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OUReconomy: Social Impact in Syracuse

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OUReconomy: Social Impact in Syracuse

A Capstone Project Submitted in Partial Fulfillment of the
Requirements of the Renée Crown University Honors Program at
Syracuse University

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ABSTRACT

In today's society we rely on non-profits and government institutions to ameliorate our most pressing problems. Everyday these organizations employees work tirelessly to help people most in need. Their efforts are recognized and commendable, but they are constantly limited by countless restraints like lack of funding, slow service innovation, and accurate impact measurement tools. Implementing a new sector that would effectively combat the problems that organizations battle when they are doing their best to solve other people's problems would exponentially improve services.

In this paper I start by outlining the societal problems that are especially prevalent in Syracuse, but characteristic in the rest of the country. Next I describe my solution's architecture, detailing all its components and how it specifically overcomes the problems confronted by traditional service organizations. Although the bulk of my idea is original thought, there are successful institutions that how accomplished pieces of my proposal, proof that my idea is plausible.

Social impact bonds (SIBs) are a recent solution to inconsistent financing. After describing their purpose, I annotate three case studies about SIBs founded recently. The first two targeted prison recidivism, one in Peterborough, England, and the other in New York City. The third SIB is about Boston's attempt to reduce homelessness. SIBs are effective tools for increasing upfront investment and driving innovation, while social impact exchanges sustain investment throughout program and service lifetime.

The standard stock exchange helps companies expand their products and services, and diversifies their investment stream. The social impact exchange is the same idea, but focused solely on service and socially mission oriented companies. The exchanges also increase community engagement and support for various organizations doing good. The two cases I talk about in the paper are on opposite sides of the world. Asia IIX is in Singapore and was founded by Durreen Shahnaz a few years ago. BVS&A is in Brazil, and is financially supported by the main Brazilian Stock Market. For both SIBs and Social Impact Stock markets to be successful they rely on strong impact measurement tools.

At the end of the paper I describe randomized control trials, a measurement tool traditionally used in medical sciences, and apply them to social impact. I end with an outline of how to implement, assess, and fund my idea specifically in the city of Syracuse.

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I. STATE OF THE CITY

Syracuse graduates less than one in two students from high school every year. Thirty four percent of the population lives in poverty including 53% of the city's children (Weaver, November 15th, 2012). More than 1,800 buildings in Syracuse sit vacant (Knauss, January 24th, 2013). Violent crime is more than twice the national average. Almost 60% of the city's revenue is state aid, while only 15% of revenue is generated through property tax and 12% through sales tax (Budget, 2012-2013). These systemic problems are not unique to Syracuse, and like many other cities there are countless entities fighting tirelessly to reduce these alarming problems that hinder progress and success. There is no question that Syracuse is making great efforts to improve the city outlook; however, they are not enough to sustainably reduce the effects of our most pressing issues. For many years we have relied on government and non-profits to ameliorate the societal problems we face. This system is effective to a certain degree, but is far from the most innovative and efficient way. According to Harvard Professor Jeffrey Liebman, our current social service system has enormous drawbacks with many systematic failures that prevent responsive social innovation.

II. BROKEN SYSTEM

Traditionally, when governments grant funding it calculates the amount based on expense of delivery with minimal attention to deliverables. The insufficient focus on performance drives continuous investment in programs with strong concept development, but negligible accounting for the social impact return on investment. Essentially, programs with strong infrastructure and concept development continue to collect all the money without being held accountable for producing sustainable results. Programs dedicated to innovation in the social service system struggle to earn government funding because structure is sacrificed for responsiveness and elasticity, an unattractive feature for traditional funding streams. Professor Liebman cites The Maternal, Infant, and Early Childhood Home Visiting Program in the Affordable Care Act as proof that real change is a laborious process. Thirty-three years before the Affordable Care Act, a similar program delivered substantial results through a randomized control trial (RCT), but it was not until Obama's administration championed such a program that it actually leveraged government support. Although delayed, this is a rare example of successful change from inputs to outcomes.

More commonly, programs with strong potential never get a chance to prove themselves because of a shortage of resources to develop strong evaluation systems. Again, because of a lack of concept development, government officials shy away from funding programs because investing in potential positive change is too risky. The argument logic is if the program

fails the sponsoring officials are blamed for wasting money on a broken program splintered from infancy. However, even a failed program might be better than the current environment where year after year government spends billions of dollars on programs that show no results from their origin and continue to ineffectively deliver on their mission. Throwing away money in an attempt to make a difference instead of throwing it away because it is what we have always done is worth debating. Until there is an elected official who is willing to risk investment in a new program that has the potential for real success, government might not be the place to lead innovation.

Another systemic problem preventing heavy governmental weight behind new program development is that in many instances the entities that would fund such programs do not reap the cost savings generated by the success of the program. While one group may invest in it, it might be another group that realizes the benefits, making spending justification harder for those particular governmental groups. Some local governments open their eyes and understand the problem; some even try to resolve the issues by building pay-for-performance structures. Program transparency is essential to incubate change.

Although many attempts do eventually develop into effective programs, most performance based pay structures have flimsy evaluation tools and incentive structures. Granted, it is difficult to switch from cost-based-pay to performance-based-pay. Even those wanting to change run into barriers because it's counter intuitive. To produce measurable results there needs to be

large investment on the front end to develop strong infrastructure. Pay-for-performance model organizations have to prove themselves as effective before they get the money they need.

Of course the government is doing their best to make the world a better place. Our current system is broken and ineffective because our old system of doing things was taken at face value and never questioned. Yes there are always attempts to innovate within the current structure, but rarely is there someone bold enough to say 'lets shake up the system'. Change is finally on the horizon and there is already kindling in the fire. The current system has expired and it is time for a new face.

III. OUTLINE

If you asked me what I wanted to be when I grew up I could explain it to you, but there was no concrete job title to sum it up. At the time there was no profession that encompassed my dreams. I could tell you that I wanted to change the world by first changing it for a few people and then trying to reproduce that for another small group of people and then another, until it was a big group of people, which, although a lofty goal, was not too unusual. The catch is that I wanted to do all of this through making a business out of social change, I wanted to create a system where businesses focused on social missions were just as financially competitive as any other for profit business. I wanted to be in the social impact business at a time when the phrase was foreign. Writing this paper will hopefully be the catalyst for my contribution to the development of a new way of thinking that will spur sustainable change and shake the world's economy.

Above I cited statistics about the biggest issues facing Syracuse that are not unique to the city, or the country it is in, but characteristic of the entire world. I then described the current system in place to fix those problems, and the weaknesses that cripple it. Everything in the paper from this point forward will focus on what is a successful model for change.

In the first section I will describe the model that I have been thinking about and working on since enrolling at Syracuse. The model is based on what I dreamt of when I was younger. Like any successful program my idea borrows from the current system, from experts who are focused on changing

the system, and combines those thoughts with my own organic ideation. This synergy results in what I believe to be the first generation of a new sector that is the impetus to innovation and an expansion that develops an industry that will survive the test of time and expand the reach of all existing industries. In describing my model, I would be ignorant to ignore the shortfalls of the current system. My idea is a response to the the current system's shortcomings. I include components that shift the financial paradigm from cost driven to performance driven. I build in measuring tools capable of effectively evaluating performance. I even incorporate a model to speed up the proof-of-concept stage for social innovation. Strong safety nets in the plan, different than the traditional definition, drastically reduce risk. My measurement system is the highest valued component of the idea that builds direct connections between funding sources and cost savings. The system even supports a platform for strong and substantial upfront investment to increase the opportunity for success. The idea is not one for a business, but for an entire sector. It is a blueprint for change that should be scaled to every great city.

The City of Syracuse is the perfect platform to launch this idea from. The city is home to all the players necessary to mobilize quickly. The fiscal crisis makes it impossible to continue with business as usual. Mayor Miner's office realizes this and her administration has done their best to change the playing field. There are already a few city-led initiatives that could grow exponentially and other ideas that could come to fruition if OUREconomy

existed. There are countless organizations and people within them who love the city of Syracuse and are doing everything they can to make it an even better place to call home. Empowering these groups to take initiative in paving the way for innovation is not far from realistic. Like the rest of Central New York, Syracuse is home to several universities. Combining those resources, with what is already happening in the city creates a fertile environment for sustainable growth. Currently, the fiscal crisis and other systemic problems continue to make Syracuse's environment barren, it is thirsty for something like OUREconomy. With successful implementation in Syracuse, this idea has potential to not only scale up to other cities throughout the U.S., but eventually throughout the world.

My idea is not completely new, it has components of existing entities gaining momentum. Social Impact Bonds, or Pay for Success model, are the closest relatives to my idea. In the U.S., Professor Liebman from Harvard is leading the way in this emerging industry and I will summarize his scholarly article from the Center For American Progress to help describe Social Impact Bonds, and the steps needed to implement them. Although the concept is new, its growth is exponential over the last few years. The first bonds focused on reducing recidivism, the first worldwide in Peterborough, England in 2011 and the first in the U.S. at Rikers Island in New York City. Understanding existing SIBs makes it easier to grasp the concept. Since its foundation in 2011, the concept has exploded with popularity and is decorated with recognition. The most prestigious foundations, governments, and investors are

hedging their bets and going all in on impact investment. The industry is continuously evolving; my own idea is an innovation to what already exists.

Social impact investing in the English speaking countries in our quadrant of the world might be outpaced by our English speaking friends in South Asia. In Singapore Professor Durreen Shahnaz is spending her time outside of the classroom building a 'capital market for social good'. She created a stock market for businesses that have socially driven missions. A stock market similar to hers is an integral component of OUReconomy.

For this idea to be viable, there needs to be a strong measurement system in place. Financial companies measuring return on investment is tangible because money is easy to measure. Social impact measurement has always had its shortfalls because there is no concrete measurement system with consistent and almost error free results. New tech based systems emerged over the past few years, but what may be the strongest model is rooted in hard sciences. Randomized Control Trials (RCTs) are recognized as producing nearly error free correlation analysis in the scientific world, and this idea is bleeding in to economics and social impact theory. It is one of a few concepts that are gaining recognition in economics. OUReconomy's advancement and other social impact ventures futures vitally need a strong measurement system.

I believe in my idea and it does not stop at the end of this paper. To bring this to life there are countless steps needed going forward. Before I

conclude, I prescribe a formula for development. It maps out the future of
OUReconomy and everything I will do to get it there.

IV. OURECONOMY

OUREconomy is a system that measures impact, quantifies it to make it tangible to investors, creates an incentive system to increase upfront investment in social service organizations, and develops a network of service providers and community members to innovate solutions to society's biggest problems. Although the idea relies on collaboration between its different parts, dismantling it and describing it in pieces makes it digestible. Through chronological description I first describe how OUREconomy will increase upfront investment to cover high initial costs through Impact Social Ventures (ISventures). Impact Social Analytics (ISanalytics) assesses and measures social impact and how those changes affect the city's health. The impact actuaries in the ISanalytics group also establish acceptance criteria to triage which organizations will be given access to the system. The IS entities focus primarily on initial investment, and create tangible deliverables to attract sustained investment. However, for this idea to sustain success there needs to be community buy in. The United Social Exchange (USexchange) serves as a stock market for socially focused companies. It allows individuals who care about their community to invest in their community. United Social Collaborative (UScollaborative) is a social business, non-profit, community group, and volunteer network. UScollaborative through impact actuaries build partnerships and investment portfolios for the USexchange while assigning values to each organization based on ISanalytics metrics. Both the IS and the US networks have membership interfaces to manage resources and to track

involvement. Investors can log in to view their investment portfolios through the ISvestment network. Organizations can access the UScollaborative through OrganUSation, a network that provides services to help organizations that were not market ready. Individuals can access their stock accounts to trade and manage their portfolios through IStrade. People who don't want to invest money, but instead their time and skills can track their volunteer history and organization's upcoming projects through servUS. The section below describes all aspects of OUReconomy and how they are all connected to each other.

New tools and technologies enable us to increase the amount of data we can record. We are able to track multiple indicators on different social aspects that make up a city. This includes vacant home rates, and home ownership rates for housing; graduations rates, and test scores for education; employment rates, and poverty rates for economy among many other measures. ISanalytics compiles the existing data in to a database. Urban economists, city planners, community organizers, business leaders, and government officials serve on an advisory board to social impact actuaries who develop a criteria to assess organizations eligibly and investment readiness, as well as assign point values to one increment of improvement in each category based its effect on the city and how it compares to other social impact areas. For example a 3% increase in the graduation rate might equate to 100 points, while a 3% employment increase might equate to 500 points. Those social impact Actuaries then create diversified portfolios with different

target areas for improvement. Diversification reduces risk for investors because if one portion of the portfolio does not achieve the projected benchmark, the other parts can compensate for it. Different point level portfolios are designed to cater to different levels of investment. There might be 1,000 point and 10,000 point portfolios. The points equal a dollar amount, the larger the point value the higher the projected initial investment needed to improve the city to the target benchmark. To ensure that the investments are driving positive change within the target areas independent from other forces, ISanalytics implements randomized control trials (RCTs). RCTs minimize selection and causality bias making it possible to correlate investments with positive social change. ISanalytics makes social impact return on investment as tangible as investing in a private company. Dollar values are simply replaced with point values. Also, by using new measurement tools, investments and social change can be tracked as easily as revenue streams. ISanalytics makes social impact companies competitive with private companies.

ISventures is the group of advisors and investors that fund the initial costs associated with OUREconomy's approved social impact organizations. After Social Impact Actuaries create different levels of portfolios ISventures creates an incentive structure to increase investment, and attract new investors. Every quarter both new portfolios and Impact Obtained Updates (IOUs) are published. ISventures develops leaderboards to encourage competition between investors to be more socially responsible. Quarterly

IOUs allow investors to monitor the progress of their investment and to double down through a second round of investment. Highly successful portfolios inspire investors to spend more money because their initial investments already paid through high social impact and strong financial return for ameliorating issues more efficiently than previous governmental efforts. Oppositely, poor performing portfolios inspire increased investment because those investors want their portfolios to stay competitive with those highest on the leaderboard. If social impact, competition and high return on investment are not attractive enough to a potential investor ISventures has a Membership Value Program (MVP). Through MVP investors choose from a shopping list of services, products, programs, and discounts that either the government or private organizations that wish to partner with the government can provide. Social Investment Actuaries assign each item on the list at point value. Investors accumulate points based on their investments, earning them at an incremental rate to amount of investment. Also, every increment improved serves as a multiplier with in the point system. Investors redeem anything on the list with their points. For investors who want assistance in picking a portfolio that works well or them, advisors and partners at ISventures can help them invest their money. ISvestment is the interface where investors interact with each other, manage their portfolios and progress, and connect with organizations. With strong measurement tools and substantial upfront investment, there needs to be entities that use the money to implement social impact.

One of the most important drivers for social change is community engagement. Big investors alone can't change the fabric of a city; it takes an entire community to create sustainable change. USexchange is a social impact stock market that allows community members to buy share and invest in socially minded businesses. The same Social Impact Actuaries who set the point values for ISanalytics determine the stock point prices. When determining prices the Actuaries factor in the value of the service to the city, effectiveness of program, money use efficiency, scalability of service, and the scope of the program. Community members even have the opportunity to buy shares from ISventures investors looking to withdraw capital for other investments. When shareholders want to sell their shares they can sell to other community members, or they can wait until program or service completion to cash out. If the organization provides the service it intended successfully financed by community member's money, but did not generate enough capital to pay a dividend, the community member still earn investment credits that can be redeemed through MVP promotions or as more points to invest in another company. This system is low risk for investors with high reward. To reduce risk even further, the social impact Actuaries also design portfolios to diversify investment. Portfolios can include organizations with missions in the same sector, or holistic portfolios with shares from diverse organizations. The environment encourages sustainable investment and reinvestment overtime, and similar to the ISvestment network, community stockholders manage their accounts and the services within through the IStrade interface. If community

members do not have the capital, or do not want to financially invest they can earn points in USexchange through a program called servUS. Organizations within the market that need volunteers to execute their mission or someone with a unique skill set they can post to the servUS database for someone willing to exchange their time and expertise for points in the market. USexchange makes it possible for anyone in the community to have a share in making an impact on their city. While diversified revenue streams and incentive structures for sustainable investment are important, the formula could not be complete without a network of organizations that are implementing solutions under the auspices of the financial structure.

There are already countless non-profits, government organizations, and social business working to solve our countries most pressing issues. UScollaborative builds a network of these organizations and connects and categorizes them based on their service or program. Another Social Impact Actuary group, advised by a group with a similar make up to that in ISanalytics, determines based on the criteria which organizations within UScollaborative will have access to the two investment streams. Every organization, even those deemed not market ready, create full profiles that list all of the programs and projects they are working on and how much fiscal and volunteer support they need to complete them. Also through UScollaborative, organizations can interact, form partnerships, share best practices, and coordinate events. Those not directly accepted in to the investment realm, also have access to direct support in taking action towards meeting the

requirements. Each organization picks a fund accelerator quarter, or the time of the year when the organization anticipates being at a critical point or wants to launch the majority of its programming. During accelerator quarters, ISventures dedicates the majority of its support to those organizations, highlighting them and offering point multipliers to investors who invest in those specific groups. The database and medium that organizations are exchanging this information is organUSation. Organizations can track and update all of their information with unique logins, and can notify UScollaborative on what is working well and what they could use more assistance with. The organUSation interface allows interaction between different groups to forge partnerships, increase collaboration, and share information on how to improve. OrganUSation even connects directly to the servUS network, connecting organizations directly to volunteers. When communities take ownership of their city they will drive sustainable growth in the city.

OUReconomy makes a business out of doing good. Organizations pursuing a social mission should not be limited by lack of funding, or have to constantly dilute their efforts to apply for grants or scramble for new donors. Social businesses need to dedicate all of their efforts to pursuing their missions and making the world a better place. OUReconomy makes this possible through a network of services that increases funding streams, drives fast innovation, increases efficiency, connects communities to service providers to take ownership, builds an open collaborative network, and raises

enough upfront capital to extend services. OURconomy makes social businesses competitive and viable in our ever-changing world.

V. SOCIAL IMPACT BONDS/PAY FOR SUCCESS

Started in England only a few years ago, SIBs are recognized as a competitive and viable solution to many problems that not-profits and government service providers face when combating societal issues. Nonprofit Finance Fund explains Social Impact Bonds as,

...align(ing) the interests of the private and philanthropic investors with the public, around a shared vision of desired social outcomes. Instead of compensating investors based on the volume of services delivered, incentives are tied to positive results. By concentrating investment in proven, high impact interventions that create measurable social benefit, Pay for Success Financing (SIBs) has the potential to save taxpayers money ("Pay for Success/Social Impact Bond Initiative").

SIBs increase investment and drives efficiency within social impact.

SIBs account for everything cited earlier in the paper as barriers to social innovation.

Normally, government funding is not focused on results. SIBs change the playing field because issuing organizations, investors, and participating service provider's compensation is tied directly to outcomes. In SIB contracts, investors earn their money back when they achieve their target, and they get a return on investment when they exceed those numbers. This incentivizes them to be innovative to see the return, and service providers to be innovative to see re-investment. To answer the naysayers who critique government innovation

as risky, the payout model prevents increased spending if the project fails. The government only pays when a problem that was already costly without a solution, is solved. Under the current structure weak performance measurement renews funding for ineffective programs, while SIBs funding mechanism only pays out to those with strong impact. Since performance evaluation is vital for compensation, it is compelling for all involved to develop a strong measurement system. This effective monitoring system allows social innovators to bypass a normally slow proof-of-concept process because the evaluation tools track success with growth highlighting innovative programs. SIBs even raise enough upfront capital to finance programs full scale that are either usually not financed at all or have to operate with minimal fiscal support (Liebman, February 2011). While this investment model is promising it still has drawbacks because it is in its first generation. Future SIBs will create solutions to the challenges it currently faces.

There are problems that persist without an extensive assessment of implemented programs. Since the payout is strictly based on performance, the risk is high for investors. They may be skeptical of the third party, or issuing organization, in measuring performance and shy away from investing. Also, the compensation process is long compared to other investments, and in most cases investors have to let their money sit in the programs for years before they see it again, preventing them from pursuing other investments. While investors might be cautious because of the high risk, service providers absorb the burden if the program fails because once the funding runs out they have no

financial support to continue their programs. The heavy weight on performance might also inspire participants to try and influence the measurement tools to meet the projected targets artificially. The drawbacks are substantial, but as the industry innovates it will overcome these difficulties as well.

a. SIB CASE STUDIES

i. RECIDIVISM IN PETERBOROUGH, ENGLAND

The first Social Impact Bond was started in 2011 in Peterborough, England, to reduce recidivism in HMP, the local prison. The targeted population was divided into three groups each with 1,000 prisoners. Programmatic success is reduced recidivism by 10% for each of the groups, against control groups that had ten prisoners to every one in the program, or if that is not achieved, an average of 7.5% recidivism reduction over the three groups (Disley, pg. 33-34). This SIB would not have been possible without all the players involved in the process. Together the Ministry of Justice, Social Impact Partnership, Social Finance and the Big Lottery Fund brought this idea to fruition. Social Finance served as the issuing organization, raising five million pounds from individuals, foundations, and charities including: Barrow Cadbury Trust, Esmee Fairbairn Foundation, Friends Provident Foundation, The Henry Smith Charity, Johansson Family Foundation, LankellyChase Foundation, The Monument Trust, Panahpur, Paul Hamlyn Foundation and the Tudor Trust (Disley, pg. 25). If the program is successful, investors will get their money back, plus an agreed upon return depending on how successful it is. The St. Giles Trust, a well established organization and extremely highly respected, developed a one-on-one through the gate service for the offenders with help from the Ormiston Children's & Families Trust.

There is a lot of pressure on these groups to be successful, because this SIB will serve as precedent for any future SIBs.

Although the program has not been around long enough to test its success, interviews with investors and everyone involved in the process indicate improvements already. Investors interviewed talked about how SIB is attractive to them because it is in line with their desire to benefit society, and ensures that their investments are coordinated with their mission. Investors were also positive about getting their money back, and maybe even a return on their investment (up to 13% improvement) (Disley, pg. 28). They could make money on making a difference. That being said there were some unintended positive and negative effects. Going forward, Peterborough acknowledged that it needs to monitor how its program affects other agencies that are related to the issue like the police, probationary services, housing agencies, and any other groups that work with the target population (Disley, pg. 51). Another pressing issue is the extended period of time that investors have to wait for outcomes and compensation. One investor referred to liquidity and recommended a social stock market where investors could free up assets by selling them to other organizations or people (Disley, pg. 30). The Ministry of Justice also realized the importance of accurate impact measurement tools, and suggested that future projects should run randomized control trials to reduce biases (Disley, pg. 37). Only time will tell whether or not the program is successful. Despite a few challenges along the way, those involved in the project are optimistic about the next few years.

OUReconomy combines the strengths of Peterborough with its recommendations. USexchange serves as the stock market for investors to liquidate their assets, while ISanalytics uses randomized control trials to ensure accurate impact assessment. Peterborough's SIB serves as the model for future attempts, and it is clearly scalable for others who want to replicated it.

ii. MDRC

IN 2012 MDRC, a nonprofit policy research firm in New York City, started the first United States' Social Impact Bond. The target, like Peterborough, is to reduce recidivism by 10% at Rikers Island, New York City's largest prison. MDRC serves as the issuing organization, Goldman Sachs as the bondholder, Adolescent Behavioral Learning Experience (ABLE) as the service provider, and Michael Bloomberg, through his philanthropy organization, as the guarantor. Goldman financed the program with a \$9.6 million investment. If the program exceeds its target, they could earn an additional \$2.1 million. If they fail to reduce recidivism by 10%, Bloomberg will absorb the majority of the collateral, paying Goldman \$7.2 million limiting their losses to \$2.4 million (Francescani, August 2nd, 2012). Looking to Peterborough, MDRC focused on reducing risk for investors as much as possible, but because the program is four years long they still struggle with delayed payout. MDRC did not set up a system for Goldman to liquidate their investment, but it seems that this project's mission is consistent with Goldman's philanthropic efforts, and is less a financial concern. Again, there is no way to measure success yet because the bond is less than a year old. Although New York is the first to officially establish an SIB in the U.S., Boston was the first to formally declare that they wanted to explore the idea.

iii. SOCIAL FINANCE IN BOSTON

Tracy Palandijan, a former head of a department at the Boston Consulting group Parthenon, was so impressed by Social Finance Ltd's work in Peterborough that she started a sister company with almost an identical name and identical mission, Social Finance Inc. In August of 2012, Massachusetts Governor Deval Patrick announced new Pay for Success (Social Impact Bond) contracts, one to help juvenile's transition from the justice system to being a successful adult, and another to provide housing for homeless individuals. A partnership between Third Sector Capital partners, and New Profit Inc. won the bid for the juvenile program. The commonwealth serves as the intermediary for the Juvenile Justice program while Roca, Youth Options Unlimited, and the United Way of Massachusetts Bay and Merrimack Valley provides the social service programming. Roca is recognized for its intervention model, and has a strong track record helping high-risk youth overcome the vicious cycle. Youth Options Unlimited (YOU) is a government program out of the mayor's office of Jobs and Community services and traditionally serves individuals associated with gangs with job programming and educational assistance ("Massachusetts First State", August 1st, 2012). The Massachusetts Housing and Shelter Alliances (MHSA), again partnering with the Commonwealth, negotiated the Chronic Homelessness Social Impact Bond. Third Sector Capital Partners participates in the Homeless SIB along with the Corporation for Supportive Housing (CSH) and the United Way. Boston's program is not fully in place yet, but Roca Inc. intends to and directs

500 juvenile men towards a more promising future, while MHSA intends to increase their housing units by 380 (“Massachusetts First State”, August 1st, 2012). Until the contracts are published we won’t know for sure how the Commonwealth of Massachusetts will confront some of the issues seen in other SIBs.

Social Impact Bonds may be new, but they are expanding at an infinite rate. The innovative process rethinks the way we normally confront our biggest societal problems. We normally rely on cautious government programs, and unproven, and many times underfinanced social service organizations. SIB’s shake up the environment and state that changing the world should be just as competitive as any other business out there. Social Bonds in Peterborough England, New York City, and Boston to name a few, are proof that private investors are willing to invest in social good, and that it is possible to profit off making a difference.

VI. SOCIAL IMPACT EXCHANGES

Social Impact Bonds are connecting private capital to specific social service providers to accelerate solutions to specific societal issues. The negotiated contracts are enormous and take a long time to analyze and negotiate. During program implementation, investors do nothing more than wait for results and returns. Creating a social impact stock exchange expands efforts beyond one issue at a time, and allow for quick liquidity and fast asset movement. The social impact market place resolves many SIB critiques. Investors can sell their assets to overcome frozen money that is not normally returned until the end of the program, usually years later. With appropriate measurement tools, and strong criteria for accepting organizations in to the exchange, makes solutions to social issues even more efficient and effective. A strong social stock market potentially draws even more investors for a greater number of social service providers.

a. SOCIAL IMPACT EXCHANGE CASE STUDIES

i. ASIA IIX

Durreen Shahnaz is taking investment in social good one step further in Singapore. What started as a private platform for investment in social enterprise is turning in to a social stock market. Impact Investment operates an online platform that connects investors with social impact organizations that have gone through an assessment process that tests their readiness for the market. The platform increases interaction between the financial entities and the service providers, and increases private capital investment because of the screening process and direct connections through the platform. Investors that choose to be members get direct access to countless impact investing opportunities, connect directly with other investors to co-invest in different projects, engage in an efficient network of social enterprises that are evaluated and pre-screened by Impact Investment (a strong evaluation system that analyzes impact), access to conferences and workshops, and connection to a network of other investors and social entrepreneurs. Social Enterprise members experience increased exposure to private money, increased credibility (if they pass the screening process), connections with investors aligned with their own social missions, diversified revenue streams, attendance and invitation to events and trainings, and connections to a broad community of impact investors and impact organizations (Impact Partners). Impact Partners in less than a year raised \$70 million in capital from 140 investors for social enterprises that make less than \$5 million in revenues

(Field, April 27th, 2012). Impact Partners serves as a platform to build a network of investors and strong social enterprises so that the Impact Exchange experiences success from its launch.

Although the Impact Exchange does not yet have companies listed in the market, it did host a soft launch in June of 2012 at a forum titled “Igniting Capital Markets for Social Good” (Joseph, April 11th, 2013). Over 400 delegates attended including 250 diverse businesses excited about impact investment and looking forward to connecting through the Impact Exchange. From this conference, Impact Exchange hopes to launch fully in 2013. When it is operating, the exchange will enable investors to trade for-profit social enterprise shares, and not-for-profit bonds. Investors who buy shares receive both social and economic return on their investment. Purchasing shares enable for-profit enterprises to expand their programs and services with increased and diversified funding streams. On the other hand, issued bonds won’t pay dividends, but will pay interest and a return of principal investment. Both for and not-for-profit enterprises can issue bonds. Like stocks, the bond market provides access to new streams of capital. Like the New York Stock Exchange, there is an evaluation system that combines effectiveness, efficiency and purity of social mission criteria to reward the strongest performers. Similar to Social Impact Bonds, a third party assesses financial and social reports produced by each social entity for investors. One of the most essential components of the exchange is the market data feed that tracks news services and investor activity. It creates a system of more tangible trade

(AsiaIIX). Although the market has yet to launch, it has all of the components it needs to be successful from the beginning.

ii. BVS&A IN BRAZIL

Celso Grecco, an incredibly successful Brazilian businessman always thought of money before doing good until his ‘a-ha’ moment. He remembers that, “suddenly everyone was talking about corporate responsibility, that’s when the penny dropped. To be successful, companies also need to be good citizens” (“A Stock Exchange for Do-Gooders”, May 31st, 2008). In 2003 Grecco opened the first social stock exchange BVS&A, and although there was no physical trading space like the iconic New York Stock Exchange, online private donations exceeded \$5.5 million and supported over 70 different social enterprises (“A Stock Exchange for Do-Gooders”, May 31st, 2008).

His efforts are further legitimized because BM&F Bovespa, the Brazilian stock exchange, runs and completely funds the entire system. The UN also endorses BVS&A, and Grecco is looking for other high profile sponsors to help scale the market to other countries and regions in the world. BVS&A’s sustained success depends on its functionality and structure. For social organizations to be traded they need to go through an application process where a team of specialists evaluate the organizations project goals and its potential impact on society. The screening process is incredibly intensive to minimize investors’ risk and to ensure that projects are successful in making sustainable differences. Only one in ten of the organizations that apply are accepted in to the exchange. Since the social stock market is a new concept, Grecco does his best to coordinate the language with the stock

exchange. Investors feel comfortable investing in BVS&A because the social investment is built on the same platform as the Brazilian stock exchange. BVS&A evaluates all the organizations on their transparency and credibility, just like any other public stock. Grecco creates an environment that is incredibly investor friendly, exponentially increasing funding for social organizations.

What Social Impact Bonds are doing for reducing societal issues, Social Impact Exchanges have the potential to multiply infinitely. The exchange has the capacity to run several SIBs at once. The potential is unlimited as long as there are investors interested in socially minded businesses, and socially minded businesses that are interested in expanding their impact. Although the exchanges in both Brazil and Singapore are in their early stages, they have already inspired other international cities to consider creating similar entities. Grecco understands the importance of getting support from established and historic organizations. Although the idea is new, it needs to be comparable to already successful entities that investors understand. New social stock exchanges need to keep this in mind. They need to ensure that they are also screening the service providers that they agree to let in to the market. If there is one thing to take away from Brazil and Singapore, it is to reduce risk and failure as much as possible when starting new social ventures.

VII. IMPACT EVALUATION

Unlike financial gains, impact has always been difficult to measure. In a product or service market, revenue sources are clairvoyant. Money is paid in exchange for a product. In the social impact market it is possible to track and evaluate changes through measuring changes on different social indicators.

There is enough data to track changes in recidivism, graduation rates, homelessness, and almost any other societal issue. However, when changes occur it has always been near impossible to draw direct correlations to the specific changes in society that lead to improvement. The question is always was it the work of one non-profit, the changing economy, a new governmental policy, social or cultural changes, none of those things, or all the factors together. Even with strong correlation evaluation, the system is still open to other biases. When trying to measure a non-profits impact on a specific issue, even with a control group, one must account for the possibility that the target group might influence the control group. It seems that the most effective way to measure impact is to take a page out of hard sciences and medical studies. Randomized control trials (RCTs) are at least a step in the right direction in minimizing error and bias.

In March of 2010 two professors from NYU, Jonathan Bauchet and Jonathan Morduch, set out to explain RCTs and how they are an effective way to evaluate any experiment, including social impact studies. An effective RCT selects two groups randomly from a population, one as the target group and another as the focus group. The target group is provided the service, while the

focus group is denied the service. For it to be effective there can't be self-selecting, because there is thought that those who select to participate have distinct personalities from those who select not to participate. Calculating the differences between the average outcomes of the target and control groups will measure, if done correctly, the program's average impact. When conducting such a study there are a few vital things to think about including the level of randomization and statistical power. When making the choice between using an individual or a grouping mechanism as units of analysis, it is important to assess the pros and cons to both. If the level of randomization is a group, the sample needs to be exponentially bigger for legitimate significance. Using individuals as a unit of analysis makes it much easier to assess the threshold needed, but that leaves the experiment open to spillover. Spillover is when individuals from the target group switch to the focus group or vice versa. People in the target group that influence individuals in the control group are also an example of spillover. When conducting trials one must consider noise, or natural variations in the data that cause measurement errors. The bigger the sample size, the less noise there is. However, making the sample size big increases costs because more services need to be provided ("An Introduction to Impact Evaluations", pg. 13). While many consider randomization the most effective evaluation method, it still has drawbacks. Randomization always explains the average with no respect to the median, limiting the ability to assess the impact distribution. Specificity is a major strength of RCTs, providing internal validity to experiments; however,

external validity is limited and it is tough to scale results. Similar to spillover, other critics refer to maintaining strict standards throughout the study that minimize contamination and influence between the target and control groups. Doing this might attract critics who say that such experiments are unethical because they deny vital services to portions of the population solely for the purpose of a control group. The counter argument is that these experiments produce results that make services and programs more effective than they are now so they can better provide for the population as a whole (“An Introduction to Impact Evaluations”, pg. 13). It is clear that harnessing RCTs in social impact analysis exponentially improve these measures. As new revisions and ideas emerge, assessment tools will overcome current criticisms and continue to minimize error and bias.

Randomized Control Trials are some of the many ways that intelligent organizations like 3ie Impact are thinking. 3ie starts all of its projects with effective evaluation of environments. They act like an intermediary, assessing various organizations impact on social problems. RCT's are one of many ways to assess impact, but it is important for the organizations investing and those providing the service to be detached from evaluation. Organizations like 3ie are the perfect middle man, or referee to monitor SIBs, social impact exchanges, and any other systems that connect investment to impact.

VIII. OURECONOMY IN SYRACUSE

Implementing OUREconomy in Syracuse might be challenging, but if successful, it would be groundbreaking. Syracuse's economy has many of the ingredients for sustainable growth, it is just a matter of mixing them together the right way to make something worth reproducing in other cities.

Implementing OUREconomy in Syracuse could draw more money to the city, attract national attention, and reduce many systemic problems that have hindered Syracuse's success. The players are here it is just a matter of strong collaboration and creation of a system to attract substantial investment.

For OUREconomy to get any traction in Syracuse, it will need support from the government. Mayor Stephanie Miner is considered by many as a very future thinking oriented politician who is conscious of the effects that her actions will have on the city further down the line. The mayor gladly stands behind innovative ideas, especially ones that will slash the many issues facing the city, most pressing, the economy. With an almost eminent city bankruptcy in a couple years, the city barely has money to provide essential services, let alone finance projects that proactively combat the issues. OUREconomy will draw from other funding resources to overcome the deficiencies in the government. It seems that the best way to pursue a program of this magnitude, would be to house it in the Bureau of Planning and Sustainability and the Department of Neighborhood and Business Development. Getting buy in from the Mayor's office would be further legitimized with support from the common Council as well. While local government would be the first step,

being able to influence the county legislature, and the eventually the state, could open up opportunities for even more expansive services. Again, the resources are short, so outside of support, it makes more sense to use other resources in the city to develop the idea in to an actual functioning system.

Syracuse has access to many resources including four Colleges and Universities. Professors and students, in Masters or Doctoral programs from the various economics and mathematics departments, will work together with the Public Health, Social Work, and Public Administration departments to build effective measurement and assessment tools to evaluate various societal issue indicators. This would be the ISanalytics framework. Syracuse also has a couple organizations that link the city's businesses.

CenterState CEO, essentially the chamber of commerce, is a membership organization that provides services and support for all the businesses within the region. The Small Business Administration is a coalition of small businesses, also throughout the region, and similarly helps those businesses overcome any issues they confront. SyracuseFirst is a membership organization with benefits strictly for local businesses. All these organizations could recruit businesses that have a strong interest in improving the city, which most businesses will probably have because the better off the average resident is the more money they have to spend on products or services. Together with the Community Foundation and the Central New York Philanthropy Center they can recruit investors through ISventures, and investors can manage their accounts through the ISvestment database. They

can track their investment's progress, manage their accounts and interact with other investors in the network to leverage their money towards more effective programs.

Non-profits and community organizations will be categorized based on their service. A combination of economists from the Universities and business professionals will develop an evaluation criteria to measure each applicant organization only accepting those who satisfy the requirements. A diverse panel of social actuaries will include panelists from organizations like Northside Urban Partnership, Near Westside Initiative, Southside Initiative, University economists, sociologists, and other relevant fields, CEOs from the biggest local businesses and public officials. Each committee will determine the value and contracts with the Community organizations serving as intermediaries during contract negotiation.

If an organization is deemed 'not market ready' it will be automatically enrolled in the organUSation network that is open to any organization that wishes to participate. Through organUSation, those not ready will be flooded with services to aid them in fulfilling the requirements they were missing in their first attempt. People from businesses like CenterState CEO and organizations like Northside UP will build the curriculum and assistance model to help these organizations achieve industry standard. Organizations that do satisfy the criteria can still access organUSation, but the benefits are structured towards best practices and interaction between groups to extend efforts or collaborate to expand

effectiveness. It also serves as a platform to review and interact with current and potential future investors. The same criteria used to assess readiness for the ISventures market, is used to assess readiness for the USexchange.

While big upfront investors use the ISvestor interface to manage their portfolios, individuals investing in the USexchange manage their accounts through IStrade. Individuals can purchase stock in individual organizations or portfolios to mitigate risk. Experts from UScollaborate develop portfolio funds, and indexes for individuals to invest in to mitigate risk like the real stock market. Also, individuals interested in investing in more than one type of organization can invest holistically through a portfolio that diversifies investment between organizations serving different societal issues. An example would be a portfolio that combines stock in HomeHeadquarters, The Educational Foundation, The Salvation Army, and the Rescue Mission. If investors are only concerned with one societal issue, but are still afraid to put all their money in one organization can buy stock in an issue specific portfolio. Housing for example would have stock in HomeHeadquarters, Housing Visions, and the Northeast Hawley Development Association. To overcome negative stigmas, there is other programming to increase incentive.

The UScollaborative recruits and partners with various businesses that want to offer their product or service either as direct assistance to various organizations or, as promotions for individuals who invest frequently or within specific industries or neighborhoods. The Italian restaurant Attilios might offer a free lunch coupon to individuals with a certain number of shares

invested in Northside organizations like Northside UP, the Northside Learning Center or HopePrint. Even organizations trying to make a big fundraising push during a certain part of the year could reach out to participating businesses to cater their promotions to that time period. Just like businesses, individuals have the option to offer service rather than money, through servUS.

In the servUS network individuals can track their volunteer hours, which organizations need certain types of skills, and which events need volunteers. The United Way of Central New York already runs a similar database called Volunteercny.org where volunteers can browse different organizations and opportunities to get involved. The system is specifically focused on number of volunteers and is not necessarily catered based on skills. The servUS network could either extend the efforts that already exist, or use this framework as a model going forward. The servUS network enables volunteers to list their skills and gives them opportunities to use those skills through different programs. ServUS is very similar to Skillsville, the Bloomberg Philanthropies winner in San Francisco. Skillsville connects volunteers with unique skill sets to government and other volunteer projects and awards those volunteers with badges of proof that they are competent in that skill. The badges are supposed to prove that participants are more viable candidates for employment. ServUS Syracuse allows volunteers to seek merit badges and similar promotions to products or services in the city like the ones

offered to businesses through UScollaborative. All of the programming in Syracuse will need an effective evaluation system.

ISanalytics will be composed of professors specializing in urban metrics,, government officials, business leaders and community members. The group will serve as social impact actuaries first establishing a unit and metric system to measure impact across all sectors. At that point they will weight each unit and how much one unit of improvement equates to an increment of positive change for the city of Syracuse. The group will be tasked with determining what that value is, and from there assign point values to a change in each indicator. ISanalytics is also the group that establishes the criteria for organizations to be accepted in to the OUREconomy network.

Syracuse is home to many of the most important players in implementing a complex industry like OUREconomy. People in Syracuse are excited about the future and optimistic about tackling our most pressing issues. Although we have the right people here, something needs to change to overcome. OUREconomy could be the perfect remedy to help Syracuse ameliorate our biggest issues sustainably. To build momentum and get this program started it will take buy in from the major players or winning a major grant.

IX. INITIAL CAPITAL

OUReconomy qualifies perfectly for many grants and programs. The Civic Data Challenge accepts applications that use their data systems to impact the 'civic health' of a city. Applicants are asked to bring together people from all the different groups in the city to develop innovative solutions that can impact public decision-making. Winning teams earn up to a \$100,000 value in cash prizes, conferences, media features, and consulting services. The capital would help develop all of the databases that make up the system, but would also gain legitimacy to recruit other funding routes. If the Civic Data Challenge doesn't work out, another great program to apply for is Code for America (CfA). Code for America recruits the best people in the tech industry to provide hands-on services to help cities tackle a core problem. Benefits include web application development with a suite of applications and interfaces at steeply discounted prices. CfA also coordinates a City Brainstorm with experts to plan how to go forward after the year is over. To ensure that the programs are sustained past the initial start-up, CfA facilitates connections between all participating cities, and through an open source license each city can use each other's programs. They also exchange best practices and steps going forward. Both grant opportunities are two of many that combine financial support with specialized resources. With momentum building behind social impact bonds, there are foundations looking to facilitate growth of similar projects.

The organizations that played a role in any of the cases described earlier in this paper are not alone in the pursuit of impact investing. Although the field is relatively new, its growth is exponential and there are resources dedicated to expanding efforts with similar missions. The Nonprofit Finance Fund has worked in the industry through Pay for Success initiatives since 2011. They serve mostly in the pre-contract phase by training and educating stakeholders, including government agencies, in facilitating the necessary relationships to make it happen and organizing the financing structure around outcome measurement. Nonprofit Finance Fund conducts all its training through its Pay for Success learning Hub. The Hub is an open forum for all interested in exchanging ideas, and could serve as a great model for the US collaborative network. The Global Impact Investing Network (GIIN) is solely dedicated to social impact and already has an established network connecting investors to investees throughout the world. GIIN developed a structured measurement system called the Impact Reporting and Investment Standards (IRIS) because they realized the importance of developing accurate and credible metrics. They are instrumental in developing a standardized framework for use in the industry and throughout the world. They are collaborating with The Rockefeller Foundation, Acumen Fund, and B Lab to make it a reality with full support from USAID. The IRIS could easily be adapted to fit Syracuse, or used as a model for developing a new metric system for the city. GIIN recognizes the shortfalls of impact investing and they do their best to increase the effectiveness and decrease the systemic

problems that hinder the system. Across the border in Toronto, SVX is connecting investors to social ventures all on the local level. Their online platform provides listings of all the ventures and funding streams and the ability to collaborate to strengthen ideas and execution. Their goal is to draw \$1 million in capital to ten different social ventures to ameliorate Toronto's biggest problems. The online platform is a perfect model for ISvestment, organUSation, and servUS. Back in New York, Mission Markets is connecting investors and social organizations through advanced technological systems. Mission Markets manages the relationships through their MM Capital Marketplace (MMX) that hosts a transaction platform for investors to track their investments and monitor the organizations they wish to invest in. Similar to GIIN they have a comprehensive metric rating system, as well as a tiered listing for investors to compare different organizations and seek the best organizations to invest in. This marketplace system is a perfect example for USexchange and ISanalytics to value and quantify social impact in Syracuse. Foundations and not-for-profits are not alone in trying to scale up impact investing efforts.

New York City and Boston is proof that state and local government entities are interested in impact investing, and the federal government has started thinking about the system too. In 2012 the office of Management and Budget included in the Federal budget a promise to invest in initiatives centered on Pay for Success models. In a fiscal report the government outlined the many benefits of these bonds including increased investment, improved

outcomes, and minimized risk. The Federal government is conscious that the government needs to continually do more with less, and to ensure program effectiveness they must constantly innovate. With federal government interest, it is even more plausible for Syracuse to implement a new impact programming model.

OUReconomy is plausible when leveraging foundation finances, non-profit resources, and government policy. If organized correctly, Syracuse can innovate impact-investing models. The city can serve as an example to other communities throughout the country in solving societal problems.

X. CONCLUSION

OUReconomy feeds off the strengths of existing programs similar to it like social impact bonds and social impact stock exchanges, and incorporates accommodations to overcome those same program's weaknesses. What was first a mere business plan, quickly emerged in to a new economic sector plan, when I realized how urgently the current system needed to change. In Syracuse I saw first hand marginalized populations continue to fall behind, and a city loose its character. Syracuse is not alone in its follies, and in all of those struggling cities there is the same structure to fix it. There is no question that the people working within the current framework are doing their best to stop the bleeding, but their fixes because of a lack of resources, a missing measurement instrument, and an adverseness to change their solutions are but a temporary clot. What exists now isn't working. The entities that make up OUReconomy increase upfront investment, strengthen community involvement, innovate social service, measure impact effectively, and connect all of these resources in a collaborative effort. Real sustainable change will exist when investors, the government, and the people all agree on steps moving forward. Through easy to use interfaces, OUReconomy capitalizes on collaboration between these parties, and drives forward innovation as people start taking ownership of their cities.

The momentum is with social impact, and there is no better time to attempt something as courageous as OUReconomy in Syracuse. Even proposing the idea would draw attention to the city. From my time spent in

Syracuse, I realize that there are incredible people and organizations that work day and night to make this an even better place to live. Getting those parties excited about a program like OURconomy could generate a lot of tread going forward. I will share my ideas with everyone I work with and extend the dream to current political figures to see if this is at all plausible. I will spend my summer applying for as many grants and programs as I can to get equity behind the idea. Even if it is impossible to implement it in its entirety, I think that even portions of it would benefit the city greatly. I love the city of Syracuse, and if it is not OURconomy that makes us a model city for the rest of the country, I hope that the idea will sprout or excite someone else to come up with one that sustainably poisons the negative activity in this great city.

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XII. SUMMARY

This project, although it is an academic capstone project, is the foundation for a business plan that I wish to pursue in Syracuse. I have spent the past four years not only as a Syracuse University student, but an engaged and active resident in the City of Syracuse. I have seen firsthand the incredible people, organizations, and resources that call this city home. I have also seen the systematic problems that the city continues to struggle against. After graduating I will be staying in Syracuse because I want to continue to work with all of the people I have collaborated with already, and to work with those that I have still not had a chance to meet. I love this city, and I want to do everything I can to help it become a model city of sustainable growth for the rest of the world.

Three years ago, I started an outreach program that connected University students to the Congolese refugees in the city through literacy and academic assistance, and cultural exchange. Since then I have served on a steering committee to start an entrepreneurship incubation center for refugee communities and I am currently working on a student retention program to keep more students in Syracuse. Through my experiences launching businesses, ideas and organizations, I realized that more than anything else existing entities in the city could use help expanding their efforts. This was the inspiration for this project.

Two years ago I came up with my original idea for OUREconomy. Since then I have revised, updated, and added to it, the final result being this

paper. My idea essentially is a myriad of services that implement incentive and traditional business practices to increase investment in social impact organizations by making results more tangible. It also incentivizes community involvement and engagement, encouraging residents of any city that implements it to buy in to making their home a better place. It also installs a measurement system to track results and measure impact. All the pieces of the idea are connected through an extensive network system that encourages interaction and collaboration.

While the first part of the project extensively explains the idea, after detailing the problem and need that exists, the second part sets out to justify and prove that the idea is indeed possible. My research methods included extensive online research, reading through many academic journals and think tank publications, and contacting the experts who work on the problems that my project addresses. I then set out to organize my findings in order from effectiveness of reducing the problem, and relevance to my project. After deciding that social impact bonds and social impact exchanges were the best for the purpose of my research, I choose cases that represented each component well. Each section of this part of the project starts with a description about the ideas and the follows with annotated case studies with descriptions on how those organizations are effectively diminishing the problems they are working with. My project also relies heavily on strong impact measurement tools, so similar to the rest of my research, I organized concepts in order by effectiveness and relevance. The best option was

randomized control trials, which I describe and again use a case study to connect. The final part of the project was combining everything I had done. I had to prove that the idea I had could be implemented as effectively as the case studies I described. This component was easy because I already knew many of the important players in Syracuse well. For this component of the project, I reached out to my friends in the city and talked with them about ideas for how to make this a reality in the city.

Implementing an idea like OUREconomy in Syracuse would be a significant change for the city. Doing this project lays the ground work for what could be an innovative reality with the right support. The City of Syracuse is in danger of being bankrupt in a few years, while we continue to struggle to graduate more than 50% of the city's high school students. Business as usual is not working in Syracuse, there needs to be something of a spark to ignite us in the right direction. OUREconomy could be exactly that for Syracuse. If the program is implemented effectively, not only will it effectively combat some of the most pressing issues, but it will be a bold move in an urgent time. Syracuse would be one of the first cities in the world to think about issues this way, which would attract international attention and support. This will be true even if it has a tough time getting off the ground. The reality of this being implemented may be far reaching and optimistic, but I believe that Syracuse has the perfect environment for success. The City is full of smart people determined to make the city a better place, and OUREconomy is the perfect avenue for them to pursue that. The City is also

healthy with organizations trying to accomplish the same, OUReconomy would help all of them extend their efforts and finance their projects. The OUReconomy network also gives investors, community members and leaders, service organizations, government officials, and any other body that is interested in improving the City to come together and collaborate in creating solutions.