The Joint Venture Way: Lessons for Regional Rejuvenation

Volume 2

Joint Venture:
Silicon Valley Network

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Silicon Valley Network
Joint Venture was created in 1992 as a dynamic new model of regional rejuvenation. Its vision was to create a community collaborating to compete globally. Joint Venture brought people together from business, government, education and the community to act on regional issues affecting economic vitality and the quality of life.

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**SPECIAL THANKS**

To the James Irvine Family Foundation and the Morgan Family Foundation for funding this extension to the original “Lessons.”

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The region in Northern California known as “Silicon Valley” shares many characteristics with other regions in the United States and around the world. Traditional boundaries that define towns and cities and separate the public and private sectors break systemic economic and quality of life problems into arbitrary fragments. City and county governments, large and small businesses and state governments are regularly frustrated trying to solve problems whose causes and consequences extend beyond their borders or jurisdictions. People within these regions peer out at the world from within their homes, businesses or communities and wonder at the ineffectiveness of existing institutions and established leaders to solve obvious problems.

In 1992, leaders in the Valley began to recognize that existing institutions and approaches to complex and economically debilitating trends were not working. A leap to a new set of assumptions and new solutions would be necessary if the Valley was to regain its footing and return to leadership and prosperity. In particular, the barriers between government and business would have to be bridged in new and productive ways. If business were to participate in addressing broader economic and social issues, it would have to participate with government as both a learner and a productive contributor. In fact, the Region would have to be redefined as a larger community with common problems and common goals. The Valley would have to learn by experimentation, including the occasional failure, and would have to invest in a vision that assumed interdependencies among business, government, labor and educational institutions. Finally, the Silicon Valley Region would have to recognize that quality of life issues and the economy rose or fell together.

The Joint Venture Way, Volume 1, tells the story of a region coming together as a single community and taking responsibility for addressing and solving its own problems. Volume 2 extends that story. Joint Venture: Silicon Valley Network contributed in important ways to a newly vibrant and prosperous Valley. Joint Venture, the organization, experimented with and pioneered approaches to regional problem solving from which much can be learned. By extending this story an additional three years, from 1995 through the end of 1998, a more complete picture emerges of this unusual effort.
Results achieved by Joint Venture ranged from visible and tangible improvements to intangible but profound changes in thinking and approaches to problem solving. The 21st Century Education Initiative improved the achievements of thousands of school children in math, reading, writing and science while fundamentally affecting the perceptions of business and school leaders about how to work together to change the complicated and entrenched public school system. Regulatory Streamlining, another initiative, unified the building code across the cities in the Valley and not only streamlined but used technology to radically reinvent the permitting process. The business and city government leaders involved in this initiative discovered that through trust and collaboration they could dramatically improve systems that they had viewed as unchangeable. The Silicon Valley Economic Development Team brought together business leaders and economic development directors from the cities to affect, as a region, decisions made by business organizations to relocate or remain and expand in Silicon Valley. A perception grew among this group that encouraging a business to locate or remain within one city in the region was a victory for every city.

Perhaps the most profound change, for which Joint Venture can take significant credit, is the realignment of people’s understanding of where they live. Silicon Valley, “the region,” has moved to the forefront as an entity that defines an understandable and significant geography. For many people, the region is understood as a more important entity than either the state or their home towns in influencing issues that strongly affect their lives — education, commuting, housing, economic vitality, etc. By adopting a regional perspective, exclusively, by frequently and regularly convening initiatives and other working groups and by engaging the most visible leaders in addressing regional issues, Joint Venture changed people’s “minds.”

We, in the Valley, have learned much from other regions and other experiments. We hope that other regions can benefit from the lessons documented in the pages that follow. Creating an extra-jurisdictional, collaborative forum for addressing regional problems is both challenging and satisfying work. The Joint Venture experience would suggest that creating collaborative processes for addressing regional issues is likely to be a necessary element of any region’s progress towards community and sustainable prosperity.
This document extends the original Lessons, published in 1995 and covering the period 1992 to 1995 by three years — to the end of 1998.

Much of the background and history of Joint Venture is covered in the original report. Details about structure, governance and budget are also available in Lessons I. Because the lessons themselves were somewhat preliminary in that first document, our purpose here is to extend and update the lessons learned from Joint Venture as a result of the additional three years experience. The two “Lessons” documents should be used as a set so we have tried to avoid duplicating information here that was available in Lessons I. Lessons II is organized as follows:

**Part 1  The Joint Venture Way**  pg 1
This section provides a brief synopsis of the Joint Venture Way, brings the history up-to-date, and describes the models that influenced its work.

**Part 2  The Lessons of Joint Venture: Silicon Valley Network**  pg 11
This section summarizes the lessons learned from the experience of Joint Venture as of December, 1998. They are organized in three sections: Charter, Managing Principals and Renewal.

**Part 3  Chartering the Regional Collaborative**  pg 15
With the benefit of hindsight, this section examines lessons relevant to the chartering of a regional collaborative.

**Part 4  Managing the Regional Collaborative**  pg 23
This section recasts and extends the lessons from Volume I that were learned from operating Joint Venture.

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Part 5 Renewing the Regional Collaborative

As of the writing of Lessons I in 1995, Joint Venture was three years old and the need for renewal was just becoming visible. This section explores both the need for renewal that emerged, how it became visible and Joint Ventures response to the need — Silicon Valley 2010.

Appendix 1 The Initiatives — Origins and Status
Includes brief descriptions of purpose, accomplishments, and status as of the end of 1998.

Appendix 2 Three Case Studies
This section utilizes the stories of three of the initiatives, 21st Century Education, the Economic Development Team, and Regulatory Streamlining, to illustrate the models and principles described above.

Appendix 3 Joint Venture’s Vision, Mission, Core Values and Core Competencies
This section outlines the ideals that guided Joint Venture.

Appendix 4 Restructuring
This section contains the 1996 Board policy on launching and closing initiatives.

Appendix 5 Joint Venture Policy on Taking Public Positions
This document provided written guidance on advocacy to the organization.

Appendix 6 Memorandum of Understanding
This section includes an example of an “MOU” between Smart Valley and Joint Venture.
Joint Venture: Silicon Valley demonstrated an effective model for ongoing regional renewal.

The Joint Venture Way evolved out of the circumstances, foresight and experience of the people of Silicon Valley. Those circumstances included wrenching changes to the economy and the quality of people’s lives. While unique to the Valley in some ways, these dramatic changes were also reflective of global changes that followed the end of the cold war. Concurrently, an era began that would enable every citizen of the planet to connect with, do business with, and see into the lives of every other citizen. Valley leaders realized that, in this new world, the vitality and competitiveness of the region would influence important aspects of people’s lives as strongly as their local government, employer, and community affiliations had done in the past.

With this understanding came an appreciation for the increased complexity of addressing issues at a regional level. The region, after all, not only encompassed a larger population but also included a myriad of businesses of all types, 29 city and county governments, multiple educational districts and institutions, and hundreds of neighborhoods. Further, there was no existing entity that was close enough to the region to understand its issues and had the resources and authority to cause necessary change. While there was activity among often competing, local jurisdictions within the region to address and solve problems, a vacuum existed at the regional level itself. Increasingly, leaders and residents alike began to appreciate that an effort of some kind was going to have to be mounted that could define and solve problems at the regional level. Out of frustration with government’s inability to address regional issues and a growing tendency for employers to expand outside the region, Joint Venture was born.

Joint Venture’s vision was “to build a community collaborating to compete globally.” Joint Venture’s mission, “to bring people together from business, government, education, and the community to act on regional issues affecting economic vitality and the quality of life,” described how it would achieve that vision. The “region” to be addressed included all of Santa Clara County and parts of San Mateo, Santa Cruz, and Alameda
Counties with a population of 2 million — an area that had come to be known as Silicon Valley.

Joint Venture defined Silicon Valley based on the geography that contained nine industry clusters including hardware, software, and semiconductors; and six Internet segments: enabling technologies, software solutions, service providers, e-tailers, content services, and access providers. These industry clusters drove the economy of Silicon Valley in the nineties.
During its first six years, through the end of 1998, Joint Venture regularly reviewed and restructured its organization. It passed through three distinct phases, each of which reflected new learning. In 1993 the initiatives were treated homogeneously and separately (See figure 1). Memorandums of Understanding were established. Each initiative had its own board and paid staff who worked with volunteers. Effectively, 12 independent, high maintenance entities reported in to Joint Venture — most, needing substantial help.

By July 1995, 11 initiatives were grouped into three focus areas; Business Climate, Business Development and Fostering Entrepreneurship or Social Infrastructure, and Quality of Life; to facilitate coordination, staffing and support. Advisory groups included the Joint Venture Board, the Co-Chairs Council, the Leadership Council and the Public Sector Roundtable (See figure 2 on next page).
During the first half of 1996, acknowledging that even great ideas have a “life cycle,” the Joint Venture Board approved a list of criteria for terminating, spinning off, or creating “partner” status for initiatives. As an immediate result of these criteria, The Enterprise Network was spun off in June of 1996. Other initiatives became independent or were combined so that, as of the end of 1998, three broad initiatives worked through Joint Venture (See figure 3 on facing page). The structure of Joint Venture evolved over time to meet programmatic needs and to simplify the organization.
MODELS

As a new organization established to attack complex regional problems across multiple sectors of society, Joint Venture identified and adopted, and over time, modified a series of models that seemed appropriate to its unique mission. These models, unlike the lessons and principles outlined in the following section, strongly influenced how Joint Venture chose to address its mission, from the beginning.

1. Collaboration

A collaborative model for problem solving and cross-boundary decision-making was adopted for three reasons: 1. collaboration yields creative solutions, 2. collaboration builds commitment to implementing those solutions and 3. collaboration allows for decision-making where multiple jurisdictions are involved and no single decision-making authority exists. A collaborative problem solving effort requires that each person in a group be engaged in developing solutions and then must “buy in” to the chosen approach. In other words, each person has veto power over a given solution. This forces a group to work towards solutions around which consensus
can develop within the group as a whole. Often this means that a working group must develop entirely new solutions to problems out of the give and take of group members’ experience and knowledge until consensus is achieved. Commitment to the result by members of the group is a natural outgrowth of their involvement and individual contributions to the consensus solution. Finally, in contrast to parliamentary approaches where voting creates winners and losers, collaborative decision-making is facilitated by a process in which each group member retains control over the final result. By definition, final choices depend on consensus rather than majority rule. In practice this can also mean that individuals or groups not open to the rules of consensus decision-making may not be able to participate.

2. Venture Capital
An investment model based on the approaches of venture capitalists was adopted. Rather than becoming a traditional membership organization or operating as a traditional non-profit, Joint Venture adopted the much more aggressive “venture” model wherein money received was considered an investment in the future of the Valley. By its language and by the design that grew out of this model, a strong connection was made between money and time contributed, and results to be achieved. Business planning methodologies became a part of program development and “Memorandums of Understanding” were documented between some initiatives and the Joint Venture Board and by certain initiatives and their clients. Annual business plans with goals and measurable objectives were written and regularly reviewed by staff and the Joint Venture Board. Strong involvement and coaching by Joint Venture staff further characterized the relationship — particularly with the schools involved with Challenge 2000. Finally, a return on each investment was expected. This meant that Joint Venture and its initiatives adopted a “bottom line” mentality and monitored progress accordingly.

One of the unique success factors for Joint Venture was the way these first two models were used together to bring business and government to the same table and to sustain a productive working relationship that, as of the end of 1998, had spanned six years. Joint Venture developed a “collaborative venture” model that through its language — vision, goals,
strategies, accountability, data, and results — held the attention of business people who were often less tolerant of the open-ended process usually found in the public arena. At the same time, city and county governments were willing to participate over the long term because they needed involvement and support from business to make real progress, but also because Joint Venture’s model offered an environment oriented to problem solving rather than finger pointing.

3. Leadership
Joint Venture adopted a leadership involvement model in reaching out into the community to identify volunteers to serve as Board members, advisors, and volunteers within the initiatives. In general, this meant seeking volunteers such as senior business executives, city managers, department directors and mayors, school superintendents and principals, and labor leaders who had existing constituencies and the resources to make results possible. Joint Venture did not try to create new constituencies by working at the grass-roots level within the regional community. This model enabled much more rapid action on the part of Joint Venture because board members and other volunteers could speak for and make decisions on behalf of their existing constituencies.

4. Neutrality
Joint Venture adopted a neutrality model and endeavored to staff and act accordingly. This meant choosing staff members and volunteers so that balance was achieved between the public and private sectors and broadly across the community. It also meant resisting advocacy positions that would dilute its neutral stance. In keeping with this model, Joint Venture worked consistently to provide a relatively neutral forum to the region for collaborative problem solving. There were instances, however, where advocacy was appropriate, as with certain initiatives of the Council on Tax and Fiscal Policy (see Appendix 5 for Joint Venture’s “Board Policy on Taking Public Positions”).
A Joint Venture Chronology

In “Lessons for Regional Rejuvenation, Volume 1” a chronology documented three years and three phases of Joint Venture’s development including Analysis, Participatory Strategy and the first two years of Implementation. The chronology below highlights significant events between January 1995 and December 1998. Beyond the continuing implementation of many initiatives, it also notes renewal activities that occurred in 1996, 1997, and culminated with “Silicon Valley 2010”—Joint Venture’s effort to “jump” to a new curve (see page 40).

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<tr>
<th>Key Events</th>
<th>Background</th>
<th>Media Comments</th>
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<tr>
<td><strong>January 1995</strong></td>
<td>Joint Venture published its first “Index of Silicon Valley”</td>
<td>“The study, called the ‘Index of Silicon Valley’ is an ambitious attempt to measure how the region is doing...” San Jose Mercury News 1/9/95</td>
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<td></td>
<td>• This first ever “Index” included 26 indicators reflecting trends in the Valley’s economy and quality of life.</td>
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<td><strong>August 1995</strong></td>
<td>Joint Venture continued to explore new ways to act as a catalyst for the region</td>
<td>“Municipalities comprising nearly all of Silicon Valley said Wednesday they have agreed to adopt a uniform building code — a feat the historical rivals would have considered unthinkable even a half-decade ago...This is particularly critical in Silicon Valley, where product cycles are measured in months, and delays in retooling a manufacturing line can cripple a company in the marketplace...The effort began in late 1994...with prodding from Joint Venture: Silicon Valley.” San Jose Mercury News 8/31/95</td>
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<tr>
<td></td>
<td>• Joint Venture helped create a climate for cooperation that led to the development of uniform building codes across the region.</td>
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| **January – June 1996** | Joint Venture organized around 3 initiatives. Criteria for launching initiative adopted by the Board. | • Internet Cluster Analysis published  
• Comparative Analysis of Silicon Valley and nine other regions published  
• Policy for “launching” had been adopted by Joint Venture Board |
<p>| <strong>January 1997</strong> | 3rd Index published | “Economic Future looks bright, but quality of life threatened.” <em>San Jose Mercury News</em> 1/13/97 |
| <strong>January 1997</strong> | 1st Annual David Packard Civic Entrepreneur Awards | “The award recognizes the contributions of grass-roots leaders in building a stronger economic community in our region.” <em>San Jose Mercury News</em> 4/17/97 |
| <strong>October 1997</strong> | Challenge 2000 published Annual Report to the Community | “One challenge that’s being met — Partnership between business and schools shows early signs of success.” <em>San Jose Mercury News</em> |
| <strong>Fall 1997 – April 1998</strong> | Silicon Valley 2010 effort | “They packed the Palo Alto Cultural Center to help Joint Venture: Silicon Valley peer into the future. The May 7 meeting was the fifth in a series...” <em>Palo Alto Weekly</em> 5/15/98 |
| <strong>January 1998</strong> | 4th Index published | “The state of the future — Index of Silicon Valley gives us the numbers; we must use them to control our own destiny.” <em>San Jose Mercury News</em> 1/11/98 |</p>
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<td><strong>October 1998</strong>&lt;br&gt;<strong>Silicon Valley 2010</strong>&lt;br&gt;<strong>Vision finalized and published</strong></td>
<td>• Over 2,000 people had participated</td>
<td>“Some of the areas most influential leaders have put their clout behind a glowing new vision of what Silicon Valley could be.” <em>San Jose Mercury News</em> 10/11/98</td>
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<td><strong>October 1998</strong>&lt;br&gt;Civic Network proposed</td>
<td></td>
<td>“Called the Civic Network, the planned organization of volunteers is expected to lobby cities and counties, pen legislation for Sacramento and generally be on the lookout for problems...” <em>San Jose Mercury News</em> 10/7/98</td>
</tr>
<tr>
<td><strong>December 1998</strong>&lt;br&gt;Smart Valley announced it will close its doors at end of 1998</td>
<td>• An independent initiative created by Joint Venture in 1993</td>
<td>“Smart Valley has played a key role in increasing the percentage of wired classrooms in Silicon Valley from 15% two years ago to 80% today.” <em>San Jose Mercury News</em> 12/14/97</td>
</tr>
<tr>
<td><strong>December 1998</strong>&lt;br&gt;Becky Morgan retired as President &amp; CEO</td>
<td></td>
<td>“Valley Activist Retires — Becky Morgan who transformed Joint Venture: Silicon Valley from a shaky start-up to a strong community institution... announced Tuesday she plans to step down...” <em>San Jose Mercury News</em> 9/9/98</td>
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<td><strong>December 1998</strong>&lt;br&gt;The Honorable Ruben Barrales selected as President and CEO of Joint Venture</td>
<td></td>
<td>“Ruben Barrales was named Thursday to be president and chief executive officer of one of the Valley’s most influential civic groups.” <em>San Jose Mercury News</em> 11/20/98</td>
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The Lessons of Joint Venture: Silicon Valley Network

The focus of this document and, particularly this section, is to present the learning that resulted from Joint Venture’s unique role as a regional collaborative in Silicon Valley.

Joint Venture, as a “start up,” learned lessons common to other new organizations and benefited from the considerable experience of Valley leaders in avoiding common mistakes. It is not our purpose here, however, to catalogue and share those lessons as there is extensive literature already available on the subject of starting and building new organizations. Rather, because its vision was to help enable a redefined regional “community” to more effectively compete globally through collaboration within the region, Joint Venture inevitably had to break new ground. No models existed in 1992 for this kind of an organization, so Valley leaders involved with Joint Venture had considerable freedom in establishing Joint Venture and in experimenting with approaches that would accomplish its goals. The lessons that follow originated out of the efforts of thousands of committed people trying new approaches to accomplish important regional objectives.

Lessons that emerged out of the Joint Venture experience address the chartering of a regional collaborative, managing principals that helped it accomplish its work and approaches to renewal that kept the organization fresh and effective.

Chartering the Regional Collaborative

**KEY LESSONS:**

1. **Incubate rather than own.**
Joint Venture centered on initiating and incubating rather than owning and managing regional solutions.

2. **Cross-boundary problems require cross-boundary solutions.**
This reality lies at the heart of a regional collaborative’s sustainable mission.
3. **Organize for results.**
An organization that is seeking investors must be able to produce results.

4. **Connect the charter to the fundamental needs the organization will address.**
The charter of an organization like Joint Venture must look beyond any current crisis and include language and purpose that readies it to address longer term issues important to the vitality of the region but not necessarily exposed or energized by crisis.

**Managing the Regional Collaborative**

**KEY LESSONS:**

1. **Define and move towards a “Regional Community.”**
Defining the regional community became an important part of Joint Venture’s early role. This required telling the regional story early and often.

2. **The “Regional Community” must take responsibility for itself.**
“We have met the enemy and he is us.” Pogo’s observation is at the heart of realigning expectations and generating action within a region.

3. **Select staff and leadership, including volunteer leaders, with care.**
The importance of selecting key staff, volunteer leaders and board members carefully cannot be overemphasized. This work requires collaborative/facilitative leadership and exceptional people skills.

4. **Go slow to go fast.**
Take time to build the impetus for collaboration recognizing that, like a locomotive, acceleration is not the issue, momentum is.

5. **Encourage big ideas and achievable first steps.**
Big ideas and the possibility of making a material difference inspire leaders. At the same time, inspiring ideas (e.g., a “wired” community, world class public schools, a regional approach to economic development) must show steady progress towards implementation or they will lose their power to inspire.
6. Demand measurable outcomes and accountability.
Building community confidence requires publicly setting, tracking and meeting (or preferably exceeding) real, meaningful, measurable objectives.

7. Work with the media.
While other avenues exist for getting the regional collaborative’s message out, strong interaction with existing media and creation of new channels can accelerate the process significantly.

8. Expect and encourage “civic entrepreneurs.”
Besides the set of high profile leaders who helped found Joint Venture, another huge resource emerged. It was made up of key staff from city and country government, business people, community activists, teachers and administrators who brought passion, long-range thinking, critical skills, time, and energy to creating and implementing regional solutions.

9. Expect and prepare for completion and, sometimes, failure of organizational initiatives.
Most initiatives will have a finite lifespan determined, in part, by the nature of the issue they are designed to address and their success or failure in making progress. Certain initiatives will not make adequate progress and/or will not garner the support they need to succeed, and the organization will need to move quickly to shut them down in order to conserve resources for the next effort.

10. Stay focused.
The presence of an effective regional organization will attract a myriad of needs to itself, only some of which will fit its mission. Consequently, the organization will need to have processes and criteria for determining “fit” and turning away sometimes worthwhile projects without losing the support of those who propose additional initiatives.
Renewing the Regional Collaborative

**KEY LESSONS:**

1. **Be prepared to adjust the organization to an evolving, achievable agenda.**
   Regular restructuring was required in order to adapt and take on new challenges.

2. **Be alert to the next big issues that will require regional collaboration.**
   There is overlap in the renewal process — 2nd generation issues worthy of attention arise before 1st generation issues have been fully addressed. The rate of change in the new economy sometimes exceeds the pace of change within the collaborative process.

3. **Plan for succession.**
   Build rigorous succession planning expectations and processes into the selection of senior managers and Boards of Directors.

4. **Be open to closing the organization’s doors.**
   Is there still important work to be done? Are the resources available to continue? Who decides?
Chartering the Regional Collaborative

The “charter” identifies purpose and provides guidance on how the organization is intended to operate.

Overview:

The charter for Joint Venture was more implicit in the issues it was founded to address than in a written document that explicitly defined its purpose and mode of operating. Founders and other Valley citizens had varying levels of knowledge about Joint Venture and differing views of what it would do — and for how long. This reflected the pioneering nature of the effort and the many urgent issues identified in the founding process. As a result, Joint Venture created its charter as it evolved, becoming clearer over time on its focus and determining what it would do and not do to add value.

While there was ample impetus to get Joint Venture up, running and funded, the smoke and fire of the economic crisis of the early nineties drew the founders’ attention away from the long-term to the short-term need for rapid improvement. This reality, combined with the lack of experience with this type of regionally-focused, collaboratively-oriented, problem-solving organization, resulted in the founding of an organization that lacked a long-term view of its purpose and process. As the economic crisis subsided, more rapidly and more completely than anyone anticipated, Joint Venture immediately confronted renewal issues. Certain renewal issues tied back to its original charter and several lessons arose from that experience.

Chartering Lesson #1: Incubate rather than own

Joint Venture learned that regional collaboration, by its nature, required certain kinds of support in order to make measurable progress. In order to properly allocate resources to the most critical issues, it had to maintain a focus on its catalytic and support roles and resist becoming another non-profit manager of programs.
Commentary

Joint Venture learned that creating a collaborative forum, particularly one that was oriented towards getting results, depended on the support and involvement of Valley leaders and the contributions of substantial time and energy by an extended group of volunteers. The cross-boundary collaboration required to address and solve regional problems had to be accomplished by a group of people each of whom owned a part of a problem, cared deeply about solving the whole problem and could bring resources and authority to bear on implementing solutions. The more these volunteers felt ownership for a problem and contributed directly to a solution the more likely they were to stay engaged. This repeated experience argued strongly for a role as catalyst and supporter rather than one where ownership was assumed by Joint Venture. For example, Joint Venture provided facilitation and venue for the creation of the Economic Development Roundtable — made up of the Economic Development Directors from the cities in the Valley — but did not “hold it” as an element of Joint Venture’s organization.

Maintaining its focus on its role as an incubator also meant detecting when an initiative was ready to be launched into the world on its own, as The Enterprise Network was in 1996, or shut down, as SkillsNet was in 1997. These were hard decisions but necessary in order to preserve its role as incubator and to ensure it had the resources necessary to maintain focus on the critical issues for which Joint Venture had taken on a leadership position.

Joint Venture pioneered the combination of a collaborative model for community problem solving with a venture capital model for achieving measurable results. Implicit in the combination of those two models was the tension between organized and disorganized, messy and neat, direct and indirect, fast and slow. This tension was sometimes visible in the frustrations of staff trying to keep an inherently messy process moving. A desire arose, at times, to improve the efficiency with which initiatives accomplished their work. This created a tension between the collaborative model and a more traditional “business-like” model for managing a program. As a result, there was inclination, at times, to
“staff up” on the part of Joint Venture in order to “do it ourselves,” versus sticking to an organizational model that often seemed painfully slow and inept but was, in the long run, effective.

Chartering Lesson #2: Cross-boundary problems require cross-boundary solutions

Joint Venture learned, while responding to the immediate economic issues raised in “An Economy at Risk” (see Volume I), that a long-term need existed to bring people together across traditional geographic and organizational boundaries to address and solve regional issues.

Commentary

While Joint Venture was founded to help address the loss of economic vitality in the region and to help transform a culture of blame into a culture of cooperation, the pathway to solving these problems required the creation of a forum where private and public sector leaders could collaborate on solutions. Leaders found that existing organizations had grown up in response to a world characterized by traditional public and private entities — such as governments and businesses — with their associated boundaries and related parochial viewpoints. While advocacy groups existed like the Santa Clara County Manufacturing Group, the American Electronics Association, and the San Jose Chamber of Commerce, these tended to have specific, private sector constituencies. They were not viewed as neutral enough to offer the larger community a forum for safely addressing region-wide problems.

The origins of the effort that ultimately became Joint Venture began with collaboration across boundaries representing old and new businesses. The San Jose Chamber of Commerce was supported primarily by established business people who had grown up in San Jose, ran downtown businesses and who had a strong sense of place. The group of people who ran the larger, newer, often high-tech, enterprises had generally emigrated from other parts of the U.S. They represented the new, high-tech sector but shared with the older businesses the consequences of Silicon Valley’s
decreasing vitality. The first step toward systemic change required that members of these two groups form a single network with common economic goals. A key recognition when these two groups were coming together, was the importance of reaching out to include government, labor, educators, and community members in the entire process.

The Silicon Valley Economic Development Team was an important result of this unified network. It was created under the auspices of Joint Venture in order to address a shared interest in encouraging existing industries and clusters to remain and expand in the Valley. While the need for coordination and collaboration in this effort had been understood for many years, until Joint Venture was founded, no appropriate organizational vehicle existed for creating a solution. Here, as in other areas, Joint Venture assumed a role as Regional Steward — trusted to wear a regional “hat” as it worked with companies making expansion decisions. The Economic Development Team developed the first ever set of promotional materials, including a video, for the Valley as a whole. Companies like National Semiconductor and Cisco made decisions to expand in the Valley at least in part, because of the efforts of the EDT to encourage them to stay and to help work through obstacles that were affecting their decision-making. Further, a common understanding developed among the participating cities that “thou shalt not poach,” realizing that improvement in the employment picture in any individual city benefited the entire region.

“...Government, education, community, and industry leaders will come together to begin the process of solving problems too large for any one of the groups to solve alone.”

— Tom Hayes from “A Few Words About Joint Venture: Silicon Valley” from the introduction of An Economy at Risk
Chartering Lesson #3: Organize for results

Joint Venture learned that by adopting a Venture Capital model and seeking investors for its initiatives it created a charter more similar to a business enterprise than to a traditional non-profit agency.

Commentary

Joint Venture recognized early in its existence that there would be little patience in the Valley for a new organization seeking significant funding that did not also produce tangible results. The founders of Joint Venture, successful business leaders from many sectors of the Valley economy, contributed a strong bias towards investing their time as well as their money in an organization that would achieve concrete results. Consequently, a bottom line mentality influenced many of the choices Joint Venture made. In particular, initiatives were selected, and later deselected, based on an expectation that they could and would deliver tangible results.

The cycle of promising, planning for and delivering results was a healthy one for Joint Venture. Investing companies, cities and foundations queried the CEO and fundraisers on plans, programs and expected results. Annual business plans were drawn up and monitored regularly. The application of rigorous business planning methodologies enabled careful tracking and assessment of the initiatives. If results were not being achieved and closer examination revealed that results were unlikely to be achieved, the initiative was closed down. Both the Software Industry Coalition and Silicon Valley Global Technologies were terminated in 1993 as a result of their inability to secure adequate funding. On the other hand, an initiative like 21st Century Education, which was clearly focused on getting results, established detailed MOUs with each district team and then monitored and reported on progress, was able to raise nearly $25 million for its ambitious goals.
Chartering Lesson #4: Connect the charter to the fundamental needs the organization will address

*If a regional collaborative is founded to address economic crisis, as was the case with Joint Venture, shifting that focus and maintaining support and involvement can be challenging when the crisis passes.*

Commentary

Underlying the economic crisis faced by the Valley in the early ‘90s was the need to create institutions that could bring government, education and industry together to address common problems across the region. Joint Venture’s charter had to be re-shaped, re-communicated and re-established in order to continue to focus on this need when the crisis passed and the Valley began to prosper again.

Joint Venture learned that the funders of “fear;” that is, those who will invest in overcoming a crisis; are often different from those who will invest in a vision of the future — the funders of “hope.” The tremendous excitement involved in addressing the Valley’s economic challenges gave way, in 1995, to a realization that things were looking up. Progress had been made. Life was, again, good. Potential contributors wanted to know what issues, of equal value, were going to be tackled next by Joint Venture. Because of the venture capital model being used by Joint Venture, potential investors wanted to be able to see that their “investments” were going to yield material results for the Valley. Harder questions were asked and investments became more difficult to extract from those who had eagerly contributed to resolution of the crisis.

While regional organizations often arise out of crisis, in the process they can create social capital including relationships, trust, and awareness that can then be used to address longer-term regional issues. In the course of addressing the very real economic crisis faced by Silicon Valley and because of the perception that Joint Venture had contributed in material ways to a return to prosperity, it built a fund of goodwill and credibility. While addressing the urgent problems, Joint Venture became increasingly aware of the underlying need for a regional organization that could create a neutral forum for collaborative problem-solving on other systemic issues.
Joint Venture was anxious to use its social capital and the momentum it had built up to identify and address its next agenda which centered on a “sustainable valley.”

Another subtle shift occurred after the crisis began to subside — Joint Venture staff began to carry more of the workload associated with change. In fact, it was during this transition beyond crisis that Joint Venture began to move toward a more staff-driven organization. In the beginning, strong concerns about the economy had created a demand-pull impetus for change. With the return to prosperity, the demand for improvement receded somewhat, and Joint Venture staff moved into the vacuum, assuming a stronger “motivational” role. It was clear that there was still tremendous work to be done on education, workforce preparation, regulatory streamlining, etc., but the most threatening fires had been doused as a result of the improvement in general economic conditions and the improved working relations between business and governmental leaders. While flexible response to these changing circumstances was vital, a “charter” that focused on the longer-term role of an organization like Joint Venture would have been helpful.
While the “charter” should influence the long-term view and expectations of an organization, “operating principles” will guide daily operations.

**INTRODUCTION:**

As Joint Venture felt its way toward its long-term charter, it also had to find ways of operating on a day-to-day basis that were supportive of its mission. Everything about Joint Venture was new and while it shared certain characteristics with other “start-up” organizations, its mission was unusual enough that a set of unique lessons emerged out of its role as a regional collaborative.

The challenges facing Joint Venture included thinking differently internally — among staff and volunteer boards and advisors — as well as helping the region come together in new ways. How do we incubate and not own? How do we “think” regionally? How do we encourage inspiration and still focus on the practical details? What is it, exactly, we should “do” to make this all work? How do we decide when to hold and when to fold?

With courage and enthusiasm, Joint Venture ventured into this new territory and began to find its way. The “Joint Venture Way” that emerged from the first several years of experience brought with it several unique managing principles that could, once discovered, be referred to for ongoing guidance (also see Appendix 3 for Core Values and Competencies). Volunteers and staff had to keep their “regional hats” on when temptation pulled them back towards more traditional agendas. The CEO, in her frequent speeches, used language and images that brought the idea of region alive and excited people about its possibilities and promise. Joint Venture invited serious people to participate in and lead initiatives directed at regional issues. The Joint Venture Index was created to provide a quantitative overview of the region both to emphasize the importance of measurement for making real progress and to define the region. Day-by-day it added up. The gleam in the eyes of the original business leaders who foresaw a “regional community” became a part of the Valley’s consciousness.
Managing Lesson #1: Define and move toward a “Regional Community”

Joint Venture learned that the long list of systemic problems revealed in “An Economy at Risk” would require developing a community of common interest. This community was better defined by its industry clusters, living and working patterns and quality of life choices than by individual neighborhood or city boundaries.

Commentary

A number of changes coalesced in the late eighties and early nineties that would reshape economies around the world and raise the visibility and importance of regions. The end of the cold war had brought with it the elimination of walls around nations that had been symbolized by the Berlin Wall. The advent of the Internet and the World Wide Web was fundamentally changing how business was conducted and dramatically increased people’s knowledge of the world beyond their local boundaries. Population growth brought residents and businesses to the edges of their communities causing a blurring of boundaries between one city and the next. For example, to drive south from San Francisco through Silicon Valley to San Jose is to pass through continuous civilization — with the only indication of passage from one town to the next, an occasional road sign identifying a boundary. Regions and neighborhoods were supplanting cities, states, and even nations as the critical economic and social entities.

In large part because of the experience of Silicon Valley, there was a growing understanding that “clusters” of industries were the engines that drove economies and that individual cities were too small to house these clusters. Nine industry clusters had evolved in the “Valley.” As a result, the regional community defined by Joint Venture as “Silicon Valley” in the years 1993 to 1998 was determined by the geographic locations of the high tech, defense, software, and Internet companies that represented these clusters.

While city and state boundaries will remain important, an increasing number of opportunities and problems cross those traditional boundaries. Education, retention and growth of businesses, transportation, and housing benefit from the pooling of motivation, resources, and knowledge that
reside broadly in a region. Conversely, local governments are repeatedly frustrated by their inability to affect real change in their communities when causes and consequences extend beyond their jurisdiction. Businesses struggle with the multiple jurisdictions with which they must interact and among which there are differing regulations and processes. Steady effort and progress at defining a region enables realistic problem definition and the application of adequate and appropriate resources.

Managing Lesson #2: The “Regional Community” must take responsibility for itself

*Joint Venture learned that part of its role was to model “If not us, who?”*

Commentary

The shock of the economic slowdown in the early 1990s awakened people in the Valley to their shared fate. The slowdown visibly affected the whole Valley. While previous economic downturns had also affected the Valley, by 1992 a critical mass of leaders had reached a point where there was a shared understanding that rescue was not going to come from government. The broad brushes of the state and federal governments rarely solved regional problems and sometimes exacerbated them. Local city and country governments did not have jurisdiction broad enough to offer effective solutions to regional problems that often began and ended outside their boundaries. Valley leaders gradually moved toward an understanding that solutions to increasingly intractable and complex regional problems could only be found by people in the region who lived close enough to them to care deeply about solving them. Once this corner was turned, despair and frustration were supplanted by the “can do” energy that characterized people’s existing attitudes toward their businesses, neighborhoods, and families.

Valley leaders sounded the alarm among their business colleagues once it became clear that action would have to originate in the Valley. To do this, they commissioned an assessment of the Valley economy and brought a thousand people together from business, education, government, and the community at large in June 1992 to review the assessment and to
begin to draft an action plan. With this process, which led to the publishing of the *Blueprint for a 21st Century Community* in June 1993, the Silicon Valley Region and its leaders began to visibly shoulder responsibility for addressing regional problems. This important effort was to be led by a new model, Joint Venture: Silicon Valley, incorporated as a 501(c) in May 1993.

Managing Lesson #3: Select staff and leadership, including volunteer leadership, with care

*Joint Venture learned that the quality of its staff and volunteer leadership had disproportionate impact on the success or failure of an initiative.*

Commentary

An organization dedicated to fostering collaboration among disparate sectors of the regional community depends on volunteer boards and a limited number of program directors to create the unique environments necessary to progress. The credibility, skill, stature, and energy of this small cadre of people have disproportionate impact on outcomes. Most of the work accomplished by the initiatives resulted from staff- and Board-led volunteer effort — effort that blossomed or died under the guidance and encouragement of these people. There were times that it was necessary to identify and let staff go who were not able to contribute to the work being done through the medium of Joint Venture.

For example, two initiatives floundered because of inadequate leadership and were either closed or steps were taken to replace the executive director. Like any other enterprise, changes also had to be made in areas like computer support, accounting, and communications at various times in order to maintain the excellence to which the organization, as a whole, aspired. This required that leadership address personnel issues both swiftly and carefully.

A regional collaborative like Joint Venture that depends on large infusions of volunteer time for leadership and for progress against its objectives must, nevertheless, be selective. Individuals will volunteer for key roles for which they may not be qualified or who may pull the organization away from its core mission. It falls to the CEO and other senior
leadership to find appropriate opportunities for these often enthusiastic volunteers and to guide them away from roles for which they are not suited. Done properly, the selection of a leader will have substantial impact on the credibility and progress of an initiative and thus, the entire organization. As in business, it was the role of the CEO, working with the Board’s Executive Committee, to identify and recruit strong board members from diverse communities and backgrounds.

Operating Lesson # 4: Go slow to go fast

*Joint Venture learned (quickly) that the early stages of a collaborative process take extra time but reward the investment with faster and more effective problem-solving and implementation.*

Commentary

The willingness of diverse groups of individuals to work together requires time to get acquainted and to understand and trust that they share a purpose common enough to engender collaborative effort. It further necessitates a sorting and resorting of problems, problem definition, and selection among alternative courses of action. This process is messy and slow because people bring varied viewpoints, agendas and approaches to the process. By allowing groups time to work through this messiness and by noticing and appreciating progress, a collaborative process particular to each working group of individuals develops and gains momentum.

Joint Venture found that bringing people together who, in many cases, had never met each other and were often naturally suspicious because their organizations had a history of competition, (city to city, business against business, etc.), required extra time. Yet with skillful leadership, when time was allocated and natural processes were allowed to develop, miracles happened. Problems were defined in new ways and solutions that individual members of the group would have predicted as impossible were found and implemented.

For example, under the auspices of Joint Venture’s Regulatory Streamlining Initiative and in cooperation with the Silicon Valley Manufacturing Group, an industry association, a task force was formed
to address the slow and cumbersome process of applying for and issuing building permits. This issue was extremely important to industry because it directly affected their “time to market” for new products. The working group included building officials from the cities, and facilities managers and process engineers from industry. Over a period of several months they explored the permitting processes in six cities and then the “best practices” of companies’ adaptations to those processes. These sessions were well-attended and offered a forum not only for learning about the most effective regulatory processes within cities, but also allowed time for the members to get to know each other. As an environment of trust developed, members identified work they could do together to address frustrations encountered by both the cities and the businesses who depended on them for authorization to proceed with building projects.

The first result was the streamlining of the permitting process in several cities by applying the principles of continuous improvement and process reengineering to individual city processes. The second result was cooperation to establish a single, unified building code to be used across 29 jurisdictions in the Valley — a miracle that no one would have predicted was possible before this group caused the change. Finally, cities in the Valley began automating their processes so that permits could be applied for and approvals granted over the Internet, in a project named “Smart Permit.” While the beginning of the process seemed painfully slow at times, especially in the early stages of each of the three projects, these massive changes were accomplished in only six years.
Managing Lesson #5: Encourage big ideas and achievable first steps

*Joint Venture learned that encouraging expansive visions while insisting on attainable first steps sparked unprecedented collaborations — and yielded dramatic results.*

**Commentary**

High profile leaders want to have material impact on issues with which they become involved. As a result, “Big Hairy Audacious Goals (BHAG),” a term coined by Collins and Porras in their book, *Built to Last*, became the rallying cry for the organization. In addition, leaders with a practical bent recognized the importance of ensuring that a proposed solution to a regional problem, no matter how visionary, must be achievable through a series of identifiable first steps. Joint Venture learned that both viewpoints were important and that the combination of big ideas with achievable first steps was much more powerful in addressing regional problems than either one alone.

Joint Venture was confronted with this issue after *An Economy at Risk* was published in June 1992. Based on that assessment, working groups developed 43 ideas intended to address the problems identified in the report and submitted them to Joint Venture’s Leadership Group. This list was considerably longer than expected and well beyond the anticipated resources of the Valley. Thirty of those ideas were consolidated, spun off, or abandoned because they were programs without vision, visionary ideas unlikely to garner wide support, or visionary ideas without tangible first steps. The remaining 13 became the first initiatives for Joint Venture after its incorporation in May 1993.

Smart Valley envisioned wiring every school in the region and connecting each to the Internet. Rather than attacking their whole vision at one time, they identified groups of schools and set about wiring them over a series of workdays. This enabled them to make early progress against a broad, encompassing vision. In its first five years, Smart Valley made excellent progress, wiring over 80 percent of the public schools plus several cities and libraries. In addition, working with the League of Women Voters, they established an electronic voter’s guide used widely in the Valley at election time.
Managing Lesson #6: Demand measurable outcomes and accountability

Joint Venture learned that first steps had to be both achievable and measurable and that visions, no matter how compelling, had to result in material improvement.

Commentary

Building community confidence requires publicly setting and meeting (if not exceeding) real meaningful, measurable objectives. As Joint Venture tracked and reported on progress against objectives established in the *Blueprint for a 21st Century Community*, the community responded by increasing its involvement and commitment to the collaborative problem solving approaches that Joint Venture represented. As part of the vision, Joint Venture assumed the role of keeper of the regional “books.” An annual *Index of Silicon Valley* was initiated to track and report on a set of measurements of the economy, infrastructure, education, the arts and civic engagement. After the publication of *Silicon Valley 2010* in 1998, the *Index* was adapted to track the goals identified in this vision pertaining to the economy, the environment, society, and regional stewardship. Additional reports, published from 1995 to 1998, compared Silicon Valley’s performance against other regions, the development of its workforce and the nature and status of the Valley’s industry clusters compared to other regions.

Each initiative was expected to have a business plan with measurable objectives. For example, the Enterprise Network recruited mentors and set a goal of helping x number of people start companies each year. The Regulatory Streamlining initiative set and achieved the goal of streamlining the permitting process in one city the first year and six cities in three years. The Healthy Community/Healthy Economy initiative set outcomes for the number of wellness programs to be established in places of employment and tracked health improvements. In addition they set an objective for the number of schools to participate in a program called FAST (Families and Schools Together) that improved behavior, and thereby, academic performance of first and second graders. Progress against these objectives was reported regularly to the Board and in publications.
Managing Lesson #7: Work with the media to get your message out

*Joint Venture learned that communicating and trying to create a new collaborative process across a region required help.*

**Commentary**

*Joint Venture was born with substantial support from the business community. Nevertheless, the task it faced was daunting. It had to extend people’s understanding of region as defined by Joint Venture. It needed to convince leaders and members of the general public beyond those involved in founding the organization that responsibility for change and improvement was theirs. Then it had to develop processes for getting results. Finally it had to gain the financial support necessary to support the work of the initiatives identified in the founding process.*

*Many local newspapers and television stations exist in the region. Fortunately, one newspaper, the San Jose Mercury News had become the de facto, regional newspaper. Jay Harris, Publisher of the Mercury News was involved early, as a member of the Board of Directors. He brought with him both a natural commitment to the broader region, as this region paralleled his customer base, and the ability to communicate with that population. However, newspapers quickly tire of reporting on meetings, no matter how collaborative or hopeful they may be, and the Mercury News was no exception. Harris became another force driving the organization towards results. Reporters and editorial writers reported on the results once they began to appear.*

*Joint Venture also published a quarterly newsletter — a publication strongly oriented toward reporting results. In addition, in its role as keeper of the books for the region, Joint Venture briefed several newspeople in advance of the release of the *Index of Silicon Valley*. Studies that quantitatively compared and examined aspects of the Valley, like its workforce and how it compared to other regions, were also formally launched with media*
coverage. Initiatives like 21st Century Education and Smart Valley sought media coverage for their work including a series of carefully documented annual reports. Story by story and publication by publication, Joint Venture built its case for being a results driven organization. By 1998, after publishing more than a dozen newsletters, four annual Indexes, several studies, and the quantitatively-oriented *Silicon Valley 2010*, Joint Venture had established its credibility and was trusted not to exaggerate its claims. With tremendous help from the media, it had 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.

**Managing Lesson #8: Expect and encourage “civic entrepreneurs”**

*Volunteers emerged from the community who provided leadership for bridging between industry and the community and brought the energy and perseverance necessary to making measurable progress.*

**Commentary**

“Civic Entrepreneurs” was terminology first conceived by Collaborative Economics and presented in their book *Grassroots Leaders for the New Economy*. They described volunteers who, like business entrepreneurs who connect an innovation with a marketplace, bring innovative business approaches into the community arena. They are open to taking the risks entailed in applying a new approach to an old problem, are capable of convening and leading the people and organizations necessary to progress and are impatient with obstacles to that progress. They bring the combination of a broad perspective along with a degree of practicality and persistence that is almost always necessary for solving complex systemic problems. Finally, they create a strong collaborative linkage between the economy and the community.

The Valley, through Joint Venture, was blessed with the help of hundreds of these unusual leaders. Some were CEOs, often of smaller companies and others included public officials, educators, nonprofit managers, union officials, and ordinary citizens. Just as the Valley
benefited from their help, these leaders also found a venue for exercising their skills and desire to contribute through Joint Venture.

Regulatory Streamlining achieved remarkable results primarily through the work of a group of Civic Entrepreneurs (see the case study on page 53). Another Joint Venture initiative, The Enterprise Network (TEN), was founded by a small group of civic entrepreneurs who believed that the Valley was still the best place to start a business. They organized advisory teams to work with entrepreneurs to help them develop business plans and then to work with them as “virtual staff members” during the critical early stages of business development. Prior to being launched to independence in June 1996, TEN had advised and encouraged 90 new businesses.

Encouragement to Civic Entrepreneurs was provided through annual nominations and awards. The “David Packard Civic Entrepreneur” award was founded, with permission from the family, specifically to honor these leaders. This honor was bestowed on both groups and individuals, as appropriate, including the leadership of the Regulatory Streamlining and Smart Valley initiatives.

Managing Lesson #9: Expect and prepare for completion and, sometimes, failure of organizational initiatives

*Joint Venture learned that, in spite of the care taken in selecting each initiative and an apparent need for each of the original 13, some failed to gain the support they needed to progress toward their goals.*

Commentary

During the founding of Joint Venture, 13 initiatives were adapted from among an initial list of 43. Each had lofty goals appropriate to the economic revitalization desired by the founders combined with identifiable and achievable first steps. However, as these initiatives ventured out into the real world looking for leadership, support, and funding, some succeeded while others faltered.
From this experience, Joint Venture learned several important lessons. While shrinking a list from 43 to 13 seemed appropriately disciplined, 13 initiatives all requiring staff, volunteers, and funding was still a long list. Within that list of 13, the initiatives that attracted the energy and support necessary to move forward, did so to some extent, based on their appeal for resources in the open market. Key Valley leaders and organizations, including city and county governments, made choices about where to direct their energy and money based on issues they cared about and where they felt they could have material impact. Certain issues, like education reform and regulatory streamlining, brought strong response from civic entrepreneurs while others, like the Software Coalition, did not.

That certain initiatives did not reach viability was deeply characteristic of attitudes in the Valley as a whole. The failure of new ideas, new products or services and, in the case of Joint Venture, new initiatives was reflective of a culture that was willing to take risks and that recognized failure as an essential part of the learning process. In the free market of public opinion, Joint Venture thrived while a few initiatives did not. This enabled stronger focus on a shorter list of initiatives that naturally drew in the support they needed while the organization also stayed open to experimentation with other approaches to revitalization. The cycle of experimentation and substantial progress was earned, in part, because of a willingness to try new things, to celebrate progress, and to expect and not shy away from closing down the occasional failure.

Managing Lesson # 10: Stay focused

*Joint Venture learned that more need existed for an effective regional organization than it could satisfy. As a result, ideas and people regularly tried to tug Joint Venture off course.*

**Commentary**

Joint Venture was born into a Valley frustrated with its inability to productively address a long list of issues relevant to its economic vitality and quality of life. Joint Venture, once it established a degree of credibility, was viewed as a possible solution to many ills. A chorus of requests for help
and attention bombarded Joint Venture at the same time it was working
to achieve clarity on its goals and mission, and focused on getting results.

Certain rules emerged that were intended to help Joint Venture stay
focused on its unique role and mission. Certain issues were clearly out-
side its purview. Firstly, Joint Venture chose not to address issues where a
social services agency already existed, such as the need for a food bank,
and/or where the scope was narrower than the region as a whole, such
as a city’s general plan. Secondly, if another organization had indicated
strong interest in addressing a regional issue and appeared to have the
wherewithal to be effective, Joint Venture would step aside in deference
to that effort. For example, the Silicon Valley Manufacturing Group had
worked with local governmental agencies on transportation matters for
several years and also wanted to take the lead on Valley housing issues.
The president of the group, who was invited to sit on Joint Venture’s
Board, was encouraged to attack these problems. This enabled Joint
Venture to direct its attention to other important issues like education
and economic development. Joint Venture consistently avoided becoming
embroiled in political or partisan issues that would erode the confidence
the Valley had developed in Joint Venture’s neutrality, (see Appendix 5
for the Joint Venture Board Policy on Taking Public Positions). Finally,
Joint Venture evaluated new issues that might be appropriate to its atten-
tion in light of their ability to attract necessary resources and to achieve
measurable outcomes. The organization was able to carve out space it
could work within, by staying focused and attending to the set of issues it
had chosen to address and by measuring and publishing progress.
By making a choice to incubate rather than own, Joint Venture shortened the cycle time to renewal.

INTRODUCTION:

Perhaps more than most other types of organizations, regional collaboratives are about renewal. Joint Venture grew out of a strong need for economic revitalization in Silicon Valley. As Joint Venture evolved and successfully applied itself to its mission, money was raised, people were involved, and goals were accomplished. Having been born in a time of crisis and having contributed to the elimination of that crisis, Joint Venture then had to identify and turn to the next set of important issues relevant to its regional mission.

Joint Venture learned to operate on the principle that its role was to incubate new approaches to regional revitalization. Because it chose not to own these efforts and not to create long-term organizations around them, a natural cycle time began to evolve — a year or two to determine if an idea was viable and three to five to get it up and running — and then, for many, out the door. Built into this cycle was the need to constantly reevaluate “What is next?,” “What is important?,” Where can we add the most value?,” and “Are we done?”

Because a regional collaborative is a problem-solving organization, it is largely dependent on voluntary contributions of energy, time, and money for progress. These contributions are often connected to specific goals — particularly in the “investment” model adopted by Joint Venture. Its own renewal then, depends on refocusing its efforts on new issues that provide as much impetus for involvement and contribution as its original goals did, and on selecting the leadership necessary to achieve progress in the new direction.
Renewal Lesson #1: Be prepared to adjust the organization to an evolving, achievable mission

Almost inevitably, a regional collaborative will need to restructure as it clarifies its role and, during renewal, as it identifies and attacks new issues.

Commentary

Joint Venture depended on a combination of “civic entrepreneurs,” volunteers, and paid staff for its contribution to progress in the Valley. As a result, it had to organize to encourage and support the work of its cadre of volunteers at the same time that it brought continuity and leadership to the process through its own staff. However, because its staff was limited in size (never more than 22), and because the organization as a whole could properly support only a limited number of initiatives, it had to be able to quickly adapt to changing circumstances. Consequently, it could not organize like a normal business enterprise with its own staff dedicated to meeting customer needs for products, or like a traditional social service agency that served clients with specific needs over many years.

Further, Joint Venture had to adapt and respond to two unfolding trend lines: its own evolving mission and the emergence of new issues appropriate to that mission. In 1996, after six months of staff work, policies were adopted by the Joint Venture Board that determined when an initiative would be retained within the organization, “launched” into independence, merged, or closed down (see Appendix 4). By 1997, after having spun off or closed several initiatives, three initiatives continued to require Joint Venture’s leadership: 21st Century Education, Economic Prosperity Council, and Healthy Community/Healthy Economy. Joint Venture, through its regular restructuring (see pages 3–5), demonstrated an ability to remain light on its organizational feet — responding to changing circumstances and demand quickly as it moved forward.
Renewal Lesson #2: Be alert to the next big issues that will require regional collaboration

*Joint Venture learned that issues that seemed important yesterday and with which the organization was fully engaged can be rapidly displaced as priorities by bigger, deeper issues that affect the region.*

Commentary

New, “burning platform” issues that directly and urgently affect the livelihood or living conditions of those in the Valley, may become visible when the organization is already heavily involved in existing initiatives. This may mean leaping to a new set of goals before the existing set is fully accomplished and before adequate resources have been identified for addressing new challenges. Nevertheless, such leaps may be necessary in order to maintain the interest, involvement and investments the organization needs to continue to make a material difference within its region.

Joint Venture found that it had to keep three balls in the air simultaneously: existing initiatives had to be well supported, tracked, and spun off; new programs had to be resourced and initiated and; new, big, hairy, audacious goals relevant to its regional mission had to be identified or created.

Joint Venture stayed alert to the possibility that new issues were developing as the Valley returned to prosperity and that they would need to add new initiatives before they had completed current efforts. The CEO and President, Becky Morgan utilized the concept of “jumping the curve,” originated by Ian Morrison in his book, *The Second Curve*, to help the organization understand the importance of looking ahead and preparing for the next set of critical issues (see diagram on the next page). SkillsNet was a new idea and was added as a new initiative in 1996. “Sustainability,” the new understanding that economic, environmental, and social well-being are inextricably linked, did not result in a specific initiative, but was consciously added into the thinking and criteria for choices to be made by Joint Venture. For example, while the focus of the educational initiative in the first five years was K-12, a workforce preparation initiative was added under the Economic Prosperity umbrella in 1997. This brought business and higher education people together to better match offerings and needs, and to reach out to underserved students.
A The beginning of the enterprise with a steep learning curve and in pursuit of successes.

B The point at which planning must begin for renewal or the enterprise will falter or fail.

B to C Existing work continues while new work, restructuring, and renewal begins, including the necessary, sometimes painful, time and resource commitment required to avoid a downturn.

In June 1997, with the goals of the “Blueprint for a 21st Century Community” largely met, Joint Venture began a process of renewal that would mirror the process that had led to the founding of Joint Venture five years earlier.

The goal was to utilize a collaborative process to “create a vision, benchmarks, and commitments to action.” A 27 person “Vision Leadership Team” was pulled together including approximately one-third who had been involved with Joint Venture and two-thirds who were new to involvement. Jay Harris, Publisher, of the San Jose Mercury News and Diane McKenna, former Santa Clara County Supervisor, accepted leadership as co-chairs of the Team.
Over a period of almost eight months extending from the fall of 1997 into the spring of 1998, the Vision Leadership Team reviewed analyses of Silicon Valley’s current strengths and weaknesses and consulted focus groups and experts in the Valley and conducted an 800 person survey in order to write a draft report as a basis for Community Feedback Sessions. Between April 29 and May 21, 1998, ten open, community forums were conducted across the Valley using electronic voting to determine people’s preferences on each of the draft goals for the Region. The feedback was incorporated into the finished report titled *Silicon Valley 2010: A Regional Framework for Growing Together* which was published and presented to the public in a well-attended press conference on October 6, 1998. (Copies can be obtained by calling Joint Venture at 408.271.7213 or by accessing their web site at www.jointventure.org) This framework, with its 17 goals, was intended as a guide for future work within the region.

Renewal Lesson #3: Plan for the succession of the CEO, Executive Directors and Board Members

*Joint Venture learned that, because the credibility, reach, and effectiveness of the organization rests so strongly on the people in leadership positions, including both Board members and the CEO, careful succession planning is imperative.*

Commentary

Like the issues the organization addresses, people also will move on and need to be replaced. The stature and capabilities of the President and CEO, Executive Directors and the members of the Board of Directors will be central to the ongoing success of the organization. A rigorous search and selection process should be utilized for finding and selecting a replacement for the CEO. Use of a reputable search firm will ensure that the Board members focus on what kind of leadership the organization will require to go forward. The CEO and Board members should be charged with finding replacements for Board members who move on or complete their pre-established commitment (two terms or six years in Joint Venture’s case).
After Joint Venture was founded, a search firm was retained to find a leader to succeed the interim CEO, Tom Hayes. Becky Morgan, a State Senator from within Silicon Valley, with ties to both the public and private sector, was identified and selected. She was a proven leader who brought immediate credibility to Joint Venture. She assembled a Board of Directors of Valley leaders with representation across both the public and private sectors. The 27 Board members included Ed McCracken, the CEO of Silicon Graphics, Susan Hammer, the Mayor of San Jose, and John Neece, the Secretary of the Building Trades Union. Hammer and McCracken became co-chairs of the Board in the fall of 1993. Lew Platt, the Chairman and CEO of Hewlett Packard who, at the time, was a member of the Board of the 21st Century Education initiative replaced McCracken in 1996. When Hammer’s elected term ended in December 1998, Ron Gonzales, the incoming Mayor of San Jose, succeeded her.

When Becky Morgan decided to retire in 1998, the Executive Committee of the Board took on the task of finding a replacement. The Committee launched a search process without hiring a search firm. They felt they had access to good candidates who were knowledgeable about Joint Venture and several who had been involved with the organization. Ruben Barrales, who had been a member of the Joint Venture Board since February 1997 and was a San Mateo County Supervisor, was ultimately chosen. His enthusiasm and his experience in both public and private arenas impressed the Executive Committee who presented him to the Board where he was chosen as Morgan’s successor.
Renewal Lesson #4: Be open to closing the organization’s doors

*Joint Venture learned that it must not only continually reexamine its own role and goals, but those of its initiatives as well.*

**Commentary**

“Are we done?” is a valid question. The impetus to keep the doors open should come from important work still to be done that meets an identified regional need. Important work attracts serious people and other resources necessary to accomplish worthwhile goals. Simply asking and addressing this question can create a healthy dialogue within the organization and can help avoid the staleness and ossification that often accompanies longevity. Joint Venture regularly addressed this question after making rapid progress against its founding goals.

As identified in Appendix I, some initiatives no longer existed in 1998. “Are we done?” and “Do we have the leadership and support to continue?” were valid questions, sometimes answered in the affirmative and sometimes not. These questions forced the board to continually reexamine the viability and relevance of particular initiatives as well as the ongoing need for visionary and energetic leadership, both in the administration and on the Board of Directors (see Appendix 4 for the Board Policy on Launching and Closing Initiatives).

By December 1998, a remarkable evolutionary process had taken place. Original initiatives were transformed and several major initiatives had affected measurable changes in the Valley (see the three case studies in Appendix 2). Over $1.7 million had been raised each year — 85 percent from the private sector and 15 percent from the public sector and foundations — to cover everything except the education initiative. An additional $25 million dollars had been raised for the 21st Century Education Initiative in cash, equipment, and human resources. A new vision had been created as a result of 18 months of collaborative work devoted to developing *Silicon Valley 2010: A Regional Framework for Growing Together*. Joint Venture had moved from a chaotic startup to an “elegant and effective” organization as Board member and Senator John Vasconcellos commented in 1998.
As new leadership assumed responsibility for Joint Venture at the end of 1998, they were armed with both a new vision for a sustainable Valley and substantial social capital that had been built up over the preceding six years. The need for a regional collaborative was, if anything, stronger and deeper than in 1992. Joint Venture was poised to address a new set of challenges with ample momentum and resources to address harder issues and to help the region ascend to new levels of sustainability and regional collaboration.

The information included in this report reflects our effort to cull and organize the knowledge gained from Joint Venture’s first six years, but also reveals an important reality of a regional collaborative: it is about learning. The capability a region develops to learn about and characterize itself, to distribute this information to a broad regional audience, and then to use this new understanding to create experimental initiatives helps a region develop and prosper. Although the issues and language may change over time and from region to region, the ability to bring people together across a region to address shared problems will remain at the heart of the effort needed to foster positive change. The models and lessons in this report are the result of one region’s learning. We are hopeful that they will be helpful to others throughout California and the country.
Concurrent with the founding of Joint Venture, thirteen initiatives were identified as priorities for the new organization to start and support. Subsequently, two more initiatives were added in 1996 and 1997.

Commentary

The 15 initiatives, their purpose, and their status as of December 1998 follow:

1. **21st Century Education Initiative**—spark a renaissance in K–12 education in Silicon Valley. Status: has worked with a total of 62 schools in 14 school districts and 42,000 students through nine K–12 teams each of whom chose reading, literacy, math, or science as a focus area for improving student performance. Multimedia training for students and professional development for teachers were also included among its programs. Commitment to the last team expires in 2002. (See Case Study #3).

2. **Business Incubation Alliance**—promote the start-up of incubators targeted to specific industry clusters as a means of providing support to entrepreneurs. Status: became an informal group of interested persons by the end of the second year.

3. **Council on Tax and Fiscal Policy**—bring together the Valley’s public and private sectors to identify common tax and fiscal needs and work for mutually beneficial policy change at the regional, state, and federal levels. Status: became part of the Economic Prosperity Council, fall of 1997, after working collaboratively on federal and state tax policies, including creating testimonials, white papers and workshops.

4. **Defense/Space Consortium**—promote the transition and continuing vitality of Silicon Valley’s defense and space firms and workforce by fostering partnerships to commercialize new technologies and support diversification of defense firms into commercial markets. Status: several collaborations were formed between defense and commercial companies to transform defense products and activities into commercial uses. Was established as an independent organization in the fall of 1996 and dissolved in 1999.
5. **The Enterprise Network** — improve the success rate of new business start-ups in Silicon Valley by matching senior business advisors with start-ups in a two to three month process of assisting with business planning. Status: spun off as a successful independent organization in July 1996 and continues to mentor people starting new companies.

6. **Environmental Partnership** — stimulate development of the environmental industry and solve environmental problems by encouraging collaboration among industry, government, environmental groups, and research and support organizations. Status: established the first U.S. Environmental Business Cluster (Incubator) for environmental products and services and published a complete recycling directory. In 1977, unable to attract sufficient funds to maintain staff, it became a volunteer organization.

7. **Healthy Community/Healthy Economy** — stimulate action that will help Santa Clara County become the healthiest region in California. Status: narrowed its charter in 1995 and helped establish “Wellness Programs” for several employers and worked with and funded some schools needing a program for behaviorally and academically challenged first and second graders and their families. Programs were discontinued in 1999.

8. **Regulatory Streamlining** — promote process improvements in the administration of regulations in Silicon Valley. Status: became part of the Economic Prosperity Council, fall 1997, and continued its work toward successfully accomplishing the goals outlined in the *Blueprint for the 21st Century*. (See Case Study #2)

9. **Silicon Valley Economic Development Team** — encourage expansion and retention of existing firms and attract new firms to the Region. Status: became part of the Economic Prosperity Council, fall 1997, and continued to work with businesses in the region.

10. **Silicon Valley Global Technologies** — help entrepreneurs and managers of high-tech start-ups and established companies develop, engineer, manufacture, and bring to market emerging technology-oriented products. Status: Terminated in 1993 when funding did not materialize.
11. Silicon Valley Global Trading Center — to help small and medium sized Silicon Valley Companies trade globally. Status: attracted a Federal Export Office to Silicon Valley and held monthly breakfasts to inform attendees about doing business globally. In the fall of 1996 it merged with the San Jose office of the U.S. Export Assistance Center.

12. SkillsNet — help prepare more qualified, creative digital workers for the multimedia and entertainment industries by bringing together the arts of Southern California with the technology of Northern California. Status: funds were not forthcoming and the project was terminated in 1997.

13. Smart Valley — enhance economic growth and quality of life in Silicon Valley by facilitating a vibrant, regional electronic community. Status: after wiring and connecting over 80 percent of the schools in the region to the Internet, and helping many cities and libraries move into the information age, it declared victory in 1998 and closed down. A few remaining projects were absorbed by a community college and the League of Women Voters.

14. Software Industry Coalition — improve the quality of the Software Industry’s relationships, processes, and products by undertaking specific projects and building collaborative relationships with existing organizations to actively promote and support issues common to the software industry. Status: terminated in 1993 for inability to make sufficient progress against objectives.

15. Workforce Preparation Initiative — to successfully grow and sustain a world-class workforce in Silicon Valley. Status: closed December 1999 due to loss of leadership.
Every initiative was a study in learning.

INTRODUCTION:

Three case studies have been selected for inclusion in this report. All three are initiatives of Joint Venture but each evolved for different purposes and was created and “incubated” consistent with its leadership, staff, civic entrepreneur volunteers, and missions. In different ways they illustrate the lessons covered in previous sections.

It has been characteristic of Joint Venture and its initiatives that they had to feel their way forward. No standard, established methods existed for accomplishing the types of missions that drew these initiatives into existence. Joint Venture’s role was to incubate — to create a shelter in which they could come alive and move toward independence, if appropriate, or close down if not. In a very real way, each was a pioneering and learning effort. One of the great values of Joint Venture, aside from the long list of results its achieved through its initiatives, was the learning that was spun off by each as they charged forward or languished, lived or died.

Case Study #1: 21st Century Education

The 21st Century Education Initiative is dedicated to building a world-class education system by focusing on three areas: improving student performance in math, science, and literacy; providing professional development for educators; and applying technology to support teaching and learning.

Commentary

Improving the public school education systems in the Valley was the highest priority identified by 1000 education, business, and civic leaders who came together in 1993 to develop the Blueprint for a 21st Century Community. The goal of the intelligent and intensely committed group of people who formed the Board and leadership of the Education Initiative was nothing less than a renaissance in education. They worked together on a biweekly basis for 10 months to develop an approach they felt would accomplish this purpose.
The approach developed for school reform, called Challenge 2000, was based on a model of delivering resources to the teams of schools (K-12) that was not a “grant,” but an “investment” grounded in five key elements of the venture capital world. First, multi-year investments based on three to five year business plans were made, assuming the teams met yearly targets. Secondly a managing partner relationship evolved based on Challenge 2000 staff working with each team an average of 1.5 days per week to support the change process. Accountability for results was anchored in a specific framework of “Memorandums of Understanding” and quarterly progress meetings between Challenge 2000 staff, team superintendents, and team leaders. Delivery of cash, equipment, and expertise formed the fourth element determined by what a team needed to make progress towards its goals. Finally a formal “exit strategy” was outlined based on the recognition that each team needed to develop independent “sustainability” for their changes.

The venture capital model emphasized a measurable and rapid return on the investments made in the schools. Business plans had to include measurable goals and assessment tools or plans to develop those tools in the first year. Progress in student performance was expected by the second year of the investment.

By July 1998, nine teams were participating in Challenge 2000 working against improvement goals they had set for themselves, and investors had contributed over $25 million dollars of cash and other resources. The approach was new enough to both the school districts involved and the business leaders who invested and coached, that a significant amount of the early progress was associated with learning new models and new ways of thinking. As this occurred, the focus shifted to the hard work of reform, improvement, and assessment. The teams began to make progress. For example, one school, Dorsa Elementary in East San Jose, improved literacy as measured by reading at grade level, from 43 percent to 77 percent for grades 1–5 during its second year. Other teams made similarly impressive gains.

Many specific lessons emerged from Challenge 2000’s experience. Strong sponsorship for educational reform from boards of education and superintendents is critical. Data collection and analysis require extra
emphasis and resources. Assessments must be meaningful to stakeholders, that is, they must be understandable to stakeholders and linked to agreed upon learning priorities. The teams, called a “vertical slice” of K–12th grade, benefit, even more than expected, from input from “critical friends” outside the team. System change requires commitment to continuous improvement principles over the long term — beyond quick, early gains. Finally, the reform of long established public schools systems takes time, energy, focus, persistence and more concerted effort over a longer period of time than originally anticipated.

In conjunction with the Challenge 2000 program, The Multimedia Project was launched in 1995 with support from a five year, $6 million federal Technology Innovation Challenge Grant. The Multimedia Project sought to infuse Challenge 2000 classrooms with an exemplary model of technology integration in which students would use multimedia production tools in the context of challenging, project-based learning activities. Teachers in vertical slice teams were supported with training, coaching, mini-grants, rewards, and other incentives. By 1998, over 100 teachers and 3,000 students had benefited from the program, and nearly 70 percent of these had met stringent performance targets. In its final year of federal funding, the Multimedia Project was cited by the U.S. Department of Education as one of only two “exemplary” educational technology programs nationwide.

Another effort, launched under the auspices of the 21st Century Education Initiative, was the Professional Development and Dissemination Network (PDDN). PDDN promoted the exploration, implementation, and dissemination of best practices in teacher professional development. It invested in five innovative teacher professional development projects focused on measuring and analyzing student results. The PDDN also brought teachers across the Challenge 2000 Renaissance Teams together during the school year to exchange ideas and share classroom practices. And recognizing the dramatic teacher turnover and teacher shortages in Silicon Valley, the PDDN worked with several schools and universities to design and implement new models for preparing and supporting new teachers.
Case Study #2: The Economic Development Team (EDT)

This initiative coordinates economic development efforts in the region and provides a single point of contact for a strategic network of economic development directors and senior managers from cluster industries and business organizations. The Team works to retain and expand existing businesses, to communicate and promote the Valley’s assets, and to solve business climate issues.

Commentary

A coordinated regional approach to economic development was identified as one of the highest priorities for the region during the work that led to the Blueprint for a 21st Century Community. While the idea had been previously proposed, a sufficiently “honest broker” who was able to coordinate responses to interest from outside the region and address issues for companies who wished to remain and/or expand within the region had been unavailable. Joint Venture offered the necessary neutrality and was also able to facilitate the extensive collaborative process that enabled 20 municipalities and 1 county to reach consensus on purpose and approach for the Team.

Joint Venture brought people together who did not know or trust each other. Together they built trust, a common language, and a regional perspective. Once the EDT was established as the vehicle for economic development, it quickly became productive using measurable objectives in its business plans, the EDT assisted with approximately 20 expansions over 3 years, working mostly behind the scenes. The EDT changed perceptions about the Valley by creating a visibly business-friendly environment and several marketing pieces. Partnering with Deloitte-Touche, the EDT helped institutionalize the “Fast 50,” a celebration of the fastest growing companies in Silicon Valley. In addition, the EDT published a “Comparative Analysis” comparing economic and quality of life indicators among 11 high-tech regions. As of the end of 1998, reports on the “WorkForce Gap” in the Valley and an “Internet Cluster Analysis” were nearing publication.

An early example of the impact this team would have, was the decision by National Semiconductor in March 1995 to expand its Fairchild
Research and Manufacturing operations in Santa Clara rather than in Arlington, Texas. In 1996, the Economic Development Team played a supporting role in the negotiations that led to a decision by Cisco Systems to expand in the Valley with a new campus south of San Jose. This expansion is expected to house 10,000 employees and will result in at least 3,000 construction jobs.

“Joint Venture was the vital catalyst in National’s decision to stay in Santa Clara.”  
— Gil Amelio, while CEO of National Semiconductor

Case Study #3: Regulatory Streamlining

The Regulatory Streamlining Initiative was to work in three areas: streamlining the permitting processes within all city departments, creating a clearing house for regulatory information and sponsoring pilot projects for using the Internet to improve the quality and cut the cost and time of regulatory transactions.

Commentary

In the Phase II strategic planning process, from which the Blueprint for a 21st Century Community was developed, improving the regulatory climate was a need cited by all industry groups. The focus was on reforming the process rather than changing the substance of the regulations. The industry concern on this issue grew out of the time-based competition they increasingly faced. They needed regulatory and permitting processes that moved as fast as the Valley businesses did.

The results, as of the end of 1998, included changes to the regulatory environment that would have been unthinkable prior to this collaborative effort. Industry experts worked with cities to streamline their permitting processes. For example, as a result of its permit reengineering process, the City of Sunnyvale was able to issue 95 percent of its permits on the same day they were received. Code administrators in 27 cities and 2 counties agreed to unify their building, plumbing, electrical, and mechanical
codes. Four hundred local amendments to these codes were reduced to 11. This process alone saved businesses millions of dollars and had a material impact on their time-to-market. Finally, the Regulatory Streamlining Council worked with an architect and software firm to develop and pilot a program that would enable online permitting.

The Council was constituted of a core group of six “civic entrepreneurs” who represented both city government and industry and who brought the knowledge, experience, and connections it would take to create valid solutions and to gain consensus among the target cities. It took extra time at the beginning of the process to allow members of the Council to become comfortable enough with each other to collaborate effectively. The members were thus poised to not only build momentum but also to respond rapidly to new developments in technology. Finally, they set real, meaningful objectives for which there were achievable and measurable interim steps toward big ideas. These big ideas included the virtual city hall with twenty-four hour, seven-day-a-week, access, use of digital signatures and e-commerce.
Joint Venture is a regional collaborative — people working together toward a shared vision to achieve uncommon results. Today, Joint Venture is best described as a Community Venture Catalyst — an incubator of ideas, a catalytic force that is focused on community outcomes and a return on investment as measured in community benefit.

VISION:

To build a sustainable community collaborating to compete globally

MISSION:

We 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.

CORE VALUES:

• Trust and Caring

We engage leaders face to face to develop and inspire their trust in one another and their care for the Valley.

• Diverse, Inclusive and Meaningful Engagement

We actively seek out leadership that reflects the community, involving all sectors and cultures.

• Collaboration

We communicate the value of the process of collaboration; building community is a journey, not a destination.

• Results

We are committed to delivering results to the community.
**CORE COMPETENCIES**

*Articulating a Shared Vision*

Ability to communicate ideas, concepts and vision across sectors — government, education, industry, and community — grounded in regional knowledge and understanding of our economy, environment and society and their interdependencies.

*Collaborating Toward Measurable Outcomes*

Ability to create a focused agenda using a business-planning model that drives community outcomes aligned with a shared vision.

*Catalyzing Action*

Ability to move diverse people and sectors toward an actionable vision by showcasing issues of importance to the future of our community and convening and facilitating "boundary crossing" discussions aimed at shared solutions.

*Measuring Regional Progress*

Ability to identify, research, and present information of significance to the future of Silicon Valley that highlights trends and showcases regional progress over time.

*Raising Community Venture Capital*

Ability to raise the social capital — the attraction and retention of high quality volunteers across sectors — and the financial and technical resources needed to produce targeted community outcomes.

*Producing Quality Communications*

Ability to deliver high-quality publications, events, and communication strategies and tools and sustain positive media and network relations.
APPENDIX 4

Restructuring — The 1996 Board Policy on Launching and Closing Initiatives

FUNDAMENTAL ASSUMPTIONS:

1. The Joint Venture Organization will continue.
There is a future need for the Joint Venture collaborative process to address critical issues facing Silicon Valley.

2. The Joint Venture organization will operate as an incubation model and not as a holding company model.
Joint Venture is most effective as an “incubator” of ideas and focused action, rather than a service delivery or maintenance organization.

3. Joint Venture will operate within its existing staffing and budgetary constraints.
Funding for Joint Venture is dependent on highly leveraged activities and results, not on a growing agenda and the administration to support it. Joint Venture must pay close attention to leveraging existing resources, containing budget growth, and focusing on those activities most critical to Silicon Valley.

TRANSITION POLICIES FOR EXISTING INITIATIVES/ACTIVITIES:

An initiative may be launched when it:
   1. has attracted sufficient leadership and funding to sustain its activities, and
   2. is no longer integral to the success of other initiatives within Joint Venture: Silicon Valley Network, or Joint Venture’s core vision, but is a valuable asset for the Valley.

An initiative will be terminated when it:
   1. has not attracted sufficient leadership and/or funding to carry out its objectives, or
   2. does not share Joint Venture’s values and processes and is no longer a high priority for Joint Venture’s leadership, or
   3. declares victory, having achieved its stated goals.
Joint Venture Policy on Taking Public Positions

Joint Venture: Silicon Valley Network Board will selectively consider taking public positions on issues that meet one or more of the following criteria:

1. **The position advances core objectives of Joint Venture:**
   - Promotes economic development of the Silicon Valley
   - Enhances the quality of life of the region
   - Supports education in the community
   - Stimulates collaboration between business, government, education and community groups

2. **The impact would be felt region-wide (e.g., by many localities or many businesses in the four-county Silicon Valley region).**

3. **The impact would benefit the entire community including both the public and private sectors, either directly or indirectly.**

4. **Due diligence has been undertaken in the subcommittee, task force or initiative that has recommended the position.**

5. **The Joint Venture President requests that the Board consider taking a public position on an issue.**

Highly controversial or highly visible positions, as determined by an JVSV Initiative chair or the JVSV President, require that the JVSV Network Board vote either a) to endorse the position or b) to prohibit JVSV or the Initiative from taking a position.

At the President’s discretion, the Executive Committee may act on behalf of the Board when timeliness is of the essence following notification of all Board members 72 hours in advance of the Executive Committee action.

Documents outlining approved Joint Venture positions should contain the clause: “The policy positions approved by the Joint Venture: Silicon Valley Network Board reflect the consensus or a clear majority of the individual Board members and should in no way be interpreted as reflecting
the official position of other organizations with whom JVSV board members are affiliated.”

(The Economic Development Team, 21st Century Education Initiative and Healthy Community/Healthy Economy which are not separately incorporated initiatives should request Joint Venture approval for advocacy of publicly visible policy positions)
This memorandum represents an agreement between the Joint Venture: Silicon Valley Network and the Smart Valley, Inc. Initiative regarding the expectations of both sides for the period March 1995 through December 1995. The memorandum has four sections:

1. **Initiative Summary** — Provides the mission, organization and measurable outcomes for the initiative.

2. **Network Support to the Initiative** — Outlines the support that the initiative is expecting from the JVSV Network.

3. **Network Expectations of the Initiative** — Outlines what the Network expects of the initiative in return for support from the Network.

4. **Mutual Understandings** — Describes a set of mutual expectations between the initiative and the Network.

1. **Initiative Summary** —

   **Mission**

   To enhance the global competitiveness and quality of life in our area through the use of an advanced regional information infrastructure.

   **Organization**

   Smart Valley, Inc. is a 501 (c)(6) nonprofit organization governed by a board of directors and affiliated with the Joint Venture: Silicon Valley Network. As a trade association, it is supported primarily by membership fees collected from its members.

   **Accounting and Control Support:**

   Smart Valley will engage its own accounting and control support.

   **Communications Support**

   Smart Valley will engage its own communications support.

   **Legal Support**

   Smart Valley will engage its own legal support.
Fiscal Year

Smart Valley will use a calendar year for its accounting purposes, including membership and fundraising, wherever possible.

Measurable Objectives

• Continue our focus on flagship regional projects that successfully apply communications technology in service of key issues, including healthcare, education, local government and the non profit sector wherever possible with other JVSV Initiatives. Specifically, in 1995:
  — establish a significant Healthcare project in cooperation with Health Community initiative.
  — collect suitable resources (including hardware, software and training) for use in the Smart Schools project in cooperation with Challenge 2000.

• Sponsor a series of sectoral workshops, as well as one international conference on regional networking.

• Expand outreach, working closer with our member companies by helping to develop their active participation in additional Smart Valley projects.

• Develop an on-line means for cataloging grassroots activities throughout the Bay Area for both member companies and community volunteers, interested in matching their own skills and resources to the needs of local activities.

2. Network Support to the Initiative —

The Initiative requests the following types of support from the JVSV Network:

Support from Joint Venture Board of Directors and Staff

• The Joint Venture Board will help connect Smart Valley to the broader constituencies represented by Joint Venture: Silicon Valley Network.
Network Staff Support

- The Network will provide a staff liaison to Smart Valley, Inc. to help coordinate activities and promote communications.

Status Reports

- The Network will provide regular reports to Smart Valley of the status of all other initiatives. As well, the Network will promptly supply Smart Valley with information on any changes in personnel, contact individuals, mission, etc. of all other initiatives.

Sacramento/Washington Support

- Smart Valley will receive Sacramento and Washington lobbying support from the Network on an “as needed” basis through requests made directly to the CEO of the JV:SV Network.

3. What the Network Expects in Return

In return for Network support, the Network expects the initiative to provide the following to the Network:

Identity

- Smart Valley will identify itself as “an affiliate of the Joint Venture: Silicon Valley Network” on stationery and promotional materials, where appropriate.

Fundraising Support

- Smart Valley will keep the Network informed of organizations that are being targeted for fundraising (above $5,000).

Public Participation

- Smart Valley will have a mechanism for responding to members of the public who want information about the initiative (e.g., via newsletter, returned phone call, mailed materials).
4. Mutual Understandings

Conduct

• Smart Valley and the Network will both develop and adopt a Code of Conduct that covers conflicts of interest with board members and contractors. As well, policies will be established which proscribe the hiring of family members, sexual harassment, use of drugs and alcohol in the workplace, and other illegal and inappropriate work practices. Policies with regard to Equal Employment Opportunity and other programs will be established as required by law.

Fundraising Coordination

• The Network will work with Smart Valley to develop a coordinated fundraising strategy that will help to support Smart Valley’s funding efforts by linking to the fundraising efforts of the Network and other JV:SV initiatives.

• Smart Valley will share its fundraising contacts with JVSV Network on a regular basis to assist in developing and implementing a coordinated fundraising strategy.

Communications

• Smart Valley and the JVSV Network will coordinate all major announcements and events with each other.
Joint Venture was created in 1992 as a dynamic new model of regional rejuvenation. Its vision was to create a community collaborating to compete globally. Joint Venture brought people together from business, government, education and the community to act on regional issues affecting economic vitality and the quality of life.

**Board of Directors**

*As of December, 1998*

**Co-Chairpersons**

Mayor Susan Hammer  
City of San Jose

Lew Platt  
Chairman, President & CEO, Hewlett-Packard Co.

Becky Morgan  
President & CEO

Hon. Ruben Barrales  
San Mateo County Supervisor

Carol Bartz  
Autodesk

Robert L. Caret  
Chairman, President & CEO, Hewlett-Packard Co.

Jeannie M. Loscavilla  
San Jose State University

Mayor Judy Nadler  
Santa Clara County Supervisor

Robert Cavigli  
Erlich-Rominger Architects

Leo E. Chavez  
Foothill-DeAnza Community Colleges

Jim Deichen  
Bank of America

Charles M. Dostal, Jr.  
Brookside Asset Management, Inc.

Katherine M. Fong  
Pacific Sun & Electric

Carl Guardino  
Santa Clara Valley Manufacturing Group

S. Reid Gustafson  
Shea Homes

Judith H. Hamilton  
Data Group

Jay Harris  
San Jose Mercury News

Mark G. Hyde  
Lifeguard, Inc.

W. Keith Kennedy  
Woodside Asset Management, Inc.

Paul Loscavilla  
Santa Clara County Supervisor

Mayor Judy Nadler  
Santa Clara

John Neece  
Building & Construction Trades Council

Joseph Parisi  
Tiramisu

J. Michael Patterson  
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Hon. S. Joseph Simrartian  
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Steven J. Tedesco  
San Jose Metropolitan Chamber of Commerce

Hon. John Vasconcellos  
California State Assembly

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Pacific Rim Financial Corporation

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**SPECIAL THANKS**

To the James Irvine Family Foundation and the Morgan Family Foundation for funding this extension to the original “Lessons.”

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The Joint Venture Way: Lessons for Regional Rejuvenation

Volume 2

Joint Venture: Silicon Valley Network