

Boston has no shortage of nonprofit groups. The provocative question at the heart of venture capitalist John Simon's GreenLight Fund—which cribs the best initiatives from around the country and imports them here—is whether we have the ones we really need to solve the city's problems. **By Dan Morrell**

The Copycat Saint



SIMON SAVES: John Simon, center, with fellow revolutionaries Margaret Hall and Imari Paris Jeffries.

As John Simon makes his way to a wooden podium at the Boston Hyatt Regency ballroom, the partygoers look up from their salads of garden greens and candied walnuts to let out hoots and whistles—as if Simon, the reserved cofounder of the GreenLight Fund, has approached the microphone not to talk about his five-year-old nonprofit, but instead to belt out a power ballad. Perhaps uncomfortable with the rowdy reaction, certainly uneasy in the spotlight, Simon cringes for a second. Then, keeping his head down, he goes straight-faced and proceeds with his message. This is business.

The raucousness with which Simon was received owes perhaps in part to the age of his audience: A quick count tallies only three gray heads among the few hundred attendees. This is a venture capital crowd (with all the expected dinner table chitchat of companies started and so on), and one that Simon knows well. As a founding partner of the Cambridge tech venture firm General Catalyst, he makes a living finding money to back good ideas. GreenLight, he tells the crowd, is no different. But instead of backing cash-hungry startups that might revolutionize some corner of the Web, GreenLight aims to put money behind social programs that could remake the city.

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As Simon tells the assembled guests, his group employs a novel model for pinpointing Boston's most dire needs, conducting a cross-country search for proven solutions at work in other cities, and then importing those programs here. No sense reinventing the wheel, the thinking goes. And in that research-intensive approach, GreenLight offers the accountability and clarity of purpose that appeal to a new breed of civic-minded donors, who, flush with tech-era cash, are prone to disregard those trusty old holiday checks scribbled out to the Salvation Army as the antiquated alms given by Boston bigwigs of yesteryear. In a town that abhors change—and is crowded with nonprofits competing for the same dollars—anything that challenges the status quo the way this does is bound to inspire derision. But GreenLight, in true VC fashion, is just listening to the numbers. And the numbers say that despite some 9,000 nonprofits in Boston, big needs are being left unmet. The group doesn't have to target guilty consciences or rely on shaming good fortune. It appeals to reason, to pragmatism: more like a 401(k) for your community's future, less like your annual penance.

Tonight's gala is raising money for its latest borrowed idea, Peer Health Exchange (PHE), a program started in New York that's designed to combat high levels of teen obesity, smoking, and pregnancy in urban schools. Molly Greene, PHE's director, takes the stage and drops a stat that made her operation worthy of GreenLight's attention: There are only 11 active certified health instructors for Boston's nearly 60,000 public school children. This is the kind of hole that needs filling. The investors, hooked, nod along. Then they produce their checkbooks—and \$146,000 for GreenLight's latest upstart project.

The GreenLight Fund is housed in a one-room office near the Lechmere T stop. The place is outfitted with a bowl of green M&Ms and run by executive director Margaret Hall, who met Simon in 2003 and helped him start GreenLight later that year. They plan to eventually take it national, setting up a chain of idea importers from New York to San Francisco.

Every year GreenLight and its advisory board—which features staffers from a variety of local nonprofits—sit down to suss out Boston's unmet needs, probing data on education, crime, and housing. The first time they did so, they were struck by what they learned about students

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growing up in violent neighborhoods or dealing with abusive families. The research told them those kids are 90 percent more likely than their peers to end up in jail or pregnant. Zeroing in further, GreenLight found that in 2003, within a mile of Dorchester's John Marshall Elementary School some 1,887 crimes were committed in which either the victim or the offender was 19 or younger. Just about all the students at the school were on a free or reduced lunch program.

GreenLight decided these would be the first kids it would try to help. The team considered some 200 nonprofits from across the country, looking for proven, cost-effective programs. Their search led them to Friends of the Children, a mentoring service in Portland, Oregon, that set itself apart by fostering long-term

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relationships between struggling students and adult mentors. The group had been around for 10 years, and expanded to five other cities, giving the GreenLight team an ample track record to pore over. Of the more than 600 at-risk students involved with Friends, over 95 percent were still in school. Convinced the program could make a profound difference here, in 2004 GreenLight paired its first crop of first-graders with mentors for what will be a 12-year partnership.

GreenLight's second program was again aimed at students. Research showed Simon and Hall that while plenty of local cash was being sunk into afterschool enrichment for teens, nothing at all had been designed to help youngsters who hadn't yet started their formal educations. Simon set out to learn everything he could about the preschool set. “If a kid shows up to kindergarten ready to read,” he says, “then statistically they’ll have much better results than those who come in not ready to read—there are huge projected differences in life outcomes.” Last year GreenLight launched Raising a Reader, an idea cherry-picked from a program in Silicon Valley. For its inaugural local site, Simon settled on Chelsea, a city without a children's bookstore, and where, research

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showed, most of the kids living in poverty don't have a single book in their home. Two years later, the local chapter of Raising a Reader has become a huge hit, expanding to Everett, Somerville, and Revere, where it's hooking youngsters up with an endless rotation of reading material. In January, the program hauled in \$1.3 million and kicked off a growth strategy that'll take it to 12,000 kids. Simon's ambitions for Raising a Reader aren't modest: Eventually he wants it to blanket the state.

At his home in Wellesley, Simon, 45, sits at the dinner table pondering the question of why a man with more than enough to keep him busy—two kids, a wife, and a 80-hour-a-week job as a partner in a venture capital firm—spends his extra time tinkering with schemes to save the city. He runs through a list of reasons that don't convince even him. "I don't know, maybe altruism...maybe personal goals—it's just a mix of things, I can't explain." His eyes wander to the framed painting on the opposite wall. It shows a farmhouse with mustard walls and a red roof. "Sometimes you just see something. Like if that painting was hanging sideways, there's just an impulse that says, 'You gotta do something about that.'"

Growing up privileged in Chestnut Hill, the son of Harold Simon, chief of radiology at Newton-Wellesley Hospital, Simon was always made aware of his advantages. It was at Harvard that he first became engaged, volunteering to read to a blind student and working for the Special Olympics. "When I was lucky enough"—a frequently deployed preface that characterizes Simon's uniquely genuine humility—"to win the Rhodes Scholarship and go over to Oxford, I knew wanted to do *something*." That "something" took the form of a weekly tennis group for a few children with disabilities; by the time Simon's studies ended, it had served some 100 youngsters. Today, Kids Enjoy Exercise Now (K.E.E.N.) has 11 programs in the United States and Britain.

Simon returned to Boston dead-set on what he wanted to do for a living. "I made the determination that 'Gee, if you like starting things, maybe the venture business is a good one to get exposed to,'" he recalls. Simon landed a position at Charles River Ventures, eventually following a group of colleagues to the newly formed Highland Capital Partners in 1988, where his job was to sniff out

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promising investment prospects. In 1990, at the age of 28, Simon formed a medical device company called UroMed that would ultimately make him his fortune.

While at UroMed, Simon, then still a bachelor, was living in the South End. He shared a small apartment in the steeple of a converted church with his buddy Mike Danziger, who'd worked with him on K.E.E.N. while at Oxford and was set to graduate from the Harvard Graduate School of Education. Looking for a place to invest some volunteering time, they stumbled onto an approach that still informs GreenLight's tactics now.

The two grew impressed with a New York program called Prep for Prep, which offered willing fifth-, sixth-, and seventh-graders afterschool and weekend instruction, with an eye toward getting them into

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some of the city's better private schools. Simon and Danziger studied the program closely, paid it a few visits, and figured it could work equally well in Boston. But they wanted to be sure. So they met with principals at public schools. Then the headmasters at the private schools. Then they went to the teachers. Then to the funders.

There was a little hurdle: Boston already had a group doing pretty much the same thing. The program, called IndePrep, had good financial backing and a board made up of the headmasters of top schools. “But John and I thought that we could do better,” says Danziger. “The point was how effective [the program] was for the kids—not how great the funders or the board were. We thought that if we brought more resources—both human capital and money—that we could do a better job.”

Their organization, which they'd call the Steppingstone Foundation, would have full-time employees (in contrast with IndePrep's part-timers). It would have revenue projections and a formal growth strategy. “I remember early on saying to John, ‘This is becoming like a business,’” says Danziger. “And he said, ‘No, this is a business. If we don’t run this as a business—not *like* a business—we won’t be in business any longer. We have to have a plan.’”

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In 1990, Steppingstone's founders rock-paper-scissored for the titles of chairman (Simon) and president (Danziger). Simon made the budgets and organization charts, and Danziger put together the curricula. And they both fought hard against the idea that two rich white guys couldn't understand how to help the children of Hyde Park and Mattapan. "There was incredible skepticism," remembers Danziger. Potential backers, other nonprofits, the schools—everyone had doubts.

Seven years later, after sending 175 kids to places like Boston Latin and Milton Academy, Simon and Danziger decided it was time to fill gaps elsewhere. To take Steppingstone to other cities, the pair enlisted the help of board member Luis Ubiñas, now the president of the Ford Foundation and then a director at the elite management consulting firm McKinsey & Company. Ubiñas assembled a pro bono McKinsey team to figure out where it made the most sense for Steppingstone to set up shop next. The resulting report was several inches thick, and recommended 15 cities. Philadelphia, where some of Simon's partners had nonprofit connections, also had the benefit of being relatively close. It seemed like an easy place to start before taking the concept national.

Everything Simon and Danziger had done in Boston to get Steppingstone rolling had to be done in Philly, this time without the benefit of knowing the terrain. It took five long years to get their new offshoot performing up to their standards. Suddenly, the thought of going through this 14 more times seemed like madness. What they wished they had was a group in Detroit or Kansas City that already knew the lay of the land there, a collection of smart people who knew which donors to hit up and how to avoid the local political pitfalls. What they needed was somebody interested in importing Steppingstone. That's when, for Simon, the light bulb went off.

Five years in, GreenLight is still

finding its legs, and it's not always easy to see immediate results from some of its programs. The sort of 12-year mentorship that Friends of the Children is built on doesn't offer the instant impact of a soup kitchen or a shelter. Nor will results in Portland grab headlines here. But what GreenLight's initiatives do have is the performance of their predecessors in other cities, which, for the kinds of supporters GreenLight targets, is usually more than enough. "We

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do our due diligence on organizations and invest in them in a way that just resonates with people who work in the VC and private equity worlds, and the entrepreneurs,” says Hall. “They’ve been through that process. And they recognize it as one that turns out well-vetted organizations.”

It’s a market GreenLight aimed for consciously. Hall talks of a “change in the gravity”—a shift away from a philanthropic landscape once dominated around here by a few honchos at a few corporations, and toward a terrain with clusters of moneyed innovators. By unlocking a whole new type of donor rather than hitting up the same sources as everyone else, GreenLight eases some of the competitive pressure in a city that doesn’t suffer from a shortage of nonprofits. Of course, the old-guard charities have also taken notice of the new

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paradigm: The United Way of Massachusetts Bay, in a bid to appeal to this emerging class of results-hungry benefactors, recently rolled out a plan that puts a fresh emphasis on charting progress.

“John is at the very cutting edge of a trend that is continuing to grow quite a bit,” says Andrew Wolk, a senior lecturer in social entrepreneurship at MIT’s Sloan School of Management and founder of Cambridge’s Root Cause, which consults with nonprofit groups. “All of the people who have had the benefit of a very successful economy in the past 10 or 20 years are all shaking their heads as they get to be philanthropic at a younger age and saying, ‘What is this? This is not what I know.’” GreenLight, then, is a wake-up call for the rest of the nonprofit world. “If the sector wants to attract a group of people who have made a fairly large amount of money in their chosen careers,” Wolk says, “it’s going to have to operate in a more performance-based way.”

Throwing a decent bash every once in a while doesn’t hurt, either. Jeffrey Glass, a serial entrepreneur and now a partner at Bain Capital, has been involved with Simon’s fund since the beginning, and he and his wife have recruited others to the burgeoning scene. “Part of it, frankly, for

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us, is the social aspect,” says Glass, who’s made a lot of friends at GreenLight events. “We can have a good time and we can feel like we’re contributing to something that makes a real difference to kids’ lives here in Boston—what’s not to like?”

After all the number-crunching and fundraising appeals, this is what GreenLight really looks like: bright orange and royal blue walls surrounding a group of kids and mentors at the year-old Friends of the Children office in Jamaica Plain. A headshot of John Simon, smiling a crooked smile and as uneasy in the spotlight as ever, hangs among photos of mentors and kids with their missing-teeth grins. The children are taking turns reading about Martin Luther King Jr. A fourth-grader from Dorchester struggles over the name of King’s Atlanta church. Ebenezer—that’s a tough one. His mentor prods him along encouragingly.

Like the rest of students in the room, this boy was invited to Friends after teachers, counselors, and principals determined that he’d have a hard time succeeding without some extra support. Friends matches kids with their full-time mentors, who are paid about as much as a starting teacher and who work with eight children for at least four hours a week. The long-lasting relationship, which will stretch through high school, is meant to provide the student with the sort of cool aunt or uncle type that helps them with homework or takes them to get pizza.

The nonprofit also offers a separate program called Family Friends, in which 25 volunteer families spend some quality time with at-risk students. These interactions, says executive director Imari Paris Jeffries, are eye-opening for the struggling students. “When are these kids ever going to have the experience of going on a 70-foot yacht out on the Cape?” says Paris Jeffries, whose site now works with 60 children. “Maybe that kid sees the ocean for the first time and decides, I’m gonna be a marine biologist.” It also works the other way around: When the kids from the suburban day schools go apple-picking with the kids from Hyde Park and Southie, Paris Jeffries says, “it’s an education for everyone.” That’s the feel-good version, anyway. Because Family Friends also has another value to the cadre of well-to-do suburbanites who are the very donors Simon is relying on to help him hold philanthropy accountable: It gives them a chance to have a hand in the hard work of protecting their investment. **B**