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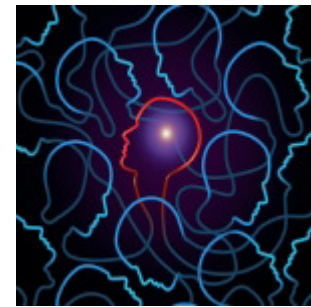
Building New Networks for Efficient, Affordable Housing

Three lessons on accelerating targeted social change through network building.

By [Eric Heitz & Barbara Wagner](#) | Oct. 7, 2015

We've been working for 25 years to advance clean energy in the United States and China. Our main approach at the Energy Foundation is to support networks of grantees in each sector of the economy. In 2014, we made more than 350 grants in the United States and nearly 200 in China, totaling around \$100 million. We did not begin with the belief that networks were a highly effective means of accelerating change. That understanding evolved as we learned what worked.

For one project, which began in 2012 with support from the JPB Foundation, we partnered with the National Housing Trust (NHT) and the Natural Resources Defense Council (NRDC) to wrestle with the challenges of delivering energy-efficiency services to low-income Americans in multi-family housing. Everyone in our field knows that current utility energy programs underserve this specific population. We also know there is tremendous potential to make life better for people in this group through efficient technologies—better lights, appliances, windows, and insulation lower bills, and bring greater comfort and health.



The New Network Leader

(http://ssir.org/the_new_network)

This series highlights the work of seven leading "network entrepreneurs," who are generating systems-level social impact in environmental conservation, education, economic development, and beyond.

From the start, a network approach made sense. We needed innovation to design new multi-family efficiency policies. We needed to collaborate with building-energy experts, housing practitioners, tenant advocates, and community-based organizations focused on economic development. And we needed a mechanism to go into a dozen states, and work with utilities and utility regulators to launch and broadly apply these programs. Our organizations decided to support two new networks and set a target to secure \$250 million in new utility investments in energy efficiency over four years (2014-2018).

The biggest challenge we faced was bringing together energy and housing advocates. Energy experts often don't know the issues that are important to housing advocates—affordability, bill payment and shut-off rules, indoor air quality, and the complex rules around subsidized housing. “Housers,” on the other hand, don't know the arcane administrative processes that dictate regulatory venues, or how to design utility efficiency programs. To be effective, we needed these groups to work in synch, and our project partners were able to bring expertise from both sides: The NRDC is a leader in utility regulatory venues, and the NHT is adept at public housing issues.

We decided to tackle this at two levels: go deep in a few states by building coalitions of local housing and energy experts, and go broad by building a national network that would facilitate contact and learning between housing and energy experts. This led us to create two networks: the [Network for Energy, Water and Health in Affordable Buildings](http://energyefficiencyforall.org/newhab) (http://energyefficiencyforall.org/newhab) (NEWHAB), a national web of 100-plus allies and members, and [Energy Efficiency for All](http://energyefficiencyforall.org/) (http://energyefficiencyforall.org/), comprising 12 state coalitions (with plans to add 3 more states this year). Here are a few important lessons we learned in the process.

1. Invest on the front end to establish shared purpose.

If you want a productive network, you must spend the time to get alignment on the mission and bring in the most effective teams. In our case, we needed one network that provided national breadth and one that provided local depth—with both focused on the overall mission. “Mission, not organization” is [a fundamental design principle for good networks](http://ssir.org/articles/entry/the_most_impactful_leaders_youve_never_heard_of) (http://ssir.org/articles/entry/the_most_impactful_leaders_youve_never_heard_of). Mission has to come first—ahead of the typical organizational demands of having the most control, getting the most funding, or taking the most credit. Mission first creates the conditions needed for rapid idea generation, dissemination, and learning that furthers evolution.

2. Trust distributed decision-making.

After two years, these networks are mature enough that we are wrestling with a second important network principle that Interise's [Jean Horstman touched on](#) (http://ssir.org/network_entrepreneurs/entry/a_relational_approach_to_scaling_mission) earlier in this series, one especially important for donors: trust, not control. Now aligned on mission, our instinct is to push strategy decisions and, ultimately, funding allocation decisions to the network. We have defined new policy approaches to increase efficiency in affordable housing; now we need decision-makers to adopt these policies, and local groups (who have the best perch from which to make a strategy call) to get us there by responding to the nuances of local decision venues.

Further, if communication is working well, the network can quickly identify where the most replicable strategies are taking shape and where they should move next. Starting next year, we are establishing a network-distributed fund for NEWHAB. Members will collectively decide how to invest approximately \$100,000 in innovative strategies that further network goals. We expect this fund will be a successful next step for distributed decision-making.

3. Continue to invest in the network itself.

The trust and fluid communication that can move ideas quickly comes through human relationships, which need steady support. You can't expect to plant the seed of a network and walk away when it sprouts. With both a national network and 12 state coalitions, our structure involved many multi-party interactions. Intentionally cultivating these interactions was time-intensive but critical to success. The activities built relationships. Going forward, we expect to increase our investment and nurture the network by supporting regular face-to-face meetings, self-organizing groups, and learning exchanges across the states, as well as by identifying leaders to bridge state and national efforts.

Our networks' relationships are solidifying, and we are seeing good progress in the states. Network engagement has secured commitments of \$90 million in new funding for affordable multi-family housing programs, exceeding our mid-term goal of \$80 million.

We are pleased to offer this example as a case study, but launching good networks is not easy, nor can we assume our own success because we appear to be off to a good start. Success will take steady investment.

Sometimes it feels like the hard work of building networks is a detour from our main purpose. But when we see a great network in action—in our case, one that’s accelerating change toward a clean energy future—we renew our belief in networks as a powerful mechanism for change.



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