

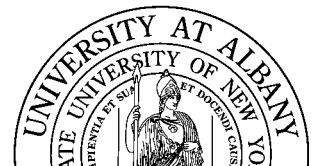
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High-Tech Growth and Community Well-Being: Lessons Learned from Austin, Texas

A Report of the Nonprofit Executive Roundtable

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Call to Action

The Roundtable now invites responses to the case study and to the lessons learned as expressed by a group of knowledgeable Austinites, willing to share generously their reflections on community impacts of Austin's boom and post-boom periods.

Whether the necessary ingredients are "having some chutzpa" or recognizing "serendipitous successes" when they happen, as observed by one interviewee, or all of the elements mentioned in the case study, the Roundtable looks forward to a vigorous, community-wide conversation about how Tech Valley can maximize the positive consequences and mitigate potentially negative outcomes for the entire community during the high-tech driven period of economic growth unfolding here.

EXECUTIVE SUMMARY

Given the Capital Region's emergence as Tech Valley and the wide ranging community consequences of high-tech driven economic development, the Nonprofit Executive Roundtable decided to conduct a case study of Austin's economic growth experience and related community impacts. The purpose of the case study is to identify lessons learned from Austin's experience as a basis for future cross-sector planning efforts here in our region. The Roundtable's premise is: As we learn about Austin, we learn about ourselves.

The study is the second in a series of Roundtable publications on nonprofits and regional economies. The first report, *The \$4 Billion Growth Industry That Cares, The Impact of the Nonprofit Sector on the Capital Region of New York State*, published in 2003, documented the impact of the nonprofit sector on the economy and quality of life in the Capital Region.

Methodology

With the assistance of Rockefeller College of Public Affairs and Policy graduate students, Roundtable members reviewed the literature that examines Austin's growth trajectory and the impact of the boom and post-boom period on the greater Austin community. Fifteen key players in the technology-driven economic development story were identified and, in May 2005, two Roundtable members interviewed them in Austin. Interview transcripts were coded and analyzed as a basis for the case study in which the Austin players tell the story in their own voices. Appendices include information about new organizations founded during the period and comparative data on Austin and Albany metropolitan statistical areas from the National Center for Charitable Statistics and the U.S. Census Bureau.

Main Findings

A number of key findings emerged from the interviews:

- The "technopolis wheel" model, widely accepted as a blueprint for Austin's tech-driven future, identified business, government, and academia as the major players in economic development.
- Austin's nonprofit leaders were largely uninvolved in economic development planning prior to or during the tech boom periods. Their

unique knowledge of unmet community needs and vulnerable populations did not inform the planning process.

- The boom period was not positive for all Austin residents, especially low income African Americans and Hispanics and other low wage workers. Racial disparities in economic well-being continued to widen.
- New wealth generated from the tech boom provided new philanthropic opportunities and new expectations that, along with a culture clash between nonprofits and high-tech companies and between high-tech companies and the "old economy" of Austin, created tensions between sectors.
- Major giving increased significantly from the typical pre-boom level of \$1,000 to about \$20,000. Nonprofits decreased their focus on their traditional donor base – the longer term, smaller level donors.
- In the wake of the tech-bubble bursting, tech start-up funds and philanthropic dollars quickly evaporated, signaling an immediate and significant reduction in nonprofit funding.

Lessons Learned

One of the final questions posed in each interview was, "What are the most valuable lessons you learned that cities experiencing similar economic development patterns could benefit from?" Each interviewee responded with valuable insights that the Capital Region can use as guideposts as we map our own area's future:

1. Create opportunities for broad community learning, planning and visioning.
2. Involve stakeholders from all sectors – business, government, nonprofit, universities – in creating the vision for Tech Valley.
3. Engage strong leaders who involve all stakeholders in a truly inclusive planning process.
4. Acknowledge differences between high tech and other cultures and develop organizational practices that accommodate the differences.
5. Identify measures of success as part of the visioning process.
6. Focus on education as key to workforce development.

“...for too many communities, the future just happens.”

Suzanne W. Morse, *Smart Communities*, 2004, vii.

Section 1: Introduction

On February 2, 2003, a delegation of 33 business people from New York State’s Capital Region arrived in Austin, Texas. They traveled to the southwest for fact-finding meetings with community leaders who had played a role in Tech Austin’s dramatic economic boom in the 1980s and 1990s. Sponsored by the Tech Valley Chamber Coalition, the New York contingent was eager to learn from a sister capital city about how to position a region to maximize the benefits of high-tech driven economic growth.¹

Some months after the trip, Albany-Colonie Regional Chamber of Commerce President and CEO Lyn Taylor met with several members of the Nonprofit Executive Roundtable, a group of nonprofit chief executives recently established at UAlbany’s Nelson A. Rockefeller College of Public Affairs and Policy. In the process of exploring areas of overlapping priorities, Ms. Taylor observed that recent trips to Austin had yielded many valuable insights and raised some provocative questions. High on her list was, “How can the Capital Region learn not only from Austin’s triumphs, but also from the missed opportunities, especially with respect to consequences for the broad community of Austin’s economic boom and post-boom years?”

The Nonprofit Executive Roundtable subsequently took up the challenge and decided to conduct a case study of Austin’s experience that would examine a range of issues related to high-tech growth and broad community impacts.

As documented in the 2003 Roundtable report, *A \$4 Billion Growth Industry That Cares: The Impact of the Nonprofit Sector on the Capital Region of New York State*, the nonprofit sector is a key contributor, along with business and government, to the economic health of a region. Of particular interest to this group of nonprofit executives was the degree to which nonprofit sector leaders had participated in planning for and guiding Austin’s high-tech driven economic expansion.

The purpose of the case study is to identify lessons learned from Austin’s experience as a basis for future cross-sector planning efforts in the Capital Region. The Roundtable’s premise is: As we learn about Austin, we learn about ourselves.

Organization of the case study

The first section of the case study provides a brief profile of the city and an historical overview of the 1990s boom and subsequent post-boom, including some of the economic and social asymmetries experienced during those years. In the next section, the focus is on the immediate and longer-term consequences of the surge in Austin’s high-tech economy for the nonprofit sector in the Greater Austin area. The study also examines the range of interactions between the Greater Austin nonprofit sector and other sectors, including business, government, and higher education during the period of Austin’s emergence as a major high-tech hub city. One of the study’s central questions is addressed here: How and to what degree did Austin’s nonprofit sector leaders participate in this vital period of the city’s history?

The final “Lessons Learned” section highlights a number of insights conveyed by business, nonprofit and higher education leaders who were and remain part of the Austin community.² Many interviewees emphasized that Albany’s experience would be uniquely her own and the Roundtable acknowledges the wisdom of this observation. At the same time, respondents also generously offered a rich record of observations about missed opportunities related to broad community impacts of high-tech growth that, with the benefit of new perspectives honed in the post-boom period, they now more clearly understand. These insights are the basis for the “lessons” derived from the case.

“How can the Capital Region learn not only from Austin’s triumphs, but also from the missed opportunities, especially with respect to consequences for the broad community of Austin’s economic boom and post-boom years?”

Lyn Taylor
President and CEO
Albany-Colonie
Regional Chamber of
Commerce

Austin's growth was guided by an economic development paradigm envisioned by the late Dr. George Kozmetsky. Called the "technopolis wheel", the model came to be widely accepted as the blueprint for Austin's tech-driven future.

Section 2: Profile of Austin

Austin is a capital city in central Texas with 652,896 residents in a metropolitan area of just over 1,373,125 people.³ In addition to being the seat of state government, home to a number of universities and colleges, and site of many small and medium-sized businesses and a wide array of nonprofit organizations, Austin also now boasts a well-developed high technology sector. The University of Texas at Austin, a public institution of higher education, is the region's largest employer; Dell Computer Corporation is the largest private sector employer. The city has a young and highly educated population, falling below the national average for percentage of the population 45 and older, and above the national average for percentage of the population with a high school diploma, bachelor's degree, or graduate degree. In 2003, median income in Austin was close to \$4,000 above the national average, and per capita income was more than \$2,000 above the national average. Austin is recognized as a desirable location in which to live and work. The city has won numerous national rankings ranging from "Best Place for Business and Careers" to "Best City for Relocating Families" to "Best City for Singles."⁴

The boom and post-boom periods

Corporate headquarters to the computer giant Dell and home to a number of other high-technology firms such as Motorola, IBM and Applied Materials, Austin was one of the hubs of the new technology-based economy in the 1990's. Catalyzed by its 1983 victory in a fierce national competition with over 57 localities to attract the electronic giant Microelectronics and Computer Technology Corporation (MCC), Austin's growth was guided by an economic development paradigm envisioned by the late Dr. George Kozmetsky, a co-founder of Teledyne in Silicon Valley and later Dean of the University of Texas, Austin's College of Business Administration.⁵

Called the "technopolis wheel," the model came to be widely accepted as the

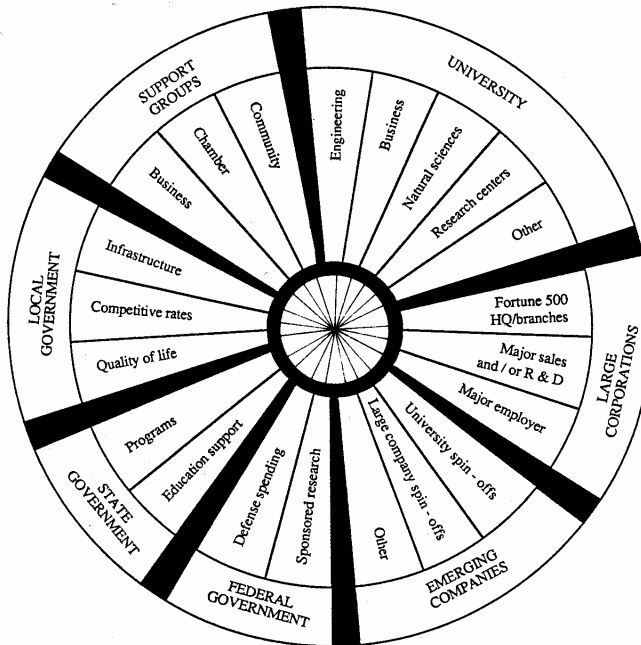
blueprint for Austin's tech-driven future. It posits seven key components (see Figure 1, page 3) — the research university, large technology companies, small technology companies, state government, local government, federal government, and support groups (identified as community, Chamber, business) — that must interact to advance successful high-technology driven economic development. Of these elements, the three most important are business, government, and academia. According to Kozmetsky and his co-authors, "New relationships between the public and private sectors — especially among business, government, and academia — are having far-reaching consequences on the way we think about and take action on economic development."⁶

As a result of a high employment rate, the escalating stock market, and lucrative semiconductor manufacturing industry, Austin's income per capita surged. According to data from the U.S. Bureau of Economic Analysis, from 1991 to 2001 inflation-adjusted per capita income increased from \$23,862 to \$30,821, a 29% increase and the nation's largest jump in the decade.⁷ By 1995, Austin was home to 825 high tech companies employing over 85,000 people.⁸ Based on 1997 data, Austin ranked ninth in high tech employment with over 49,500 employees in the IT sector. In 1998, the Austin region had 200 new technology startups, of which 70% were software companies.⁹

However, the boom period was not positive for all residents of Austin. The transition toward a new economy driven by information technology requires a well-educated and well-trained workforce. Low skilled workers employable in the old economy lost their competitive edge in the new economy and found themselves out of work in the tech driven job market. A State of the South report

Population influx, economic growth, and the increasing number of high paying jobs drove up Austin's cost of living to record highs, contributing to asymmetric urban expansion, and widened racial disparities.

Figure 1. Technopolis Wheel



Source: Raymond W. Smilor, David V. Gibson, and George Kozmetsky, "Creating the Technopolis: High Technology Development in Austin Texas," *Journal of Business Venturing*, Vol. 4 (1988), 49-67.

published in the *Austin American-Statesman* concluded that "job seekers who enter the new economy with only a high school diploma will be worse off than dropouts were a generation ago" and that "working adults who do not return to school or receive extra on-the-job training can expect income to fall and job prospects to erode".¹⁰

In addition, the explosive population influx (See Appendix B, Table 1) and the increasing number of high paying jobs drove up the cost of living in Austin to a record high. In particular, the cost of housing increased exponentially and Austin quickly became one of the most expensive cities in the state of Texas. Minimum wage earners were hard hit. Unemployability in the new tech economy and a soaring cost of living made it extremely difficult for low wage workers.

Racial disparities increased

The city of Austin also experienced asymmetric urban expansion and development during the 1990s. While new office buildings and commercial facilities were established in most parts of the city, East and Southeast Austin, traditional neighborhoods for African Americans and Hispanics, remained largely unchanged, battling with poverty and deteriorating living conditions. According to 1990 census data, the overall poverty rate in Austin was 15%, but more than 50% of the residents on East 12th Street were struggling in poverty.¹¹

During the period of economic growth, racial disparities appeared to continue to widen rather than narrow. According to a study conducted by Consumers Union Southwest Regional Office and the Austin Tenants' Council, during the three-year period between 1996 and 1998, while the total number of home

loans increased by 12%, more than 40% of African American and Hispanic loan applicants were denied each year, a number that was twice as high as whites.¹² Mary Dulan of the Austin Tenants' Council commented:

We thought because of the economic growth in Austin, with an influx of 2,000 new residents a month, that perhaps the disparity of loan ratios between minorities and non-minorities had narrowed. It increased. The gap has widened not only for those at lower economic levels, but for higher income Latinos and African Americans...This is an economic boom for the very few.¹³

A case study of Austin commissioned by the European Union also points out, "Despite increases in average wages and per capita incomes, the Austin region suffers from a relatively high poverty rate and a large white/non-white income disparity...[Furthermore] the poor have not been able to consistently benefit from Austin's dynamic job market...Austin has the highest racial income inequality of all comparable regions in the U.S."¹⁴

Section 3: High-Tech Growth and the Nonprofit Sector

The high-tech boom impacted the Austin nonprofit sector in a number of ways. The influx of wealth – new wealth and an increase in old wealth – generated more revenue to support the work of nonprofits (see Appendix B, Table 4) but, as noted above, this same growth in wealth created a wider economic gap, generating an increased demand for services for those who were left behind as the boom rolled out. One interviewee remarked, "I think number one is, people focused on the growth and didn't really focus in on the people who were left behind. And the people that were left behind were left further and further behind." Another respondent described this

situation as, "... a rising tide for all, except some boats had anchors on them...some got grounded."

I've not shed my guilt for not realizing that this prosperity wasn't being more broadly shared. Many of us were completely dumbfounded to realize that the wealth creation and the rise in incomes was so limited by...it's as if you had drawn these boundaries which were geographical. It was not the same east of the highway as it was west of the highway.

As reported by their former CFO, one semiconductor company decided to expand out of state, because they were "...already limited by the availability of labor in Austin." However, in hindsight the company realized that certain demographic sectors of Austin, primarily the east side of the city, were facing a 14% unemployment rate.

...silly for us that there are a lot more people here who could've come work for us if we had properly invested in the human capital. And that my profits were being limited because we hadn't focused on a sustainable community. There was a lot more labor, it just wasn't properly educated or prepared.

Planning for high-tech growth

Aside from the Austin Chamber of Commerce and some members of the tech community who served as nonprofit board members, it was apparent from our interviews that the nonprofit sector was not involved in planning for community consequences of the technology-based economic surge. Its unique knowledge of unmet community needs and vulnerable populations did not inform the planning process.

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However, the nonprofit sector did not function as a resource for economic and related social development planning, perhaps in part because of the “technopolis wheel” paradigm in which nonprofit leaders were not identified as important players.

The sector was valued as a resource for new residents working in high-tech companies who were soon to be arriving in Austin, a resource primarily for enhancing the quality of life. However, the nonprofit sector did not function as a resource for economic and related social development planning, perhaps in part because of the “technopolis wheel” paradigm in which nonprofit leaders were not identified as important players. Another rationale given was that there existed a sense of urgency in the economic development planning process and, had there been a different scenario or a different economic pace, according to an Austin business leader, “there might have been a more thoughtful intention to be inclusive.”

It was noted that, for example, the Executive Director of the United Way and the school district Superintendent might be invited to an economic development presentation for largely symbolic reasons to demonstrate diversity, not for any substantive contribution to the process at hand.

Sometimes we would push ourselves into the Chamber of Commerce planning. But I don’t think there were a lot of opportunities for input from the nonprofit sector. I don’t think they were invited to the table; I think they were actually asked to stay out... to kind of talk amongst themselves.

The two sectors did not work collaboratively or in partnership during the planning stages or early boom phase. The 360 Summit, described by an area entrepreneur and philanthropist as the “tech industry’s attempt to come together with the community,” reached out to the nonprofit sector at one point and invited some select nonprofit leaders to attend. However, according to one interviewee, nonprofits were viewed as “pat you on the back...charitable.” The “charities” were relegated to a marketplace venue at the Summit, and

were not allowed to come to the meetings or even the luncheon.

Yeah, we involve nonprofits. If they were in the audience, they were being preached to about how they needed to change to meet the needs of the business people. Or they were in a room by themselves...They weren’t on equal footing. They weren’t treated as though they were invited to the Summit to be participants of the discussion, they were special witnesses, they were set apart. They weren’t part of it.

Immediate and longer term consequences for nonprofits

The arts and cultural institutions saw a significant increase in funding during the boom period. Many newcomers saw Austin as too “one dimensional...all work or else the local music theme, its only industry,” one respondent noted. He went on to explain that the opera, the Children’s Museum, the ballet, the Museum of Art, the symphony – all saw increases in donations and volunteerism. The wives of corporate executives coming to Austin typically led the way here, as many had more time to become actively involved in the community. It took a while longer for the young tech industry professionals to become engaged, to begin to comprehend the contributions that they could make.

Now you get somebody in technology, what are they thinking about? They are thinking about Xs and Os and ones and screens and...all that stuff. And many of them aren’t even thinking about philanthropy. (They) don’t even know the word!

Despite the fact that these young tech professionals and entrepreneurs

“The average citizen of Austin was disenfranchised from participating in significant philanthropic activity because their gifts meant almost nothing compared to somebody dropping a million bucks or 2 million...”

were slow to realize the importance of contributing to their community and, as many interviewees observed, they were less inclined to be “joiners,” they created a new kind of philanthropy with an increased emphasis on accountability and more hands-on involvement. An academic with high-tech industry experience described this new approach as the “signature” of high-tech philanthropy. This shift in charitable giving signaled a new class of donors, volunteers, and an appreciation for social entrepreneurship. Ernst & Young responded by adding a “Social Entrepreneur of the Year” award to their annual “Entrepreneur of the Year” program.

The growth in philanthropy in the greater Austin community was significant. Prior to the boom, major gifts were reported to typically be in the \$1,000 to \$20,000 range. A prominent Austin area philanthropist reported that, suddenly, Austin had approximately 56 known individuals who were multi-million dollar donor prospects. According to the 1991 United Way campaign chairperson, the organization just barely reached its goal of \$7.2 million that year. Their long-range plan included a \$12 million campaign goal in the future, despite some doubt that the community had the capacity to achieve that stretch figure. In 2004, the campaign raised \$20 million.

The nonprofit sector responded to this significant increase in major gifts with considerable attention paid to the cultivation and stewardship of this new pool of donors. Unfortunately, according to a number of respondents, in that process nonprofits decreased their focus on the lifeblood of their donor pool – the longer term, smaller level donors – donors who had been with them prior to the boom and would likely see them through the post-boom period. This vast disparity in the size of donations being directed to nonprofits created a sense of insignificance among some earlier donors of smaller-scale contri-

butions. An Austin educator explained that, “The average citizen of Austin was disenfranchised from participating in significant philanthropic activity because their gifts meant almost nothing compared to somebody dropping a million bucks or two million...”

The arts, in particular, enjoyed unprecedented increases in funding, both operational and capital, during this time and unfortunately most of them did not complete their capital campaigns before the unanticipated bust in 2001.

In the wake of the bubble bursting, tech start-up funds and philanthropic dollars quickly evaporated, signaling an immediate and significant reduction in non-profit funding. Commenting on the lasting consequences of turbulence in the nonprofit economic environment, one business executive observed: “I think a lot of those agencies are struggling while the needs have not changed, in fact, have grown even more with the federal government cutting back on its funding levels...and that’s a big issue, I think.”

With the onset of the post-boom period, Austin saw an increased demand for nonprofit services due to job loss, and all the stressors associated with that situation in areas such as housing, emergency food, and an increase in domestic violence.

Section 4: Lessons Learned

Toward the end of our interviews with a number of Austin’s business, community, and higher education leaders, we posed the question, “What are the most valuable lessons you learned that cities experiencing similar economic development patterns could benefit from?” Interviewees responded to the question with remarkable candor and identified impor-

tant insights that the Capital Region could use as guideposts in charting the future of the area.

1. Create opportunities for broad community learning, planning, and visioning.

One theme mentioned frequently by Austinites was the unique historical opportunity for broad community learning, planning, and visioning available when a region is in the early stages of new high technology-driven economic growth. Listen to the recommendation, expressed forcefully by one Texas respondent:

Get the community, get more people in the community to understand what is happening and what's likely to happen in the future...For example, the kind of inclusiveness you're encouraging by better involving the nonprofit sector...I don't think you can start too soon and doing that and becoming more educated about what's really happening on the economic side of things, what's happening with these companies and then trying to forecast what does that mean ultimately for the Albany area, and how would that impact your organizations...That kind of strategic planning is so valuable at any point in time, but particularly valuable to you at this point in time.

Several interviewees with experience in business and higher education encouraged a similar approach and emphasized the particular importance of communication across sectors based on mutual respect and equal standing.

If it's possible, (the challenge now) is to build some community forums or lines of communication or

something like that so the participants of the nonprofit sector, academia, government and the high tech sector come to respect one another and to value each other's contribution without thinking that one sector's got the answer to everything.

Another noted that, "The community has to do something that's really hard and that's to be open-minded and work together, which means you've got to cross lots of lines and egos have to be left at the door. The goal has got to be what's best for the community." In thinking about the region's future, the same interviewee went on to say, it is easy to rely too heavily on the roles that high-tech companies might play:

You become reliant upon technology, the technology boom, the technology companies, the technology craze to supply resolve, plan, fulfill everything, and that's really a bad assumption to make. The community needs to come together and work together.

2. Involve stakeholders from all sectors—business, government, nonprofit, universities—in creating the vision for Tech Valley.

Along with an emphasis on the need for community-wide planning, respondents articulated a strong plea for inclusion of diverse stakeholders in whatever visioning processes are undertaken. One corporate executive captured both the planning and inclusiveness dimensions of this observation.

I think the key would be to have a long-range plan where the city wants to go as a city over the next 10 or 20 years and have a more coordinated effort between the

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“I really think that the way you are approaching it is very encouraging. I think to get those three legs of the stool (business, government, the nonprofit sector) working together to accomplish the vision for Albany, whatever that vision is, will take you along the way to putting together the resources and the people and the funding to make it a success and a reality.”

government, business, and the charitable parts of the economy to achieve that goal. I think a more well coordinated program focusing on the need of the community as it grows and brings in new industry and new people is just a very valuable thing.

A few minutes later in the conversation, he applied the lesson learned specifically to the Albany area:

I really think that the way you are approaching it is very encouraging. I think to get those three legs of the stool (business, government, the nonprofit sector) working together to accomplish the vision for Albany, whatever that vision is, will take you along the way to putting together the resources and the people and the funding to make it a success and a reality. I think that is a wonderful goal and objective.

When describing the need for local government involvement in community planning, another business leader urged:

The community municipal leadership, political leadership, has to be committed. It won't work without it. And, it's not just the mayor and the councils...that leadership has got to trickle down into the planning department, and into the zoning department and into the health and human services...

3. Engage strong leaders who involve stakeholders in a truly inclusive planning process.

Another theme that recurred again and again in the interviews was the need for strong leaders capable of interacting with the region's many communities, forging a shared vision between competing points of view and marshaling the resources necessary to realize the vision. “The absolute key...is the

issue of leadership,” argued a central player in Austin's economic boom. Although individual respondents identified different leaders as key actors, several interviewees also noted that more leadership could have been exerted to encourage the integration of perspectives from different sectors. According to one observer, “And I don't think there was as much coordination between business and philanthropy and government as there is today because the boom is gone and the future is more challenging...I just don't think there was the appropriate leadership in the Austin community.”

4. Acknowledge differences between high-tech and other cultures and develop organizational practices that accommodate the differences.

One of the most frequent themes in the Austin interviews is the clash of cultures that unfolded between high-tech companies and other sectors, especially the broader business community or “old economy” of Austin and the nonprofit sector. With respect to tensions between the new economy and old economy of Austin, respondents commented on the friction and resentments that surfaced about who was really in charge of the future of the city. “The two really didn't communicate very much,” one businessman observed. Only a few individuals from the tech community were involved in the Chamber of Commerce, for instance. And, according to another interviewee, pre-boom business stewards of the community began to feel irrelevant, as the new group of high tech executives with their “new money and overnight successes” moved to Austin and began to criticize the city and its limited cultural assets.

The clash between the culture of high-tech companies and the culture of the nonprofit sector was even more pronounced, according to one individual with experience in the high-tech industry and academia.

I used to live in Silicon Valley and I saw the same kind of thing happen in Silicon Valley. Typically, the problem is that the nonprofit community in a technology rich area has its own priorities and its own sense of values and way of doing things, networks and things like that. There's a friction created when the technology community decides that it has the solutions and it is going to come in with a kind of high-tech entrepreneurial way of doing things and their own money and so on, and sort of shape these organizations up to the standards of high-tech companies.

Another respondent referred to this same friction, framing it as a kind of high-tech impatience with what the new social entrepreneurs perceived as decades of failure to remedy social ills. "But in the 90s there were a lot of conversations about how the social entrepreneurs and the hotshots in the tech industry could basically transform the way we were creating our civil life. And they were convinced they could do it."

Consistent with this observation, a number of interviewees pointed to competing conceptions about time as a key source of tensions between the sectors.

In the beginning there was a thing here called "internet time"...But literally you had people who were priding themselves in the fact that they were holding meetings without tables and chairs. Everything was speed, literally, and that affected the nonprofit sector tremendously, I think, in terms of decision making because basically the nonprofit sector is not estab-

lished to be efficient. It's established to be effective, not efficient.

Another source of culture clash was differences in the use of language. One individual, formerly a high-tech executive, returned to this theme several times and emphasized that phrases such as "be our partner" and "invest in us" had very different meanings in the high-tech and nonprofit communities.

The failure to bridge the cultural divide between sectors had significant consequences. Promising, new opportunities for cross-sector interaction were introduced but, instead of encouraging collaboration, the events actually exacerbated boundary tensions. According to a long-time member of the Austin nonprofit community, the firm Applied Materials launched the quasi-trade fair "Charitech," and "tried to be a good partner and create collaborations, but it didn't play out because there was a lot of miscommunication." Another respondent observed, "It was not collaborative at all."

Who has responsibility to play the culture-bridging role? A respondent reflected on one dimension of the issue, "We didn't do well. The broader community didn't do well at inviting the tech community to the table in ways that were realistic."

5. Identify measures of success as part of the visioning process.

A recurring theme throughout the interviews, comprehensive planning – planning that includes all of the sectors – may have resulted in significantly different outcomes for the Austin community.

You should have a plan. You should have some metrics that confirm success. You know, we didn't know that we were entering this boom time...So, had we defined success before it got under-

Who has responsibility to play the culture-bridging role?

A respondent reflected on one dimension of the issue, "We didn't do well. The broader community didn't do well at inviting the tech community to the table in ways that were realistic."

“Create a venue for a meaningful dialogue where you not only bring folks together but give them a reasonable chance of success at solving one of your problems.

There must be a plan for action with follow-up and results.”

way, we would have been celebrating as we did many times, the number of IPOs, the number of start-ups, the amount of venture capital invested in Austin, the number of people we were attracting...What we weren't making enough note of is the ...breakdown of the unemployment rate by demographic group. We kept looking at the median income and the median income kept going up. We weren't looking at where it was not going up.

A noted Austin businessman and philanthropist explained that he was “...just going to keep harping that you need to leave your ego at the door and have a clear set of goals...and all goals are fluid, they're not fixed. What was fixed in 1980 certainly can't be fixed today. You need to roll with what's happening.”

In hindsight, most of those interviewed reflected on how some of the challenges facing Austin in the post-boom period could have been averted, had they done a better job of visioning together and planning for a variety of potential outcomes to the significant growth in the tech-driven economy. When asked to make a recommendation to the Albany community as to how the New York State's Capital Region might prepare for the impacts of Tech Valley-related changes, one interviewee advised: “Create a venue for a meaningful dialogue where you not only bring folks together but give them a reasonable chance of success at solving one of your problems. There must be a plan for action with follow-up and results.”

When the boom slowed, Austinites had time to think more strategically. Several research and civic groups began to focus on sustainable communities.

They took time to analyze and articulate a variety of indicators as part of a vision for Austin's future.

You have the ability to do urban planning. You have the ability to do policy planning. You can only hope to provide those goods and services that represent the quality of life that you want for (your community). Is your symphony well cared for? Is your arts community well cared for? Are your human service agencies properly funded? I'd say, get these people talking!

6. Focus on education as key to workforce development.

A final “lesson learned” relates to the all-important match between the supply of skills and competencies of an area's labor force and the workforce demands associated with shifts in the mix of economic activities. According to several respondents, Austin experienced a serious disconnect in this regard. “We had tens of thousands of young people graduating from high school who studied all the wrong things and were never going to be candidates for those positions,” one person commented, adding that Austin's public school system remains incapable of supporting “world-class technology.” Referring to the early years of Tech Austin's growth surge, another interviewee made a similar observation. “Now, on the broader issues of prosperity, there was minimal focus on the need for enhancing education, educational opportunities, particularly on the east side of Austin.” Austin's Capital Area Training Foundation, now called SkillPoint, was established as one response to address this persistent labor force issue. It is described briefly in Appendix A.

“Today, ...cross-sector collaborations, partnerships, and alliances are more important than ever in addressing the increasing number of complex public issues that spill over sectoral boundaries.”

As we learn about Austin, we learn about ourselves.

Section 5: Conclusion

As noted in the Introduction, the Nonprofit Executive Roundtable sponsored this case study of Austin’s high tech-driven economic growth experience to surface insights from which we in New York’s Capital Region could learn in moving forward into our own unique future. We would like to reiterate the Roundtable’s premise: As we learn about Austin, we learn about ourselves. One long-time Austin civic activist made this very point:

What is gonna happen in Albany is unique to Albany, has to be planned by people in Albany, and it comes from people in Albany getting out, learning and studying and talking about that. You’re on the right path.

At the same time, communities across the country, often supported by foundations committed to investing philanthropic dollars in broad-based planning, are experimenting with ways to share learning and identify alternative scenarios for the future of their regions. According to the 2002 *Working Better Together* report, issued by a collaborative of seven organizations in the government, business, and nonprofit sectors, “Today, ...cross-sector collaborations, partnerships, and alliances are more important than ever in addressing the increasing number of complex public issues that spill over sectoral boundaries.”

Call to Action

The Roundtable now invites responses to the case study and to the lessons learned as expressed by a group of knowledgeable Austinites, willing to share generously their reflections on community impacts of Austin’s boom and post-boom periods.

Whether the necessary ingredients are “having some chutzpa” or recognizing “serendipitous successes” when they happen, as observed by one interviewee, or all of the elements mentioned earlier, the Roundtable looks forward to a vigorous, community-wide conversation about how Tech Valley can maximize the positive consequences and mitigate potentially negative outcomes for the entire community of the high-tech driven period of economic growth that is unfolding here.

APPENDIX A

List of Interviewees

David Balch

President & Chief Professional Officer, the United Way Capital Area

John Sibley Butler

Executive Director, IC² Institute, University of Texas at Austin

David V. Gibson

Associate Director, IC² Institute, University of Texas at Austin

Gary Chapman

Director, The 21st Century Project, LBJ School of Public Affairs, University of Texas at Austin

Sandy Dochen

Manager of Corporate Community Relations, IBM

Deborah Edward

Executive Director, Greenlights for Nonprofit Success

Admiral Robert Inman

Interim Dean, LBJ School of Public Affairs, University of Texas at Austin

Gregory Kozmetsky

President, RGK Foundation

Lodis Rhodes

Professor of Public Affairs, University of Texas at Austin

Eugene Sepulveda

Board Member, Liveable City Lecturer, McCombs School of Business, UT-Austin

Randi Shade

Executive Director, Austin Entrepreneurs Foundation & Idea Network

Barry Silverberg

Director, Center for Community-Based and Nonprofit Organizations, Austin Community College

Mort Topfer

President & Treasurer, the Topfer Family Foundation, Managing Director, Castletop Capital

Glenn West

Senior Vice President, Guaranty Bank, Past President, Austin Chamber of Commerce

*15 individuals were interviewed for this study; one requested anonymity.

New Organizations Founded during Period

The entrepreneurial spirit generated a number of new organizations during the tech boom period in Austin. Some of these organizations were short lived; others are still operating.

Austin Entrepreneurs' Foundation (AEF)

www.givetoaustin.org

Eugene Sepulveda, Interim Executive Director

The Austin Entrepreneurs' Foundation began as an offshoot from the Austin 360 Summit, and is now known as the Entrepreneurs Foundation & Idea Network. The organization works to amplify the philanthropic efforts of member companies, entrepreneurs, boards and employees who invest money or time. Their programs provide a means for start-up companies to allocate equity while it is priced low, to create a future source of cash for corporate philanthropic giving that will not impact company earnings or operating cash. The organization also focuses on creating "successful corporate cultures" through community involvement programs that provide team building experiences.

Contact Information:

P.O. Box 684826, Austin, Texas 78768-4826
512. 482. 8894
info@givetoaustin.org

Austin Free-Net (AFN)

www.austinfreenet.org

Kathy Robinson, City of Austin, AFN President

A non-profit corporation established in 1995, Austin Free-Net (AFN) helps community organizations launch free Internet access sites for the public. AFN provides technical expertise, services and equipment to community organizations, to build computer labs that are technologically and economically self-sustaining over time. New technology promises an opportunity for all, but only on an equal playing field, with equal access to information, education and involvement in the community. Anyone that has the desire should be able to access the Internet to improve their lives and contribute to society. With these facts in mind, Austin Free-Net exists to make equal access to computing resources a reality.

Contact Information:

2209 Rosewood Avenue, Austin, TX 78702
512.236.8225

Austin Idea Network

www.givetoaustin.org

Eugene Sepulveda, Interim Executive Director

The Austin Idea Network began as an offshoot from the Austin 360 Summit, and is now known as the Entrepreneurs Foundation & Idea Network. The organization works to amplify the philanthropic efforts of member companies, entrepreneurs, boards and employees who invest money or time. Their programs provide a means for start-up companies to allocate equity while it is priced low, to create a future source of cash for corporate philanthropic giving

that will not impact company earnings or operating cash. The organization also focuses on creating "successful corporate cultures" through community involvement programs that provide team building experiences.

Contact Information:

P.O. Box 684826, Austin, Texas 78768-4826
512. 482. 8894
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Austin Social Venture Partners

www.asvp.org

Austin Social Venture Partnerships was formed during Austin's technology boom to provide grants and strategic advisory services to other nonprofit agencies. The organization made \$680,000 in grants and provided advisory services to 22 local nonprofit agencies. However, effective October 7, 2005 the board decided to close operations. The website notes, "While the SVPM model of engaged philanthropy has been well-received in other cities, the Austin group struggled for the past five years to regain membership lost during the economic downturn of 2000-2001."

Since October 2005 ASVP has been closed.

Charitech

www.charitech.org

Steve Taylor, contact at Applied Materials, Inc.

Charitech, a project of Applied Materials, Inc., sought to link entrepreneurs with local nonprofit organizations, and with each other. According to the website, "The goal is to foster a connected generation of leaders committed to meeting social needs in innovative ways, by applying the logic, principles and tools of The Information Age." Charitech was set up as a "marketplace" for nonprofits to set up a display and inform people – potential volunteers and donors – about their organization. The marketplace was held 2 or 3 times in the early 1990s. According to Richard Slaughter of the Austin Community Foundation, the "net measurable results were probably half a point above zero". The organization is no longer in operation; the website describes it as being "in hiatus".

Contact Information:

Steve_Taylor@appliedmaterials.com

Community Action Network, CAN

www.caction.org

Fred Butler, Executive Director

Community Action Network, CAN, was initiated as a strategic community planning platform, bringing together Government (Travis County, city of Austin), United Way, the school district, and other representation from the nonprofit sector. "Business doesn't pay as much attention to some of these workings as the social services agencies," according to Sandy Dochan, Corporate Community Relations Manager at IBM. However, the Chamber of Commerce is listed as a partner on the CAN website.

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512.414.8203
fbutler@austinisd.org

Envision Central Texas

www.envisioncentraltexas.org
Sally W. Campbell - Executive Director

The mission of Envision Central Texas (ECT) is to assist in the public development and implementation of a regional vision addressing the growth of Central Texas, with an emphasis on land use, transportation and the environment. In May 2004, the organization released the Envision Central Texas Vision, which paints a portrait of their vision for the community in 20-40 years. In 2005, ECT created seven Implementation Committees that will develop tools, resources and projects in issue areas such as transportation, land usage and the environment.

Contact Information:
2512 S. IH 35, Suite 340, Austin, TX 78704
512.916.6037

A Glimmer of Hope Foundation

www.aglimmerofhope.org
Donna and Phillip Berber, Founders

Phillip and Donna Berber founded A Glimmer of Hope Foundation after making substantial profit from selling an on-line trading company. Using a financially sustainable, long-term business model to provide aid, A Glimmer of Hope Foundation engages in work in Ethiopia, the United Kingdom, and Austin, Texas. The foundation has committed \$5 million to funding local programs in Austin between 2004 and 2014, and currently funds 42 projects in East and South Austin ranging from arts and sciences to sports and literacy programs

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inquiries@aglimmerofhope.org

Greenlights

www.greenlights.org
Deborah Edward - Executive Director

Greenlights was initially formed, with much involvement from the Kozmetsky family, to build tech firm management's confidence in the nonprofit sector. Today, Greenlights offers a range of services useful to the nonprofit sector including leadership transition assistance, skill-building workshops, organizational consulting, and management service organization services such as group benefits purchasing, "back office" human resources and financial services, etc.

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info@greenlights.org

IC² Institute

www.ic2.org
John Sibley Butler, Director

IC² Institute is an interdisciplinary "Think and Do" tank based at the University of Texas at Austin. IC²'s vision is to promote "constructive forms of capitalism" that accelerate economic development and allow communities to grow and prosper in a sustainable manner that promotes an improved quality of life. IC² projects have included the Austin Technology Incubator (ATI), The Capital Network, the Austin Technology Council, IC² Institute Fellows, Visiting Scholars, and the Masters

degree of Science in Science and Technology Commercialization (MSSTC).

Contact Information:
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512.475.8900
info@icc.utexas.edu

Liveable City

www.liveablecity.org

Liveable City is a politically progressive group working on creating new community models that focus on the interconnected relationships among growth issues such as transportation, housing, the environment, affordability, neighborhoods, culture and the economy in an equitable and sustainable manner. The organization's mission is to promote policies that address the long term social, environmental and economic needs of the people of Austin.

Contact Information:
611 S. Congress, Suite 200, Austin TX 78704.
512.445.2245

Skillpoint Alliance (formerly the Capital Area Training Foundation)

www.skillpointalliance.org
Margo Dover, President & CEO

Skillpoint Alliance's mission is to build partnerships among industry, education and the community, leading to college and career success for Central Texans, while meeting employers' needs for a qualified workforce. The organization provides job training and career education to a wide range of clientele, including K-12 students, individuals who are incarcerated, homeless, unemployed or underemployed, and targeted professional groups such as health care workers. Skillpoint also provides teachers with industry-relevant training workshops related to concepts in math, science, and technology.

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Webber Family Foundation

www.webberfoundation.org
Neil Webber, Director and Chairman

The Webber Family Foundation funds educational programs throughout Austin and the central Texas region, and Washington DC and its surrounding Maryland/Virginia area. The foundation focuses on programs that provide individuals with the knowledge, skills, and training they need to reach their full potential. With a broad interpretation of "education", the foundation's areas of interests include adult literacy programs, technology and science education, basic financial literacy, music and arts training, athletics, library services, special needs students, and other projects that fit within a broad educational mission.

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APPENDIX B
Austin and Albany Compared

1. MSA Population Change between 1990 and 2000¹

Whereas the population of the Albany-Schenectady-Troy, NY MSA grew by 0.1% between 1990 and 2000, the Austin, TX MSA population increased by 59.9%. Even without the two counties added in 2000, the population in the Austin MSA experienced a 48.4% increase.

Austin MSA²

	1990	2000
	Total	Total
Bastrop		57,733
Caldwell		32,194
Hays	65,614	97,589
Travis	576,407	812,280
Williamson	139,551	249,967
Austin MSA	781,572	1,249,763

Source: U.S. Census Bureau 1990 and 2000 Census Data

Albany-Schenectady-Troy MSA³

	1990	2000
	Total	Total
Albany	292,594	294,565
Greene	44,739	
Montgomery	51,981	49,708
Rensselaer	154,429	152,538
Saratoga	181,276	200,635
Schenectady	149,285	146,555
Schoharie		31,582
Albany-Schenectady-Troy MSA	874,304	875,583

Source: U.S. Census Bureau 1990 and 2000 Census Data

1. An MSA is a geographic entity defined by the federal Office of Management and Budget for use by federal statistical agencies, based on the concept of a core area with a large population nucleus, plus adjacent communities having a high degree of economic and social integration with that core. Qualification of an MSA requires the presence of a city with 50,000 or more inhabitants, or the presence of an Urbanized Area (UA) and a total population of at least 100,000 (75,000 in New England). See <http://census.gov-Glossary> for further information.
2. An MSA may change over time. In the 1990 Census, the Austin, TX MSA included three counties: Hays, Travis and Williamson. In the 2000 Census, Bastrop and Caldwell were added to the Austin, TX MSA. It is now named the Austin-San Marcos MSA but in this document it is referred to as the Austin MSA.
3. In 1990, the Albany-Schenectady-Troy, NY MSA included Albany, Greene, Montgomery, Rensselaer, Saratoga, and Schenectady counties. In the 2000 Census, Schoharie County was added to the Albany-Schenectady-Troy MSA while Greene County was excluded from this MSA.

2. Population and Diversity

Population by Race and Ethnicity, 1990 and 2000

Race/Ethnicity	Austin, TX MSA			
	1990		2000	
	#	%	#	%
White	530,664	67.9%	758,302	60.7%
African American	69,626	8.9%	96,746	7.7%
Hispanic/Latino	159,942	20.5%	327,760	26.2%
American Indian/Native Alaskan	2,148	0.3%	3,717	0.3%
Asian American/Pacific Islander	18,039	2.3%	44,050	3.5%
Other	1,153	0.1%	19,188	1.5%
Total	781,572	100.0%	1,249,763	100.0%

Source: U.S. Census Bureau, Census 1990 and 2000

Race/Ethnicity	Albany-Schenectady-Troy, NY MSA			
	1990		2000	
	#	%	#	%
White	805,925	92.2%	771,049	88.1%
African American	39,676	4.5%	51,302	5.9%
Hispanic/Latino	15,840	1.8%	23,798	2.7%
American Indian/Native Alaskan	1,470	0.2%	1,614	0.2%
Asian American/Pacific Islander	10,541	1.2%	16,098	1.8%
Other	852	0.1%	11,722	1.3%
Total	874,304	100.0%	875,583	100.0%

Source: U.S. Census Bureau, Census 1990 and 2000

3. Median Household Income

Austin MSA Median Household Income 1990 and 2000 Census

	1990 Census Median Household Income	2000 Census Median Household Income	Percentage change
Bastrop	\$23,967	\$43,578	81.8%
Caldwell	\$20,169	\$36,573	81.3%
Hays	\$25,492	\$45,006	76.5%
Travis	\$27,488	\$46,761	70.1%
Williamson	\$33,695	\$60,642	80.0%
Austin MSA	\$28,892	\$46,512	61.0%
Texas	\$27,016	\$39,927	47.8%

Note: The MSA median household income calculation is based on the data from the counties included in that MSA at the time.

Source: U.S. Census Bureau 1990 and 2000 Census Data.

Albany-Schenectady-Troy MSA Median Household Income 1990 and 2000 Census Data

	1990 Census Median Household Income	2000 Census Median Household Income	Percentage change
Albany	\$33,358	\$42,935	28.7%
Greene	\$27,469	\$36,493	32.9%
Montgomery	\$24,068	\$32,128	33.5%
Rensselaer	\$31,958	\$42,905	34.3%
Saratoga	\$36,635	\$49,460	35.0%
Schenectady	\$31,569	\$41,739	32.2%
Schoharie	\$26,077	\$36,585	40.3%
Albany-Schenectady-Troy MSA	\$30,843	\$40,959	32.8%
New York	\$32,965	\$43,393	31.6%

Note: The MSA median household income calculation is based on the data from the counties included in that MSA at the time.

Source: U.S. Census Bureau 1990 and 2000 Census Data.

4. Size and Scope of the Nonprofit Sector

1995

NTEE Broad Categories ¹	Austin MSA		Albany-Schenectady-Troy MSA ²	
	#	%	#	%
Arts, Culture and Humanities	336	6.6%	256	6.1%
Education	1298	25.6%	632	15.0%
Environment and Animals	117	2.3%	78	1.8%
Health ³	311	6.1%	349	8.3%
Human Services ⁴	1105	21.8%	1229	29.1%
International, Foreign Affairs & National Security	22	0.4%	11	0.3%
Public & Societal Benefit ⁵	838	16.5%	808	19.1%
Religion-Related	326	6.4%	224	5.3%
Mutual & Membership Benefit	368	7.3%	443	10.5%
Unknown	346	6.8%	191	4.5%
Total	5067	100.0%	4221	100.0%

2005

NTEE Broad Categories ¹	Austin MSA		Albany-Schenectady-Troy MSA ²	
	#	%	#	%
Arts, Culture and Humanities	523	6.6%	335	6.9%
Education	1933	24.5%	717	14.8%
Environment and Animals	218	2.8%	131	2.7%
Health ³	441	5.6%	395	8.2%
Human Services ⁴	1883	23.8%	1449	29.9%
International, Foreign Affairs & National Security	55	0.7%	16	0.3%
Public & Societal Benefit ⁵	1485	18.8%	916	18.9%
Religion-Related	694	8.8%	332	6.9%
Mutual & Membership Benefit	370	4.7%	410	8.5%
Unknown	298	3.8%	143	3.0%
Total	7900	100.0%	4844	100.0%

Source: NCCS Data Web, National Center for Charitable Statistics, <http://nccsdataweb.urban.org/> ©2006
Notes:

1. NTEE stands for National Taxonomy of Exempt Entities. The data encompass all organizations with tax-exempt status granted by the IRS. Therefore, both 501(C)(3) and non-501(C)(3) tax exempt organizations are included. For detailed information on the breakdown of non-501(C)(3) organizations, please refer to IRS Publication 557 at <http://www.irs.gov/pub/irs-pdf/p557.pdf>.

2. According to U.S. Census Bureau Metropolitan Areas and Components 1990, 2003, and 2005, with FIPS Codes, Montgomery County was removed from the Albany-Schenectady-Troy MSA in 2003. Currently, the MSA include Albany County, Rensselaer County, Saratoga County, Schenectady County, and Schoharie County.

3. Health includes four subgroups: health care; mental health & crisis intervention; diseases, disorders & medical disciplines; and medical research.

4. Human Services includes eight subgroups: crime & legal-related; employment; food, agriculture & nutrition; housing & shelter; public safety, disaster preparedness & relief; recreation & sports; youth development; and human services.

5. Public & Society Benefit includes six subgroups: civil rights, social action & advocacy; community improvement & capacity building; philanthropy, voluntarism & grantmaking foundations; science & technology; social science; and public & societal benefit. For further information on the breakdown of the NTEE classification system, please refer to National Taxonomy of Exempt Entities-Core Codes (NTEE-CC) Classification System (rev. May 2005) at http://nccsdataweb.urban.org/kbfiles/324/NTEE%20Two%20Page_2005.DOC

5. Non-Farm Employment by Industry

Industries	1999		2000		2001		2002	
	Austin MSA	Albany MSA	Austin MSA	Albany MSA	Austin MSA	Albany MSA	Austin MSA	Albany MSA
Total non-farm	635.4	450.1	572.7	457.6	674.0	461.7	658.4	459.7
Natural resources, mining & construction	38.2	17.6	41.3	18.2	41.5	18.6	38.2	18.1
Manufacturing	77.8	33.1	82.8	33.0	76.2	31.6	63.5	28.7
Wholesale trade	31.6	16.3	34.9	16.9	35.5	16.9	33.9	16.7
Retail trade	65.5	52.0	69.4	52.5	69.7	51.2	68.3	51.0
Transportation, warehousing, & utilities	10.8	12.3	10.7	13.2	11.3	13.9	11.1	13.4
Information	20.5	12.2	24.3	12.3	23.2	12.4	22.6	12.3
Financial activities	34.6	25.0	35.3	25.7	36.4	25.5	38.0	25.5
Professional & business services	83.5	49.6	91.9	52.3	91.3	53.6	87.2	51.0
Educational & health services	59.8	72.6	62.3	74.4	63.2	77.0	64.7	79.5
Leisure & hospitality	57.9	31.3	60.6	30.5	61.7	31.2	62.3	32.4
Other services	21.5	17.7	22.3	17.8	23.2	18.0	23.9	18.6
Government	133.8	110.4	136.8	110.6	140.3	111.9	144.8	112.7

Source: Current Employment Statistics Survey

Note:

1. Data in thousands, rounded to the nearest hundred.
2. Employed persons include both full-time and part-time workers.

Endnotes

¹Pamela Sawchuk Brown, "A Year of Profound Achievement," *Visions*, Albany-Colonie Regional Chamber of Commerce, December 2003.

²Individuals we interviewed for this case study are listed on the first page of Appendix A.

³Population in 2004, according to the 2004 American Community Survey, US Census Bureau.

⁴City of Austin Chamber of Commerce, <http://www.austin-chamber.org/DoBusiness/GreaterAustinProfile>

⁵Jonathan Miller, *Regional Case Study: Austin, Texas, or 'How to Create a Knowledge Economy'*, Washington, D.C.: Delegation of the European Commission to the United States, European Union, 1999.

⁶Raymond W. Smilor, David V. Gibson, and George Kozmetsky, "Creating the Technopolis: High-Technology Development in Austin, Texas," *Journal of Business Venturing*, vol. 4 (1988), p. 50.

⁷Colin Pope, "High Times and High Dollars," *Austin Business Journal*, June 27, 2003.

⁸Hedrick Smith, "How Austin is Coping with its High Tech Skills Gap," *Surviving the Bottom Line with Hedrick Smith* at PBS, January 1998.

⁹Jonathan Miller, *op. cit.*

¹⁰Chuck Lindell, "Anxiety, Prosperity Forecast for South," *Austin American-Statesman*, March 31, 1996.

¹¹Dian Dworin, "Neighborhoods Battle Economic Inequity," *Austin American-Statesman*, April 26, 1996.

¹²Amy Schatz, "Study Shows Rise in Racial Inequity for Austin Loans," *The Austin American-Statesman*, April 21, 2000.

¹³Amy Schatz, "Study Shows Rise in Racial Inequity for Austin Loans," *The Austin American-Statesman*, April 21, 2000.

¹⁴Miller, *Regional Case Study: Austin, Texas or 'How to Create a Knowledge Economy'*, 15.

¹⁵R. Scott Fosler, *Working Better Together*, a 2002 report of The Three-Sector Initiative, a collaborative effort among: The Conference Board, Council on Foundations, Independent Sector, National Academy of Public Administration, National Alliance of Business, National Civic League, and National Governors Association.

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Members of the Nonprofit Executive Roundtable, listed on the back cover, made substantial contributions to this project from conceptualization of the case study through its dissemination. We would like to express special appreciation to Ray Schimmer and Alan Krafchin, members of the Roundtable Leadership Team, for their thoughtful analysis and critical review of earlier drafts. Maud Easter, Center for Women in Government & Civil Society, also reviewed the draft report and offered valuable comments. This case study was made possible by financial support from the New York State Legislature to the Initiative on Nonprofit Management and Governance, Rockefeller College of Public Affairs and Policy, University at Albany.

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