LEADERSHIP

PROFILES IN CORPORATE PHILANTHROPY
With each generation we rethink the social contract between business and society. We are in the middle of one of these transformations as millennials fill the ranks of leading companies and nonprofits and Generation X begins to dominate leadership positions at these organizations.

To capture this moment in history, over the last year I have interviewed 19 corporate leaders for the Huffington Post about their careers, passions and the evolving relationship between business and community. They range from entrepreneurs like Jim Koch of Samuel Adams to Fortune 100 corporate foundation leaders like Kerry Sullivan of Bank of America.

As children, these leaders had many dreams – none of them, however, were to become philanthropists, much less corporate executives. They wanted to be NBA stars, priests and famous actors. But as they reflected back on their early aspirations and their paths to their current roles, what BMW Foundation’s Marcus Hipp called a ‘red line’ emerged. The line looks intentional in retrospect but was more commonly subconscious and driven by values and belief in the potential of others that lead their way.

Their approaches to leadership in the field are deeply influenced by their own values and experience in the world as well as the pragmatic realities they each face working within companies of various sizes, priorities and agility. What they all share is a belief that the contract is changing and there is a critical need to find new and better ways to define corporate citizenship.

These leaders share a higher aspiration for their work and impact. They see both the need in society as well as the as-
sets of their companies differently than the corporate philanthropists who preceded them.

At the heart of their visions is an awareness that coinciding and driving much of the change in the social contract between business and society is a change in the social contract between professionals and society. Professionals, and the talents they bring in areas like marketing, technology, management, design and finance are the currency of the service economy and are playing a core role in the evolution of corporate philanthropy and community investment.

The executives I interviewed are all leading this change differently. Many, like Merck and Chevron, are in the early stages of experimentation with this new form of philanthropy. Others, like Bain & Company and Riggs Partners, have pivoted to put pro bono service at the core of not only their philanthropic approach but also their strategies to attract and engage talent.

This book shares the highlights of these interviews and the personalities and visions of the leaders of corporate responsibility today. Their collective stories provide a glimpse at the change afoot and how diverse and innovative leaders are approaching the opportunities and challenges change creates.

MAKE IT MATTER

Aaron Hurst
President & Founder
Taproot Foundation
ANATOMY OF A CORPORATE PHILANTHROPY LEADER
Humility

“There is a role for all of us to play to help individuals […] communities. I feel fortunate to have that perspective.”
- Kerry Sullivan, Bank of America

Resourcefulness

“While time is valuable, we think that talent is a multiplier.”
- Bobby Siliton, GAP Inc.

Discipline

“We really think about employee engagement in terms of involving our people, […] not just logging volunteer hours”
- Paula Davis, Alcoa

Evangelism

“Every year that goes by we gain confidence to do more.”
- Teresa Coles, Riggs Partners

Integrity

“We select our pro bono clients as we select our corporate clients.”
- Jenny Davis-Peccoud, Bain & Co.

Hope

“We want to look for places where we don’t see an answer yet - to listen, to think, to respond quickly.”
- Ellen Lambert, Merck

Business Acumen

“Nonprofits that are able to say ‘this is a business partnership’ […] get the most out of a strategic partnership.”
- Shannon Schuyler, PwC

Global Perspective

“We now reach over 25 countries.”
- Claire Dixon, GSK

Political Agility

“Deloitte’s pro bono commitment had support across leadership. Our people own it.”
- Evan Hochberg, Deloitte

Inventiveness

“We’re going to do it in a way that creates value […] and that leverages our entrepreneurial nature.”
- Jim Koch, Samuel Adams
HOW WELL DO YOU KNOW YOUR CORPORATE PHILANTHROPY LEADERS?

Match the facts on the left with the corresponding corporate philanthropy leader on the right.

FACTOID

Aspired to be Jesuit Priest
Aspired to be Linebacker
Was Wooed to Job Via Song
First Job was Selling Shoes
Worked in Every Sector
Professional Actress
Failed Receptionist
Fought Homelessness in the UK
Best Ideas in Shower
Obsessed with Dogs
Knows Value of a Dollar
Lifer
Not a ‘Do-gooder’
Deep Connection to 9/11
Raised Two Daughters to Volunteer
Talent Multiplier
Had an Epiphany
Aspired to Play in NBA
Six Sigma Black Belt
Part of a ‘grassroots’ movement
Runs ‘marathons’
NAME
Matt Lonner, Chevron P 40
Jenny Davis-Peccoud, Bain & Co. P 18
Shannon Schuyler, PwC P 24
Meg Garlinghouse, LinkedIn P 50
Mary O’Malley, Prudential P 38
Markus Hipp, BMW Foundation P 16
Ken Sternad, UPS P 44
Tim McClimon, American Express P 32
Kathy Hopinkah-Hannan, KPMG P 22
Bobbi Silten, Gap Inc. P 14
Kerry Sullivan, Bank of America P 34
Stanley Litow, IBM P 20
Claire Dixon, GlaxoSmithKline P 46
Evan Hochberg, Deloitte P 26
Paula Davis, Alcoa P 42
Cecilia Carter, Starbucks P 12
Teresa Coles, Riggs Partners P 28
Ellen Lambert, Merck P 48
Jim Koch, Samuel Adams P 10
Pam Flaherty, Citi P 30
Carolyn Berkowitz, Capital One P 36
What do you have the company do to "give back"?

In the summer of 2007 we were doing one of those community service days where a lot of people in the company went to a community center in South Boston and spent the whole day painting.

The people who ran the center thanked us for all the work we put in there. Everybody felt really good about the day. But I didn't. We just did this nice thing. And then I thought, well, I'm an entrepreneur. I know why I don't feel good about it. Because we just took 30 very talented, capable people with a lot of good business skills, and we spent a day painting. And we're not the most talented painters.

We probably did 800 dollars' worth of painting, and we probably spent 10,000 dollars' worth of management time and labor. Why should I feel good about all the value that I destroyed today?

So that was my epiphany, and I thought, you know, if we're going to do this kind of thing, we're going to do it in a way that creates value, that multiplies the value of our capabilities and that leverages our entrepreneurial nature.

That is a big epiphany and one that 99% of companies have yet to have.

Yeah. Our approach rules out giving money away through the conventional philanthropic activities. Many times they take money from one pocket, i.e. a company's pocket, and put it into somebody's favorite philanthropy. That might be good or bad, but I had a higher aspiration. All philanthropy is good, but I wanted something better.

So, what did you end up doing?

We started a program called Samuel Adams Brewing the American Dream. And the purpose of it is to help small businesses grow, create jobs in their communities, and succeed. I learned from my experience starting Sam Adams that small businesses desperately need loan money and nuts and bolts business advice. So we designed a program to make microloans up to $25,000 available to small businesses. Then we provide coaching, mentoring advice, assistance, along with a loan, which makes it more likely to get paid back.

At the end of the day, however, it's not an investment. The money's gone. We're on our second million contributed to the program. So from my point of view, it is a philanthropic activity, just one that is leveraged properly to create a lot of value. We've made over 150 loans, affected 1,000 jobs and coached almost 3000 businesses.
“We probably did 800 dollars’ worth of painting, and we probably spent 10,000 dollars’ worth of management time and labor. Why should I feel good about all the value that I destroyed today?”
What is your favorite Starbucks drink and, as a customer, how does Starbucks support your personal community engagement?

My favorite drink is a toffee-nut latte. It’s warm, it’s got a little sweetness to it, and it makes me feel good inside. I lived in Connecticut for several years, and every day I used to go to Starbucks to get one, and every day the store manager would sing to me. He would sing my name, “Cecilia,” which everyone recognizes from Simon and Garfunkel.

He would also tell me what they were doing in the community, and since he knew I worked in philanthropy he would ask me for ideas - mind you, this was when I was a customer! Even my girls loved it there, they would go after school and he would watch out for them, he even knew them by name. When I would come in, he would tell me all about them. I know that not every Starbucks is in a community like that, but what’s important is that our store managers are delivering on that customer service aspect.

What skills do baristas bring to their community?

Baristas bring a passion and leadership skill that is essential to running a business and embedding that business in the community. They have a P&L to manage, they deal with labor issues and they have to maintain a community presence. We at Starbucks give them the tools they need to do that, but it’s their ability to be creative in thinking about how to apply those skills that really matters. It’s the kind of thing you can’t teach, but we have become known for having a culture that supports that passion, so we are able to attract that type of employee.

How does this compare with the way you leverage the skills of your corporate HQ employees in Seattle?

Our Law & Corporate Affairs department has been providing pro bono services for more than 10 years, and they have spread that ethic across other departments. Legal inspires other teams, like our HR, marketing and accounting departments, to connect with their clients to offer additional support. We’ve created a sort of hybrid model with pro bono and cash at Starbucks. When our executives join boards, we look for approaches that go beyond just money.

What issues keep you up at night?

The impact of the global economy has created a world of the “haves” and the “have-nots,” and corporations, as the largest employers, play a significant role in making sure that gap doesn’t continue to grow. As such, we have a responsibility to settle the unrest that bubbles up in our youth. This is something that we really see on the front lines – they’re the kinds of conversations that you expect to have in coffee shops.
“Our Law & Corporate Affairs department has been providing pro bono services for more than 10 years. Legal inspires other teams like our HR, marketing and accounting departments, to connect with their non-profit clients to offer additional support.”
You are at the top of your game and at the height of your career. I wonder if most CEOs would ever even consider that someone with your background would want to run a foundation -- that it can attract that kind of talent.

I tell my team all the time that my vision is that, one day, it’s going to be a deeper part of business. It’s not going to be a department anymore. I want to make sure all of my players keep their business skills sharp because one day, they’re going to go back, when there are no longer functional boundaries for this work. I understand how value gets created on the business side. I often think, how do I help the business leaders understand how this work creates value for everyone, and that this is an investment worth making -- not as a charitable cause, but truly as an investment for everyone?

I think what has happened to HR in the last 30 years is a great parallel. HR has moved from being a department to really being a way of thinking about talent management and development, and most corporations have experts who are staying on top of the latest ideas and innovations.

**How has the work of the Gap Foundation changed in the last few years?**

A little over five years ago, we identified our people and their talent as our greatest strengths. Being a company that has a lot of employees, we said we have to leverage this group beyond just their time. While time is valuable, we think that talent is a multiplier. Now, 100 percent of our youth-serving grants have what’s called “link and leverage,” which is they’re linking to a company asset beyond cash. We also leverage internal talent pro bono to get our work done as a foundation. From strategic planning to surveys to website redesign, employees from different areas of the company volunteer to help us meet our goals.

It’s been hugely transformative for our foundation to integrate skilled volunteering into our work. We couldn’t have the kind of community impact we are having if we only relied on our cash.

**How do you know if this strategy is working?**

I had a nonprofit leader call me to tell me how much she’s grown as a leader because of the Gap Inc. Leadership Initiative, a program that helps nonprofit leaders become more effective by leveraging the talents of our HR team and some of our company’s best practices on developing leaders. It is a small organization, but she has essentially doubled her revenue in the last four years. She told me, “I have grown so much because of your volunteers and what you’ve been teaching me as part of the Leadership Initiative.” It wasn’t about “thank you” for the cash we gave them, which I think is really cool.
“We also leverage internal talent pro bono to get our work done as a foundation. From strategic planning to surveys to website redesign, employees from different areas of the company volunteer to help us meet our goals.”
What did you want to be as a kid?

Well, when I was younger I had this idea of being a very interesting mix of a famous soccer player and a missionary somewhere in Africa or Asia. It’s very strange, but church was boring and I would start to think about stuff like that.

What was the path from that idea to where you are today in corporate philanthropy?

What never changed was that I really wanted to have a life in which I could change the world. As a young man, you always think you can really change it, and as you get older you realize that you can, but you have to take smaller steps. I sometimes say that I took a lot of curves in my career, but that “red line” was always there, and in the end, I found exactly what I wanted to do. Not as a Jesuit, of course, because now I’m married and have four children. But in a secular way, I never lost this idea of bringing something to the world.

You run the BMW Foundation, what is your focus?

A special focus of our Foundation is that we help develop leaders to think about how they could make an impact for society. We want to inspire them and show them there is another road, perhaps beside their professional career, by which they can make a difference.

How do you develop leaders?

We run a young leaders program and host forums for these leaders around the world -- from New York to Buenos Aires to Shanghai. Over 1,000 young leaders have participated. First, we try to open up their intellect with speakers and inspirational people, focusing on topics that don’t necessarily appear in their daily lives. Second, we take field trips to organizations operating in civil society to show how all of these organizations address social problems. Finally, we say that you can jump in the game! You have talent that these organizations need, just like your business. And it’s a give-get. You provide your talent and they provide an inspirational experience that might open your eyes a bit.

How, on a personal level, do you know that what you are doing works, that it’s making a difference?

This goes back to when I was a kid. These are the moments when I’m back as a Jesuit missionary. If I sit, after a forum, with a leader in a bar somewhere and they say to me, “I’m 42 and, in these three days, you have reminded me that there was something I wanted to build when I was younger, and you brought it back in my life,” it’s exactly this situation that I look for and, after a while, you see that you brought this person back to his own red line in his life. That’s the moment for me.
“You have talent that these organizations need, just like your business. And it’s a give-get. You provide your talent and they provide an inspirational experience that might open your eyes a bit.”
So, how much pro bono does Bain do each year?

Bain does about 80 pro bono projects a year, and 60% of those projects have people 100% allocated for at least several months. We provided over $40 million of pro bono consulting services in 2011 alone.

How do you know you’ve been successful in your pro bono engagements?

Even for our corporate clients we systematically go back and ask if they were satisfied with Bain’s work. We use the same process with our pro bono clients as well, and see high satisfaction rates. Secondly, Bain tracks its success by results, and so we are driven to try to understand the impact and outcomes of our work. I’ve personally been involved in many homeless projects in the UK and we’ve had 5,000 homeless people return to full-time employment over 10 years.

If I’m a nonprofit leader interested in engaging Bain, how do I do that?

We select our pro bono clients as we select our corporate clients. We look for bold, ambitious leaders who are looking to challenge the status quo, have big aspirations for major changes, and are keen to see results. As a firm, we work with Fortune 100 companies and mid-market firms that have potential to be those leaders. To give you an example, in our education practice we work with Teach For America - which is like the Fortune 100 of corporate America. But we also work with Students First, with a bold, ambitious leader like Michelle Rhee, and it’s more like a start-up. We believe both of them have tremendous capability.

What are you seeing in terms of the demands of current employees?

It is very important for our staff to use their business training to benefit the community. While Bain’s focus is on for-profit clients, we encourage social impact and work to make sure that it can be an integral part of the Bain experience. Something very appealing to our people is that they can, for example, take leadership roles in nonprofit organizations early on in their careers through our pro bono work, or they can do externships to get hands-on experience with nonprofits. Our employees are very proactive about their involvement as well. We provide a lot of opportunities to get involved, but it isn’t all top-down: much of what we do is ‘grassroots’ and driven by an individual’s passion.
“Bain does about 80 pro bono projects a year, and 60% of those projects have people 100% allocated for at least several months. We provided over $40 million of pro bono consulting services in 2011 alone.”
You’ve worked across government and nonprofits -- what do you see corporations bringing to the table?

The private sector can play more of a leadership role as a catalyst or a convener. At IBM we understand the intersection of business and society, born out of a deep understanding of the core issues -- whether education, the core safety net, science education, healthcare. If you look at any of the things we’ve been able to do, they begin with a deep understanding of the core issues.

If you’re an organization working in the social safety net, for instance, if you don’t understand the legislation and what’s state regulation, what’s federal, you’ll struggle to get ahead. If you want to grow and thrive, you must understand public policy, state regulation and law, tax legislation. The private sector can work to bridge this knowledge gap.

How have you done this at IBM?

Our Corporate Service Corps is one of our key programs. We take our top talent in the company and give them the ability to deliver strategic planning assistance, project management assistance, technology strategies, and social networking tools. In the last 3.5 years, over a thousand employees have worked in teams with not for profit organizations and governments, creating really lasting partnerships. I like to think that we’re operating in the community arena the same way we operate in the business environment.

We’ve also made a conscious effort to take community service by our employees and professionalize it by creating a site, the On Demand Community, where they can go to get trained on what it means to volunteer with different kinds of organizations and figure out how best they can contribute.

Any advice for other companies?

Talk to your employees. We’re a large company, 425,000 employees. And thousands of our employees have commitments to organizations of many stripes. So start out with the expertise you have in house. People know a lot about their communities. Build on that expertise, learn what the skills of your employees are.

I come back to this phrase from Rosabeth Kanter at Harvard: IBM has gone from spare change to real change. When companies give what is least valuable it’s giving spare change, out of generosity. When you give what differentiates you in the marketplace, you produce not only significant benefit in the community but also for yourself.
“We take our top talent in the company and give them the ability to deliver strategic planning assistance, project management assistance, technology strategies, social networking tools.”
Did you know you wanted to be an accountant when you were a kid?

I wanted to be an offensive lineman. True story, I really did. I was a big Bears fan and I loved football - the line was intimidating and just fearless. If you look at me you’d say she’s delusional. I’m 5’4” and a hundred and twenty pounds.

So, do you often feel like a lineman working as a leader at KPMG?

All the time. I have a unique role just pushing our agenda forward in the face of some real challenges in the marketplace, be it from the business environment, an economic or marketing perspective. There are people and ideas coming at me from all different directions.

Did it take lineman skills to get the firm behind Billion + Change and commit publically to pro bono service?

We’ve always done pro bono work and we clearly see the value internally. We use it as a development area for our people. It’s really embedded in our value system. To us, it’s accelerating the development of our employees and making better professionals. They need to understand the global markets; they need to understand the broader communities in which we operate.

What kind of services do you provide to nonprofits given your accounting focus?

It isn’t “well, we’re going to do your books for free.” It is far more strategic consulting. It includes a broad range of consulting services including accounting advisory services and tax consulting services. There’s a compliance component but it’s the consulting piece that’s the real value-add.

All your peer firms offer pro bono opportunities to employees. How do you stand out?

We’ve been doing this for years, although it’s not something that we promoted externally. It’s great that this is becoming a priority for other firms. For us, it’s embedded in the business and we work with nonprofits to connect the dots; it’s not something that’s a second thought. I report directly to our Chairman on this so it has the highest visibility and the attention of our leadership.

When we interview our candidates, we actually question them on their commitment to the community. Working in the community is a criterion and for most of our partners, that includes pro bono work. We believe that this type of work is a skill that is necessary in order to be a partner. Our people want to know that this is valued by the firm and one of the competencies that they will be required to develop to get to the highest levels in the organization.
“We’ve always done pro bono work and we clearly see the value internally. We use it as a development area for our people. It’s really embedded in our value system. To us, it’s accelerating the development of our employees and making better professionals.”
Despite high unemployment, companies are still having trouble meeting their staffing needs. How do you make sense of this?

I think the education system we currently have is broken. The disconnect has been that most organizations and companies aren’t engaged in the education system, so companies haven’t been able to convey what skills they actually need for their business.

When interviewing people for roles in your department, what’s the most revealing question you ask?

Every day we get calls from organizations that have that one cause that they will go to the mat for. When they call you, it’s the most important thing you’ve ever heard of, and they are dumb-founded that we as a firm aren’t already invested in it. So in interview, I ask what is that one thing that you are most passionate about (for me, it’s my dog), and then I ask them what they would feel like if someone were to tell them that was not important. If you can’t handle that, you probably can’t handle the job.

How do you select nonprofit organizations or causes to work with?

Nonprofits that are able to say “this is a business partnership and here’s the experience that we can offer your employees,” are the ones that can get the most out of a strategic partnership.

What’s an example of this kind of relationship with a nonprofit?

One example of a nonprofit that we’ve been working a lot with is the National Environmental Education Foundation. They have all of these nonprofits that they work with who don’t really know how to request grants - how to document their financials accurately. We’ve been putting together a training for the nonprofits to request these grants. So our folks are giving pro bono time in order to give them additional capacity.

Is that the typical example?

Well, it’s interesting. We see it as a sort of “three-pronged” approach. You have pure pro bono, which is really those exact services that we would provide to a full-fee client. On the other side, we have thousands of people in all of our internal support functions - IT, marketing sales, recruiting - just to name a few - how do we turn their skills into pro bono service?

Finally, how can we engage the individual who has time now, or just interest in sharing their skills with a nonprofit organization? Ultimately, it’s not about coming in and saying here’s pro bono and its one size fits all. It has many forms and is really something that can span your entire career.
“You have pure pro bono, which is really those exact services that we would provide to a full-fee client, whether tax work and preparing returns, or different types of advisory consulting.”
I know you recently had to present to your kid’s third-grade class for career day. How did that go?

I start from square one -- about how some kids don’t have the opportunities they have and how and why companies could help. They all get that, the social angle. Then I use an example. If you were choosing an ice cream, and you knew it tasted just as good, and you knew that $1 out of the three or four dollars you spent would go to help a social issue, would you be more inclined to buy that brand? And they would. They got it. So, at least third graders understand the business case for corporate community involvement.

What did you want to be when you were in third grade? Was it to be a director of community involvement at a large company?

I think at 8 or 9 years old, I probably was looking for something more fun or fantasy oriented, like being a professional basketball player in the NBA. But I do think that later on I had a more realistic inclination toward this type of work.

Where did that inclination come from?

My mother had been involved in nonprofits and local politics. I think business has a huge role to play in the community. At Deloitte there are thousands and thousands of people who are thinking every day about opportunities for Deloitte to engage in the community.

Three years ago Deloitte made the groundbreaking pledge of $50 million in pro bono services. Was it hard to build that kind of support across leadership?

No. Deloitte’s pro bono commitment had support across leadership. Our people own it. I spent my first three or four months asking leaders, ‘What is the best thing we’ve done here in the last couple years?’ The answers I would get back were all about pro bono projects, and this was before we even had a formal pro bono program.

Where does pro bono fit into your community involvement strategy?

We are the world’s leading professional services organization. We help organizations deal with business issues every day. Typically, when a company says we want to be more strategic in the community, the default is to choose a single issue like literacy or education or homelessness. For us, pro bono is the most powerful way we give back -- that is our strategy.

What can we expect from Deloitte in the next three years?

We’ll do more pro bono than ever before and we are also taking the opportunity to continue to learn how to do it better.
“I spent my first three or four months asking leaders, ‘What is the best thing we’ve done here in the last couple years?’ The answers I would get back were all about pro bono projects, and this was before we even had a formal pro bono program.”
Many students and professionals pull all-nighters -- where did you get the idea to do one to support nonprofits?

Well, we had been thinking very critically at that point about how to manage our pro bono work in a focused way, rather than constantly judging, assessing, and responding to requests for marketing to very worthwhile nonprofits.

So, one night Cathy Monetti and I were joking that if we stayed up all night one night, we might actually get caught up on our work. And the next morning, I believe I was in the shower, the thought hit me. I went straight into her office the next morning and said hey, remember last night when we were talking about pulling an all nighter and I said well I’ve decided that we really need to do that. Then she really looked at me as if I had three heads, and I said - only I think we should do it for charity.

So, has that worked? Do you do more pro bono?

We do more pro bono as a firm. Every year that goes by we gain confidence to do more in 24 hours. Also, we may have a special project from a nonprofit in a community that we want to work on. We do 10-12 projects during every CreateAthon, for a total of about 18-20 throughout the year.

CreateAthon lasts 24 hours -- can you walk us through the day?

We gather at 8 a.m. on Thursday morning. We identify the teams and after that, we jump into launch meetings. More often than not, there’s an “aha” moment that comes out of this launch meeting that really guides the language and messaging that we use for this client. At 8 a.m. on Friday we all gather again to present the work to the charities. 8 a.m. on Thursday and 8 a.m. on Friday are my favorite parts of the whole process.

Is your team able to produce quality work under these conditions?

Some of highest quality work actually comes out of the CreateAthon. We did a piece for Big Brothers Big Sisters that started as just a little yellow sheet of paper that was supposed to be a church bulletin. It said -- I know you’re sitting in church and you’re supposed to behave, but what we really want you to do is see if this thing will fly. And we had instructions on it to build a paper airplane, and people started folding it up and throwing paper airplanes during church service -- and that was the first National ADDY® Award that our firm ever won.

73 other marketing firms have now adopted CreateAthon.

We wanted to put something together that allowed more agencies to say yes to pro bono work without being afraid of losing a grasp on their paid business.
“We wanted to put something together that allowed more agencies to say yes to pro bono work without being afraid of losing a grasp on their paid business.”
How did working on the front lines impact your philanthropy work today?

That experience gave me a great understanding of a bank’s impact on its local community, and the fact that there is tremendous potential that a global company with a diverse workforce can offer to improve cities and neighborhoods.

We have tried to make a difference by combining some of our business and foundation priorities. In that instance, we focused on entrepreneurship, enterprise development, financial education, capacity building and asset building, and microfinance. We tend to concentrate on areas where we think our people can add value and I think that’s one of the great advantages to a corporate foundation; they have all the resources of this huge company to bring to the table which is why we always say we’re “more than philanthropy.”

Prior to leading the foundation, you served as the global head of HR for Citi. How did that influence your point of view as a philanthropic leader?

I think what it really provides is an understanding of how the place works, what your core business is and, in terms of corporate responsibility, the key to leveraging the resources of the whole place to help make a difference.

Working in HR helped me appreciate the value of board service and skilled volunteering. It also has a big professional development impact. You learn to perfect your ability to influence, because of the need to get things done without telling people what to do. But I also think that people learn to feel comfortable speaking in public. I used to tell my people in human resources that while you may not see yourselves as sales people, let me tell you, you are. Because, for example, you can have the best comp program in the whole world, but if you don’t convince people that it is the best comp program in the whole world, then we haven’t done our jobs.

What do you see as the future of Citi’s employee engagement efforts?

A core piece is actually this skills-marathon model that we developed with Taproot. We engaged in the Skills Marathon because we wanted a way to engage our employees using their skills and we wanted to do it in a way that supported the organizations with which we already have relationships. So we saw it as a way to do two things: one, engage people and use their skills, but second to enhance the relationship with organizations that we already work with. Everybody was deeply engaged in problem-solving. I mean they went at it right away. It was great.
“...there is tremendous potential that a global company with a diverse workforce can offer to improve cities and neighborhoods.”
9/11 is a personal day for American Express employees given that your HQ is across the street from Ground Zero and you lost 11 employees that day. How did you decide to honor that day by becoming the lead sponsor for the September 11th National Day of Service and Remembrance?

We had to look at our strengths as a company. Our real strength is in service; we depend on having high quality customer service to attract and keep our customers. We felt that the way we could participate in remembering 9/11 would be to engage in something we know very well.

How will you personally be commemorating 9/11?

I’m going to be volunteering with my 13 year old daughter. We’ll be part of the New York piece of the National Day of Service. There are three different places; a school, a park clean-up and a project packing care packages. I’m not sure which one of the three we’ll be assigned to, but we’ll be out volunteering Sunday afternoon as part of the program.

You were a pioneer with the first external blog about corporate philanthropy - what was the impetus for that?

There are a lot of CSR sites and blogs out there but almost all of them are done by activists. They have a particular point of view about what corporations should or shouldn’t be doing. We felt that having a CSR blog that was written by a practitioner might help fill a void out there.

It often comes down to leadership, I find. This is yet another area where you have been a real innovator [by starting the American Express Leadership Academy].

Leadership is part of our corporate culture here. Our program really married the interest that Ken [Chenault, CEO] and senior leaders had, with a need that existed but there really weren’t many other funders. There wasn’t a national funder that had identified nonprofit leadership as a priority. It gave us a way of doing something unique, differentiating our funding and doing something our senior leaders could identify with.

What have you found is key to developing nonprofit leaders through your Leadership Academy?

We built the Academy around three different tent poles. One is the need for 360 degree assessments in organizations. The second is executive coaching. We discovered that the ones who were really successful had a coaching component. The third pole is to use our senior leaders as teachers along with the staff of the Center for Creative Leadership. And we never have a lack of people who want to participate because they get the connection, they know they have skills that may be relevant to nonprofits and they don’t have to go anywhere to use them.
“We never have a lack of people who want to participate because they get the connection, they know they have skills that may be relevant to nonprofits and they don’t have to go anywhere to use them.”
If you suddenly received a huge sum of money to create your own foundation based on your personal passions, what would you invest in?

One would be education for the underserved. People need to be educated to find a job with a livable wage, particularly those who are trying to make a living in a democracy. It is the key to personal success, a company’s success, and a country’s success. The other thing I feel strongly about is basic health and human services, with hunger at its core. It is so essential, especially considering the economic downturn and the whole issue of food insecurity in this country, as well as other developed countries - let alone developing countries.

Even though they seem totally different, I see these two issues working together: one is a band-aid to provide for immediate and critical needs, while education serves to lift people out of that situation.

What do you feel you are able to take from your personal everyday life to help you understand the issues and be more insightful and effective in your job?

I have two young girls, who grew up volunteering, being engaged and caring about issues. They understand there is a role for all of us to play to help individuals, families and communities move forward. I feel fortunate to have that perspective.

In this country, the divide between the haves and the have-nots is growing, and there is a shrinking middle class. I don’t think any of us are that far removed from these issues. No one is immune from knowing somebody who is in a dire, tough situation right now, given the protracted downturn.

Speaking of your daughters, do you think you get exposure to what some of the educational challenges are in this country, having watched the development of their education?

They’re fortunate to go to good schools, so I’m not seeing directly why we’re falling behind compared to the rest of the world. But I do see we have some issues of equity in education. We need to develop a system where kids see hope, a track that will connect them to one of their goals in life. I think we have a lot of things to work on, and it is clearly going to take collaboration between educators, nonprofits, and corporations to help solve.

Despite the issues we have in our education system, there is a bright light around what they teach children about volunteerism and cultures of service that didn’t exist when I was in school. There is a call to service that is happening in all kinds of schools because there is equity in service. Everyone has something to give.
“There is a bright light around what they teach children about volunteerism and cultures of service that did not exist when I was in school.”
What caused Capital One to be at the forefront of embracing pro bono service as a strategy for community impact?

It actually arose somewhat organically from within our workforce. Capital One has really strong competencies in branding -- you may have seen one or two of our commercials -- and we have some very talented individuals on our Brand team. Capital One was also built on the notion of value to the customer and the community, and these two core competencies led a group of people -- really independent of a community strategy per se -- to use their branding expertise to deliver what they believed was mission-driving service for customers and community organizations. Since pro bono started in Brand seven years ago, other departments such as Legal, HR, IT, and Finance have since developed their own pro bono teams in partnership with our Community Affairs department. And now those individuals are forming cross-functional teams to be able to more effectively address larger social needs in the community.

Ultimately, the pro bono program that was started by our own associates in a very grassroots way was very influential on our overall philosophy and programming, and we created a strategy for identifying the best organizations in the community and layering our resources so that these same organizations were receiving both financial grants and pro bono support. Eventually we even worked on product tie-in so that, once we had created a small group of strong core partners, they really got the full value of our company and saw some transformative results.

Pro bono is a major investment -- what have you experienced that makes you want to continue that might help these other companies decide whether or not to make the investment as well?

I think a lot of companies today are where we were seven years ago, considering the benefits of pro bono. What I have found, both anecdotally and with data, is that what we are most remembered for is never the check. That check is important, sure, but we are always remembered for the quality of our people and the outcomes that an organization is able to achieve in partnership with Capital One because of our associates’ pro bono contributions.

So, for companies interested in bolstering their relations in the community, doing what you do best in your business and applying that to the community is the most differentiating thing you can do. No other company does that special thing that you do really, really well. Being able to share that with the community will naturally help you to stand out among competitors.
“What I have found, both anecdotally and with data, is that what we are most remembered for is never the check.”
What was the problem with galas?
Most galas cost $1.33 to raise a dollar. They are not really generating sufficient ROI in both of their goals - connecting people with their mission and raising money - to justify the cost. And most organizations don’t include the calculation of staff time and don’t quantify the volunteer hours anything else that goes into making a successful event. So the real costs, based on having sat in on many gala planning committees, is probably a couple multiples of that dollar thirty three to every dollar.

How did you address this problem?
You either have to raise the bridge or lower the water. In lowering the water, how can you reduce the cost of these events? You don’t have a sit down dinner, email materials beforehand, deploy your volunteers effectively. With fundraising experts and non-profit partners, we discussed ways of creating a gala that was emotionally direct and less expensive.

In terms of raising the bridge, we reviewed other ways to raise money or reduce overall expenses. And since we’re a company that talks about results first and foremost, we like to translate education into action. So we had a business plan competition. Winners not only got money, but our project management team also worked with the nonprofits to help them implement their business plans.

What do you want companies to learn?
First, that they shouldn’t be afraid to take risks. Sometimes we’re not confident in our ability to be productive influencers to nonprofits. As we find common ground with nonprofit leaders, don’t be afraid to speak up.

Second, speak up in a positive way. It’s not sufficient or productive to close the window. We need to have positive interactions.

And third, it is very hard to be heard if you don’t have skin in the game. Prudential was willing to put money into this and we’re willing to leverage the time of our professional colleagues.

Do you think there’s a parallel between the addiction to galas and the emphasis on volunteers, even when they have low ROIs?
What’s become very clear is that nonprofits are beginning to raise issues around whether they’re using volunteers effectively and companies are beginning to raise these fundamental questions as well. At Prudential, we’ll put resources behind an answer that we research collaboratively. How do we do the knowledge transfer around good HR practices, for instance, that would allow the nonprofits, our volunteers and the company get a good ROI?
“What's become very clear is that nonprofits are beginning to raise issues around whether they’re using volunteers effectively and companies are beginning to raise these fundamental questions as well.”
What was your first job?

I’ve been working full-time since I was 17 and I worked full-time through college selling shoes. I sold wing tips to businessmen in the financial district. It was so foreign to my experience. I didn’t grow up in a professional family so encountering affluent middle-aged “suits”, as I perceived them, was a real culture shift. I found it to be pretty mind blowing.

You’re now working with people with similar backgrounds through the Chevron Social Investment Program, helping them live healthy, meaningful lives. What have you learned from your experience?

In the barrios of Caracas, I met kids who walk two hours or more to school every day. Despite considerable obstacles, in the classroom they were every bit as engaged as my children are and as hopeful of a limitless future for themselves.

We have a program called Project Lead the Way in East Bay, which provides a rigorous curriculum focused on engineering. I was in a classroom a few months ago, and when the classroom bell rang for class to end, these kids were so focused not one student got up. I don’t know about you, but when I was in school I remember watching the clock tick down the final seconds.

To harness that level of motivation, one has to identify kids who have a passion and provide them with resources to develop it by exposing them to careers in our industry, or careers in STEM. So, the question is, how do you take the intense desire of every person to improve their lives, provide those options and help create a support structure for those who would otherwise fall through the cracks?

In addition to funding programs to increase individual capacity, Chevron has made investments in building the capacity of the social sector.

The distinction between helping a student or micro-entrepreneur to improve her life and helping the organization improve how it operates is really two sides of the same coin. Our pro bono work with Bread Project is a terrific example of helping to build organizational capacity. So you’ve got a nonprofit that has become effective in its mission to train individuals with barriers to employment and achieve meaningful employment.

How has corporate philanthropy for an energy company changed since my grandfather’s days in 1950s?

When I was a kid the definition of “good” business was based on the product and whether it hired folks from the community, paid decent wages and maybe provided some benefits. Over time the definition of a “responsible company” has grown and expectations for social performance have grown.
“Our pro bono work in the Bay Area with Bread Project is a terrific example of helping to build organizational capacity. So you’ve got a nonprofit that has become effective in its mission to train individuals with barriers to employment and achieve meaningful employment.”
If I gave you 10 billion dollars to create the Paula Davis Foundation, what issue would your foundation focus on supporting?

Personally, I think the greatest gift that you can give to society is a job. Important organizations are the ones that focus on enabling people to be self-sufficient and to acquire a skill that builds independence. That’s the definition of sustainability.

Have you been able to bring this insight into your work running the Alcoa Foundation?

Causes related to employment issues are something I feel strongly about - particularly with regards to veterans. I’ve always felt very blessed to have been born in a country that is served so devoutly by its military. My father and uncles all served, so I suppose there is a personal connection.

We launched a partnership with American Corporate Partners, which is a mentoring program for young U.S. veterans returning from conflict overseas. When we launched that program, our goal was 50 people. We had 50 in the first week and another 50 the next. We really think about employee engagement in terms of involving our people in the development of partnerships, not just logging volunteer hours. And there was clearly a desire for people to lend their skills to this organization.

It is easy to see how a marketing firm can help an NGO, but it’s interesting to think of what a mining, manufacturing and engineering company can offer. Can you provide an example of how your employees share their skills?

The best example would probably be the Sustainability Consortium out of the University of Arkansas. There was an environmental research initiative of several companies, working to figure out how to measure the true environmental footprint of services. This is something that people in our energy group and construction groups can inform on - how to truly capture the emissions of a product and the recyclability of a product, lending their expertise to support this knowledge.

A lot of students graduating this Spring aspire to a position like yours. What was your path?

My first job out of college was a receptionist at a publishing company. It didn’t last very long. What ultimately made my career was that I had a great mentor, but in the meantime I took risks. I worked for MVP.com, a company started by Wayne Gretsky, John Elway and Michael Jordan at the height of the dotcom boom. It was a really interesting experience because I was there when it was a start-up until that bubble sort of burst and the company shut down. It was an unbelievably useful experience that I would never have had if I wasn’t willing to take risks.
“We really think about employee engagement in terms of involving our people in the development of partnerships, not just logging volunteer hours, and there was clearly a desire for people to lend their skills to this organization.”
When we were first applying to UPS, our development team nearly sent our proposal via FedEx! Do you open grants sent in a FedEx package?

Yes, we do. Sometimes we have some fun with the person, get them a little embarrassed by it. But we wouldn’t want to miss an opportunity to do something that fits with our mission of helping people.

But in my previous job I managed our marketing and public relations activities. If I received a marketing or sponsorship proposal in a FedEx package I wouldn’t open it. If they wanted to further our mission and didn’t know enough not to use our competitor, I figured it wouldn’t be a good partnership.

**How is UPS able to make a difference?**

UPS quickly indoctrinates you with its mission; we think our cause here is noble, that what we do is a very important part of everybody’s life -- whether it’s medical supplies going to hospitals every morning to save lives or a mother sending cookies to her kid at college. We feel strongly about our mission and what we do and its value.

**UPS clearly works for the greater good -- your description reminds me of how tech companies frame their social benefit. If you do so much good, why do you have a foundation unlike, say, Apple?**

We have a very unique view of society. If there’s a stoplight in America, the odds are a UPS truck is going to pass under it today. And when you have that kind of investment and interaction in the community - when you’re in the back door, talking to the shop owner, and delivering packages to the biggest corporations and the smallest trailers in rural America - you understand the need, and the need to give back. I think there’s something about seeing the good, the bad, seeing people struggling - that’s been part of who we are as a company.

**Where do you see the greatest need for UPS’ logistical expertise?**

Disaster response and urgent humanitarian relief. That is completely driven by logistics - it’s about speed, it’s about coordination, it’s about transportation. And that is becoming the fastest growing area of our work as a foundation. We have embedded some of our logisticians into organizations like CARE, the World Food Program, UNICEF. We can save them millions and millions of dollars in cost right off their top line in greater efficiencies. And so much can be done to more effectively serve communities after disasters or in humanitarian crises - saving so many more lives.
“We have embedded some of our logisticians into organizations like CARE, the World Food Program, UNICEF. We can save them millions and millions of dollars in cost right off their top line in greater efficiencies.”
You began your career as an actress. Do you find that you still use those skills today?

Absolutely, I use those skills every day. Being an actress taught me how to tell a story. Not only in terms of honing in on what is most intriguing to really grip my audience, but also how to be authentic. The best actors portray someone else perfectly because the portrayal is rooted in truth. People can really sense that, and they know when something is authentic and when it’s spin.

A pharmaceutical company is an interesting character. Your work saves countless lives but you are also a business.

Unlike many companies, we are on neither extreme - pure business nor pure social responsibility. We need to have a commercial product, but we also need to understand our role in access and innovation as it relates to our products. That means thinking innovatively about pricing and distribution.

Your PULSE program places executives on 3-6 month full-time engagements with NGOs using their skills.

Yes, PULSE allows our strongest leaders to contribute their skills, and gives them the opportunity to grow personally and professionally. We have found that it really changes the way they see their job. The program has grown from 50 to 100 placements in the last year, and we now reach over 25 countries. We had, for example, one of our senior brand marketers placed with AMREF, a health-focused NGO based in Kenya, to look at their global brand strategy and how they market themselves. It’s a great story of how our people can use their specific skills to support the work of charities.

How can GSK work without these talented executives for such extended periods of time, given the competitive business you are in?

It’s funny, I’ve never heard anyone ask that before. I think people come to GSK because they really want to help people, and it’s just part of our DNA. In terms of the value that comes back - there’s such high energy and a renewed vigor when our people return, as well as a new sense of loyalty. Given this, we have tremendous managerial support for PULSE.

So, what would be YOUR ideal placement for volunteering with this program?

Well, I have two small children at home so this is a bit of a dream - but I would love to be out in Africa seeing the amazing work that goes into developing the health care infrastructure. I would be most useful, of course, working with an NGO in a role that addresses their communications strategy and how it can develop their business. Personally though, I would hope my energy and creative problem solving abilities would be helpful.
“We had, for example, one of our senior brand marketers placed with AMREF, a health-focused NGO based in Kenya, to look at their global brand strategy and how they market themselves. It’s a great story of how our people can use their specific skills to support the work of charities.”
If you had two months to explore, generate new ideas, and refresh, how would you spend them?

I’d look at hunger and survival and water issues. I would try and personally experience some of the work going on with education and gender disparities, looking at educational opportunities for girls. I might also look at other ways to talk to people. Sometimes it’s experiencing a community art project together. Sometimes it’s sitting with a storyteller and listening together. I think those are the ways I learn about what’s going on.

How does Merck approach problem solving and learning?

I think Merck understands that there are 360 degrees to an issue and really encourages people internally to look for that critical place where the problems aren’t being solved because the majority of people are thinking about the issue too narrowly. We want to look for places where we don’t see an answer yet - to listen, to think, to respond quickly.

How does pro bono service fit into what you do today at Merck?

Merck has a very long history of legal pro bono work; I think it is going into its 16th year. Our legal department in particular is really committed, participating in a number of very strong pro bono programs. We’ve also provided some human resources, administrative, and marketing assistance, and we’re finding ourselves in the boat to provide Six Sigma assistance for some larger non-governmental organizations.

A big issue you fund is hunger. With so many pressing issues, how’d you wind up choosing that one?

The summer I arrived at Merck, there were a lot of articles about hunger in the United States, particularly in Philadelphia and New Jersey, where our headquarters are located. Since then, we’ve put between $5-6 million toward hunger issues around the world with many partners.

How do you approach an issue as large as hunger?

We look for partners that address key issues around the root causes of hunger. We also bring together corporate partners. We funded an entire day at Liberty Science Center and invited about a hundred corporate and private foundations. Collaboration is tough, but if we don’t all support each other, then I don’t think we make it to the finish line.
“We funded an entire day at Liberty Science Center and invited about a hundred corporate and private foundations. Collaboration is tough, but if we don’t all support each other, then I don’t think we’ll make it to the finish line.”
How did you wind up in this field?

I never thought of myself as a do-gooder. The motivation was more from interest in the sector rather than believing or thinking I could save the world. I guess I was very aware that I was born lucky, and other people aren’t born lucky, and therefore I have an obligation to do something about that. My belief was - and is - that there are changes we can make as a sector or new approaches to old ways that can truly move mountains.

What brought you to LinkedIn?

My dad in college told me to take the professor, not the class. And that’s definitely the way I’ve approached my professional life. I’ve looked for companies whose values were aligned with my values, and less the specific job. And I’ve been fortunate enough to find jobs where I really believe in the executive leadership and the vision the company has. If you read about Jeff Weiner or Reid Hoffman, both of them are personally and professionally oriented to creating real value in the world and value in terms of increasing economic opportunity. And they think in terms of how to use our network for social impact.

What would you say is the core asset LinkedIn brings to the social sector’s table?

I think it’s definitely our network of 120 million professionals. We sit on the world’s largest database of people’s knowledge, skills and now, passions. Being able to connect that information to nonprofits’ needs will, I’m hoping, be game changing in the volunteer sector.

How’d your new volunteer field come about?

The number one most requested feature to add to our profile page was the volunteer field. Which is no surprise given people’s resumes - most have a volunteer section on them.

What was a serendipitous surprise that you weren’t expecting before it launched?

Honestly, the case of the stay at home mom who spent a lot of her hours working unpaid. Instead of seeing a large gap in their LinkedIn profiles you now can see what they have been doing - and I think that will make it a lot easier for them to step back into the formal workforce. There are very few moms out there who aren’t doing important work that translates into real skills they’ve demonstrated through volunteer opportunities.

What’s your big picture goal?

The bigger vision is that we’re hoping to create even more of a movement and make it the social norm that your social impact becomes part of your professional profile. That it becomes something that’s just expected rather than a differentiator.
“We sit on the world’s largest database of people’s knowledge, skills and noe passions. Being able to connect that information to nonprofit needs will, I’m hoping, be game changing in the skilled volunteer sector.”