



STANFORD
GRADUATE SCHOOL OF BUSINESS

STANFORD SOCIAL INNOVATION *review*

What's Next
Fresh Faces at City Hall
By Suzie Boss

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BY SUZIE BOSS

ARTS

A Kickstarter for Creative Types

► Benjamin Wagner has a unique appreciation for the differences between big media and independently funded projects. As vice president of news for MTV, he spends his days producing stories about megastars like Jay-Z. Nights and weekends, Wagner invests his own creative energies—and money—in a no-budget documentary project that gripped him several years ago and won't let go.

Together with his brother Christofer, a videographer, Wagner has invested “eight years, 4,600 miles, and \$30,000”

help them get to the finish line.

The Wagners are among a fast-growing group of artists, musicians, writers, and other creative types who are going directly to the public to underwrite their dreams via an online fundraising platform called Kickstarter. It offers a space to pitch ideas to people willing to kick in a few bucks, without asking for payback or a share of ownership rights. Within four months of launch, the site had raised about \$600,000 for more than 100 projects.

CEO and founder Perry Chen says Kickstarter offers an

Artist Emily Grenader raised \$626 to fund “365 Postcards,” documenting her move from Brooklyn, N.Y., to Houston.



to make *Mister Rogers & Me*. The film was inspired by a chance encounter with the late children's television legend, who challenged Benjamin Wagner to pass along a message about the value of all that's “deep and simple.” The brothers don't know if their film will ever earn back a dime, but they have learned that generous strangers are willing to

answer to “the tremendous funding problem most people have.” Kickstarter invites folks with good ideas to post videos and other media to tell their own stories. Project creators must ask for a specific amount of money by a deadline that's no more than 90 days away. They're encouraged to offer incentives—your name on a film credit or a

private concert in your living room—to sweeten the deal. But all ownership remains with the artist. Then the countdown begins, along with viral marketing via Twitter, Facebook, and other social networks. If artists reach or exceed their goal, they keep the cash (minus 5 percent to Kickstarter). If they don't, not a penny changes hands.

The all-or-nothing scheme builds in drama, with projects typically getting the most action in the hours just before deadline. Equally important is the safety valve this arrangement creates. “If you're not fully funded, you won't get the money,” Chen says. “That way you won't have a group of people who expect you to do what you've promised, when you don't have enough money to do it.”

Kickstarter is already creating new conversations about value. Incentives offered to potential donors may not cost much to make, “but have real value to the audience, whether it's products, services, or experiential stuff,” Chen says. Emily Richmond, for instance, asked the Kickstarter community to chip in \$8,000 to help her sail around the world. Eleven donors who gave her \$5 apiece will get origami sailboats, but five who pledged \$125 can look forward to receiving coconuts in the mail. “We live in a gray area,” Chen says, “somewhere between patronage and commerce.”

As for the Wagner brothers, their documentary project raised \$10,796 by the Sept. 19 deadline, \$796 more than they asked for. That's enough to buy time in “an actual editing space,

not after-hours on a laptop,” Benjamin says, and finish the film. He thinks Mister Rogers would approve. “Kickstarter is all about being good neighbors. It's about people saying, ‘I believe in what you're doing—and I'll pitch in.’” ■

ENVIRONMENT

Out-Greening Your Neighbor

► A few summers back, researchers went door to door in a Southern California neighborhood to see what it would take to get folks to turn off their air conditioning and prevent power blackouts. They tried appealing to greed (“You'll save money”) and guilt (“It's better for the Earth”). Neither message made a dent. But when residents were told that most of their neighbors were cutting back on the AC, energy use finally plummeted. Nobody, it seems, wants to be the biggest energy hog on the block.

Utilities across the country are starting to use neighborly comparisons to convince consumers to curb energy use. Helping utilities apply this not-so-subtle peer pressure is a start-up called OPOWER (previously known as Positive Energy). Privately held, for-profit OPOWER uses analytic software, demographic research, and social psychology insights to generate monthly energy report cards for utility customers. The centerpiece of each report is a simple bar graph, showing at a glance how a household's energy consumption stacks up against 100 neighbors.

“It works like clockwork,”

says Ogi Kavazovic, senior director of marketing and strategy for OPOWER. Energy savings typically kick in about three months after customers start receiving reports, growing to a steady but impressive 2 percent to 3 percent savings within a year. “People wonder if it’s a novelty that will wear off,” Kavazovic says, “but our results seem to get better over time.”

California’s Sacramento Municipal Utility District (SMUD) has the longest track record with the innovative program. In a large-scale pilot, 35,000 SMUD customers saved 9.5 gigawatts of electricity in 16 months—the equivalent of taking 1,000 households off the grid. “And everybody saved,” says Ali Crawford, project manager for SMUD. Already efficient households got even more so, and those whose reports cards read “room to improve” also made gains. Customers who out-green their neighbors earn smiley faces on their reports.

Along with the bar graphs and smiley faces, customers also get a few energy-saving tips calibrated to match their household profile. “These are Amazon.com-like recommendations,” Kavazovic explains, with suggestions based on “what customers like you are doing. We’re talking about people who live within a few blocks of you, who live in a similar size home and experience the same weather and local economy.”

This is a new way to talk about conservation. “Utilities typically hit customers with the kitchen sink” when it comes to energy-saving ideas, Kavazovic says. OPOWER fine-tunes those suggestions by creating customer profiles. To create the profiles, analysts look at property tax assessments, third-party demographic research, and other data to help them determine

neighborhood income and energy use patterns. “We wouldn’t suggest that a low-income family buy an expensive, energy-efficient refrigerator,” Kavazovic says. Instead, that family might get pointers about no-cost behavioral changes, such as turning off lights or lowering the thermostat at night.

OPOWER’s customer base is growing, with 18 utilities in several states signed on and others in the talking stages. Online tools are in development to complement the reports that currently go out by old-fashioned mail. Cost for the basic program varies, but averages about \$10 per household annually. On the energy-savings side of the equation, that works out to 3 cents per kilowatt-hour abated. “That’s about it good as it gets for an energy-efficiency program,” Kavazovic says. ■

GOVERNMENT

Fresh Faces at City Hall

► When recent college graduates go prospecting for public service jobs, few bother to drop off their résumés at city hall. “Local government is not even on their radar,” admits Micki Callahan, San Francisco’s human resources director. Across the country, many big cities face the same empty pipeline just as a wave of baby boomers prepares to retire.

A new program dubbed City Hall Fellows is designed to bring eager young faces into municipal government and help avert a looming talent shortage. “City halls are gray,” says Bethany Rubin Henderson, a 32-year-old Los Angeles trial lawyer who started the fellowship program. “Cities have not been able to get bright young folks in the door.”



The six members of San Francisco City Hall Fellows class of 2010 gather on the steps in front of city hall.

Her solution: build an elite national service corps for America’s cities. City Hall Fellows receive entry-level wages, paid by the host city, for a yearlong stint in local government. They tackle work under the direction of top-level city officials on everyday challenges such as transportation, public works, or housing. Fellows also receive extensive training in how cities work.

To design the program, Henderson borrowed from other well-known programs that recruit idealistic recent graduates, such as New York City’s Urban Fellows Program (of which she is a veteran), Teach for America, and City Year. But City Hall Fellows adds a unique requirement. “Our fellows have to have a connection to the city where they are placed,” Henderson explains. “We want to increase the chances they will stay on and spend a substantial portion of their career in that community.”

Now in its second year, City Hall Fellows is operating in Houston and San Francisco. Talks are under way with more cities, although tight municipal budgets have slowed expansion

plans. Meanwhile, interest from applicants is soaring. This year, the program received more than 500 applications for 16 openings.

Houston native Niiobli Armah applied for the program to take a break from graduate studies in social science. He thought he knew his hometown pretty well, but a year working as a City Hall Fellow changed his mind. “I’ve spent my whole life in this city,” he realized, “and yet I’ve never really seen it.” Tasked with developing a neighborhood wellness program, he did grassroots outreach in low-income communities across Houston.

Once young people get an inside look at city government, Henderson predicts, they will change their minds “about where you find the most exciting public service work.” That’s what happened to her when she was a New York City Urban Fellow.

When her fellowship ended, Henderson proceeded to Harvard Law School and then to a boutique law firm. But the idea of attracting young talent to city hall “just kept nagging at me,” she says. She left her law practice to launch City Hall Fellows in 2007 and won an Echoing Green fellowship in 2009. “The leap is always hard,” Henderson admits, “but in my heart and in my gut, this feels right.” ■

Keeping an Eye on Parks

► Not so long ago, San Francisco's Franklin Square was a good place to avoid. Playground sand was a dumping ground for used condoms and hypodermic needles. Fed up with what officials politely described as an "underperforming park," neighbors got organized. They used an interactive Web tool called ParkScan to pinpoint infractions on a satellite map, add text descriptions of the problem, and upload photos of trash or vandalism. Their data-gathering campaign helped convince the city to invest in a complete park makeover.

"Franklin Square is a great success story for the neighborhood—and for ParkScan," says Meredith Thomas, executive director of the Neighborhood

Parks Council. The San Francisco-based parks advocacy nonprofit has spent several years developing ParkScan, with \$1 million in grant support from the Alfred P. Sloan Foundation and other backers. Now the tool is being rolled out to other cities interested in engaging their residents as park monitors.

Once ParkScan is adopted by a community and customized with satellite photos, maps, and other information about local parks, the tool enables anyone with Internet access to report a broken swing set, low-hanging tree limb, graffiti, or other concern. Each "observation" is assigned a tracking number and referred to the appropriate city department for follow-up. Updates are posted online. Not everything gets fixed. Addressing some complaints would require capital investments that are not in the maintenance budget. But

the transparency lets citizens know their concerns are being heard. What's more, all the data are compiled, giving the community a more complete picture of the local parks landscape.

Thomas says the tool "multiplies the eyes and ears on our parks," delivering a number of crowdsourcing benefits. With better information, budget-strapped maintenance crews "can work more efficiently," she says. Potential safety hazards are noticed more rapidly. After a storm, for instance, the city might ask residents to scan their local parks for downed trees or other debris. This increased community engagement sometimes leads to volunteer work parties or advocacy efforts, such as the Franklin Square campaign. At budget time, San Francisco officials rely on ParkScan reports to inform their spending decisions.

These benefits are attracting interest from other cities. Portland, Ore., began using ParkScan at 40 sites in 2008 and rolled it out to 150 parks a year later. Ali Ryan, the Portland Parks & Recreation specialist who coordinates ParkScan Portland, says the interactive tool offers "a great way for the community to connect directly with us."

ParkScan isn't only for registering gripes. In both San Francisco and Portland, community members have started using the tool to shout out compliments. "Someone might upload a photo of a bed of sunflowers that really brightens their walk to work," says Thomas. "It's nice to have a way to document when people are happy and not just frustrated." Maintenance crews "can be kind of invisible," acknowledges Ryan. "This is a nice way for them to get credit for doing a good job." ■

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