIMELINE

The following timeline highlights key occurrences in JV:SV's existence, including leadership, projects and publications. This timeline focuses on those occurrences related to this report and is not intended to be exhaustive.

	1992–1993	1994–1996	1997–1998	1999–2001	2002–2004
Leader-ship	▪ Becky Morgan, President and CEO (begins September 1993) ▪ San Jose Metropolitan Chamber of Commerce invited other business associations to take stock of Valley's econ capacity (January 1992–June 1992); commissioned *Economy at Risk* ▪ Group of businesses, government and community leaders launched regional, collaborative problem-solving and opportunity-identifying process (1992) ▪ JV:SV launched as regional collaborative; Board of Directors comprised of industry associations, corporate representatives and community groups (1993)	▪ Becky Morgan, President and CEO (continues)	▪ Becky Morgan, President and CEO (through December 1998) ▪ Significant number of Board members from industry left JV:SV; new Board members represented various sectors (1997)	▪ Ruben Barrales, President and CEO (January 1999–March 2001) ▪ Marguerite Wilbur, COO (begins April 2001) ▪ Significant number Board members from various sectors left JV:SV (1999)	▪ Marguerite Wilbur, COO (through April 2002) ▪ Marguerite Wilbur, President and CEO (May 2002–August 2003) ▪ Russell Hancock, President and CEO (September 2003–present) ▪ Board represents various sectors, with a strong cadre of industry leaders (present)

	1992–1993	1994–1996	1997–1998	1999–2001	2002–2004
Key Projects/Publications	• *Economy at Risk* published; discussed the "major long-term challenges faced by our local economy" and presented 14 "warning signs" about Silicon Valley's future; published by SRI International (June 1992) • *Blueprint for a 21st Century Community* published; established 13 working groups around industry and infrastructure themes; working groups identified opportunities to address issues (June 1993) • Organizational basis to implement initiatives developed, using a business plan for each initiative; four leadership groups formed to track progress of working groups • Implementation of initiatives begun (August 1993) • Healthy Community–Healthy Economy Initiative launched by the Health Care Task Force (December 1993)	• Implementation phase of *Blueprint* initiatives around four objectives: Develop Specialized Infrastructure; Reduce Cost of Doing Business; Retain and Expand Existing Industry; and Support Growth of New Industry • 21st Century Education Initiative launched; Challenge 2000 is main component, structured around "Renaissance Teams" (1994) • Smart Permit under Smart Valley Regulatory reform under objective to reduce cost of doing business were considered highly successful and garnered a lot of recognition for JV:SV • Smart Valley launched; spawned more than 20 Smart Valley initiatives to catalyze applications of network technology, including Smart Permit (1994) • Smart Permit joint task force formed (1994)	• JV:SV classified as a CRI • Eight cities throughout the region adopted the Smart Permit web-enabled permitting system (1999) • First *Challenge 2000 Annual Report* published (October 1997) • *The Joint Venture Way: Lessons for Regional Rejuvenation, Volume II* tells story of next three years of JV:SV (1995– 1998); identified new needs and JV:SV's response to them; outlined JV:SV's mission, values, visions and core competencies; used three case studies of initiatives (21st Century Education, Economic Development Team, Regulatory Streamlining) to illustrate JV:SV's adeptness at addressing regional issues (December 1998)	• Silicon Valley Civic Action Network (SV CAN) created to engage residents and workers in achieving the goals of *Silicon Valley 2010* through new forms of civic engagement and special projects (October 1998) • SV CAN programs include Children's Readiness for Kindergarten, 2002 Workforce Study and the Community Portal; funded by the David and Lucile Packard Foundation and the James Irvine Foundation • Healthy Community–Healthy Economy Initiative sunsets (1999) • *1999 Silicon Valley Environmental Index* published by Silicon Valley Environmental Partnership (SVEP) (1999) • Smart Permit's internet-based building permit streamlining is implemented in seven cities (October 1999)	• *2002 Workforce Study: Connecting Today's Youth with Tomorrow's Technology Careers* published (March 2002) • *Preparing for the Next Silicon Valley: Opportunities and Choices* published (June 2002) • Main Street Silicon Valley Project launched (June 2003) • *2003 Silicon Valley Environmental Index* published by Silicon Valley Environmental Partnership (SVEP) (February 2004) • JV:SV's four new initiatives launched through *Building the Next Silicon Valley: Strategy and Actions* (September 2003) • Four initiatives based on *Silicon Valley 2010 goals*: Innovative Economy; Livable Environment; Inclusive Society; Regional Stewardship (present)

1992–1993	1994–1996	1997–1998	1999–2001	2002–2004
▪ Healthy Community–Healthy Economy Initiative includes three projects: (1) Healthy Workforce Project; (2) Health and Human Services Information System and (3) Healthy Children at School Project ▪ Silicon Valley Environmental Partnership (SVEP) launched (1993) ▪ Defense/Space Consortium (DSC) launched (1993) ▪ Council on Tax and Fiscal Policy Case Study launched; successfully lobbies Sacramento for a credit of the sales tax on manufacturing equipment (1993)	▪ Smart Permit uses technology to improve and streamline the development review and permit process in cities and counties; led by City Managers, Assistant City Managers and Mayors (1993–1996) ▪ Economic Development Team (EDT) launched when two JV:SV working groups came together (the Semiconductor Industry Working Group and the New Business Formation Working Group) (March 1994) ▪ Defense/Space Consortium (DSC) and JV:SV publish *Silicon Valley Defense Transition Strategy* (1995) ▪ DSC merges with Global Trading Center; renamed the Business Partnering Group (1995) ▪ The Enterprise Network (TEN), a venture accelerator and resource center, is spun off (June 1996)	▪ Initiatives undergo reconstruction as some have been honed and focused and others have spun off and become independent entities ▪ Efforts to refocus JV:SV commence with *Silicon Valley 2010*; process elicits broad community input (October 1997–October 1998) ▪ JV:SV convenes over 2,000 participants for *Silicon Valley 2010* process ▪ *Silicon Valley 2010 Vision* published (October 1998) ▪ Smart Valley shuts down (December 1998)	▪ Challenge 2000 programs end (2000) ▪ *Internet Cluster Analysis* 1999 and 2000 published (1999, 2000) ▪ *Summary of Approaches for Applying Sales and Use Taxes to E-Commerce* published by JV:SV's Tax Policy Group (March 2000) ▪ Project to bridge the digital divide, Silicon Valley COMPACT For Our Future, launched (November 2000) ▪ *Silicon Valley Challenge 2000: Longitudinal Case Study Report* published by SRI International; retrospective evaluation focused on context of Challenge 2000 and concludes that impact of Challenge 2000 is not substantial (2001) ▪ Smart Permit concludes with publication of *Smart Permit: A Blueprint for Success* (November 2001) ▪ SV CAN and JV:SV merge (2001) ▪	▪ Innovative Economy projects include: Next Silicon Valley, Regional Economic Strategic Leadership Team (RESuLTs), Tax and Fiscal Policy Group and Economic Development Roundtable (present) ▪ Livable Environment projects include: Main Street Silicon Valley, Smart Growth Network and Photo Simulations (present) ▪ Inclusive Society project include Youth and Workforce (present) ▪ Regional Stewardship projects include: *Index of Silicon Valley*, Silicon Valley 2010 and Harwood Project (present)

1992–1993	1994–1996	1997–1998	1999–2001	2002–2004
	▪ Business Incubation Alliance (now International Business Incubator) spun off (1996) ▪ First *Index of Silicon Valley* published (January 1995) and is produced annually hereafter ▪ *Index* includes 26 indictors of trends in Silicon Valley's economy and quality of life ▪ *The Joint Venture Way: Lessons for Regional Rejuvenation* published; tells story of JV:SV's first three years, from 1992–1995 (1995) ▪ *Building Workforce Resilience: A Guide to Launching a Process* published (June 1996)			

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