



The Future of America's Communities and Competitiveness

December 2007



The Business Civic Leadership Center

The Business Civic Leadership Center (BCLC) is a 501(c)(3) affiliate of the U.S. Chamber of Commerce. BCLC is the U.S. Chamber's resource and voice for businesses and their social and philanthropic interests. This report is a product of our Corporate Community Investment program.

BCLC's mission is to promote better business and society relations and improve long-term social and economic conditions by:

- Communicating the U.S. private sector's unique and valuable contributions
- Cultivating strategies and practices that achieve positive results
- Coordinating public-private partnerships and coalitions

BCLC is all about building good will, good relations, and good long-term markets.

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Executive Summary

The U.S. Chamber of Commerce Business Civic Leadership Center (BCLC) estimates that businesses provide \$6 billion to \$8 billion annually in philanthropic contributions to communities across the country. But these community contributions are just the tip of the iceberg.

In today's competitive marketplace and rapidly changing social landscapes, "The Question" for companies interested in fostering progress in their communities is how to best invest in them. The answer that a CEO might have given 20 years ago would probably be different than the answer he or she would give today. Times are changing, and how companies engage as citizens in their communities is changing as a result.

Six significant socioeconomic trends that are independent of — but inseparable from — corporate citizenship are changing how business leaders think about and invest in their communities.

- Trend 1: The Knowledge Economy Is Here to Stay
- Trend 2: Opportunity Is Increasingly Important
- Trend 3: Environmental Considerations Are Significant Community Factors
- Trend 4: Demographics Are Having a Profound Impact on Community Structures
- Trend 5: Globalization Is Real, but It Is Not a Panacea
- Trend 6: "Value" Is Measurable in both Economic and Societal Terms

“ Once the domain of philanthropy and public policy, the twin objectives of improving education and revitalizing communities have become part of the domain of strategic business decision-making. ”

The confluence of these trends in a corporate citizenship context has significant implications for American businesses. The companies with which BCLC works are rethinking their community investments at the same time that they are growing much more globally aware and active.

As companies face the challenges of a globally competitive marketplace, they are confronted with the stark need to recruit and retain the best talent. In order to serve this need, they are faced with the dual challenges of human capital infrastructure and the quality of life in the communities in which they operate.

Once the domain of philanthropy and public policy, the twin objectives of improving education (of all sorts) and revitalizing communities have become part of the domain of strategic business decision-making. Businesses are increasingly placing a premium on smart corporate community investment (CCI) as a way to enhance their long-term competitive environment.

BCLC's 2007 National Partnership Conference on Corporate Community Investment revealed that many business leaders are considering investment in human capital as a key community and economic development issue. This is significant, owing to the separate realms that these issues occupy — in public policy, nonprofit practice, and research.

Not surprisingly, the human and economic–development possibilities for a community are essential to measurable improvements in the quality of life, which businesses increasingly regard as an issue on which they should focus their corporate citizenship efforts in strategic ways. Three big trends in today’s marketplace are having an evident effect upon decision-making in company boardrooms:

1. Investing in human capital, both within the company and in the broader community, is necessary for the company and a catalyst for progress in the community.
2. Creating an environment of opportunity makes for a competitive community, which in turn is good for the business.
3. Holding the company and partners accountable for improved societal and financial outcomes is necessary to know whether progress is happening or not.

Already a vast array of public and private resources is available for community and economic development, so an immediate question arises: *Do businesses really need to do anything in addition?*

The answer is yes. Businesses need to take corporate community investment seriously and assume an elevated role in the social and economic progress of their communities for several practical reasons:

- Scarce resources
- New ideas
- Voice in local decision-making
- Results orientation

“ While no businesses believe they should bear the lion’s share of responsibility for their communities’ development, they do believe their role is unique. ”

There also is a larger, overarching reason that businesses should become more intentionally involved in the economic and community development of their city or town: *They have a vested interest in the future of the knowledge economy and how it informs decisions about the future of their community.*

While no businesses believe they should bear the lion’s share of responsibility for their communities’ development, they do believe their role is unique. The future of CCI is dependent upon the degree to which the corporate community becomes even more intentional about investing in key drivers of social and economic progress, such as education, workforce development,

financial literacy, and homeownership. But this is not all. CCI will be more or less successful depending on whether investment proceeds in a way that produces results that can be measured and tracked.

If businesses focus upon the drivers of community change with well-coordinated strategies and clearly defined indicators of progress, the difference they can make in their communities is profound. And along the way, they will find their answer to The Question.



Courtesy of ChoicePoint Inc.

Introduction

The U.S. Chamber of Commerce Business Civic Leadership Center (BCLC) estimates that businesses provide \$6 billion to \$8 billion annually in philanthropic contributions to communities across the country. But these community contributions are just the tip of the iceberg.

Companies contribute to their local communities in many ways, by creating jobs, providing needed goods and services, and playing important roles in how communities evolve and grow. In many towns, businesses have established local chambers of commerce to help improve the local business climate and strengthen the competitive ability of the community to attract new businesses and maintain and grow its existing economic vitality. Businesses and chambers of commerce are a part of the social and economic fabric of communities across America.

“ Companies contribute to their local communities in many ways, by creating jobs, providing needed goods and services, and playing important roles in how communities evolve and grow. ”

America would not be what it is today without its millions of businesses and state and local chambers of commerce. But technological, social, and institutional changes are affecting the development of our communities and how companies contribute to them.

In light of these forces, how should a business invest in its community? In today's competitive marketplace and rapidly changing social landscapes, that is The Question for companies interested in fostering progress in their communities. The answer that a CEO might have

given 20 years ago would probably be different than the answer he or she would give today. Times are changing, and how companies engage as citizens in their communities is changing as a result.

In May 2007 business leaders came together with experts and innovators from a variety of public and private organizations at the U.S. Chamber of Commerce to participate in the National Conference on Corporate Community Investment, hosted by BCLC. The conference was the beginning of an answer to The Question. According to a BCLC survey, more than 60 percent of corporate citizenship is focused upon the communities in which businesses have a major presence. It is clear that companies are active in their cities and towns, but the question remains: How should a business invest in its community? Discussion among the conference participants revealed that the answer lies in understanding the nature of today's changing business environment.

The Changing Landscape for U.S. Companies and Communities

Six significant socioeconomic trends that are independent of — but inseparable from — corporate citizenship are changing how business leaders think about and invest in their communities.

Trend 1:

The Knowledge Economy Is Here to Stay

The knowledge economy is creating enormous opportunity for millions of people. Changes over the last 40 years have been rapid and awe-inspiring. A single personal computer now has more computing power than was used in 1969 to send a man to the moon. The Internet has transformed the way we access and use information. Productivity gains have empowered people to do far more than ever thought possible. The information technology and communications industries collectively contribute more than a trillion dollars to our national income.

The effect on the rest of our economy has been profound, as well. The industries of steel, robotics, manufacturing, biotech, agriculture, health care, and many others are increasingly knowledge-based. Assembly lines are highly complex. Business processes require analytical thinking. As our economy becomes more diversified, the opportunities for individuals to develop high-paying niches have never been greater.

But the knowledge economy is also a disruptive force. It is increasingly putting a premium on skilled workers and penalizing unskilled and low-skilled labor. The growth in income inequality in America can be attributed at least in part to the fact that higher-skilled, educated workers experience wage gains that are significantly above those without advanced skills and education.¹ The college wage premium — the difference in earnings between a college graduate and a high school graduate — has reached its highest point in our nation's history since 1915, when college was largely reserved for elite families.²

The knowledge economy is also creating a division between communities that have a vested commitment to human capital development and those that do not. Communities with dense educational infrastructures, such as the California Bay Area, Boston, and Raleigh-Durham, are benefiting significantly. Those that were built around older manufacturing or agricultural paradigms, such as Detroit and Memphis, have gone through wrenching transformations.

While discussion about the knowledge economy has been commonplace since McKinsey & Company's 1997 "war for talent" study, the new economy is now in full force and placing very real pressures on companies. Investing in human capital has never been as important as it is now. The Bureau of Labor Statistics predicts continued growth in the knowledge economy's hub, the services sector, over the next decade, so the pressure will only intensify.³ For specific cities and towns, this means that competitiveness will depend in large part on the local human capital infrastructure and the ability of businesses to recruit, retain, and develop people.

“ The new economy is now in full force and placing very real pressures on companies. Investing in human capital has never been as important as it is now. ”

¹ "Why Is Income Inequality in America So Pronounced? Consider Education," *New York Times*, 17 May 2007.

² C. Goldin and L. Katz, *The Race between Education and Technology. The Evolution of U.S. Educational Wage Differentials, 1890 to 2005*, <http://nber.org/papers/w12984> (March 2007).

³ U.S. Department of Labor, *Strategic Plan Fiscal Years 2006–2011*, http://www.dol.gov/_sec/stratplan/strat_plan_2006-2011.pdf (August 2007).

Trend 2:

Opportunity Is Increasingly Important

The balance of power in the knowledge economy has shifted from institutions to the individual. Knowledge workers are more mobile and have more income and opportunities than ever before. Demographers have noted that, particularly for Generation X and Gen Y employees, attitudes toward work have changed and that work and life goals often blend. “Quality of life” is moving from an aesthetic to strategic consideration for people and businesses.

Because opportunity is much more diffused for highly skilled and educated workers than in an economy dominated by manufacturing, people can leave a place if they are dissatisfied and likely find work elsewhere. Furthermore, in the stiff competition for well-equipped employees, a community’s larger environment has an important effect on the quality of the local workforce. If the community deteriorates over time, many people move away or are so beset with the difficulties of, say, a failing urban neighborhood that the community’s troubles become the company’s troubles.

“ More than ever, community leaders interested in making their city or town a place of progress need to consider how to position the private sector to play a leading role. ”

In his recent study, *Opportunity Urbanism*, urban demographer Joel Kotkin claims that “opportunity cities” are those that invest in people, create opportunities for all residents at every income level and of every racial and ethnic background, offer low costs of entry for homeowners and business owners, and provide a wide enough range of cultural amenities to make the city an attractive and desirable place to work and live.⁴

Failure on one or more of these fronts reduces a city’s odds of remaining or becoming competitive in today’s economy. In addition, as Harvard business professor Michael Porter points out, government’s influence on competitiveness remains important but is waning as the conditions that make a company or region competitive

are changing. The importance of knowledge and technology in productivity has made private sector entities more central actors in defining what competitiveness requires.⁵ More than ever, community leaders interested in making their city or town a place of progress need to consider how to position the private sector to play a leading role.

Trend 3:

Environmental Considerations Are Significant Community Factors

Company managers are increasingly responding to employee concerns about the local environment. Two-thirds of the Fortune 100 companies launched some kind of an environmental initiative this year.

⁴ J. Kotkin, *Opportunity Urbanism: An Emerging Paradigm for the 21st Century*. Greater Houston Partnership, 2007.

⁵ M. Porter, *Building the Microeconomic Foundations of Prosperity: Findings from the Business Competitiveness Index*, http://www.isc.hbs.edu/Micro_9201.pdf (August 2007).

The Changing Landscape for U.S. Companies and Communities

Issues such as park preservation and development, recycling, infrastructure, sprawl, vertical development, traffic management, hotel management, and telework are seen as much through an environmental and quality-of-life prism as any other business management processes.

Trend 4:

Demographics Are Having a Profound Impact on Community Structures

Two different demographic trends are affecting the profiles of both companies and communities. The first is the increasing diversity of America. Hispanics have overtaken African Americans as the largest minority group in America, but less well known is how many other ethnic groups have grown in importance, including the Hmong in Wisconsin and Minnesota, Native Americans in New England, and Haitians in Miami. America has never been as diverse as it is today.

The other major demographic change affecting local communities is age. The former demographic age “pyramid” — a broad base of youth with a narrow elderly segment — has given way to a demographic rectangle, with baby boomers and senior citizens now comprising a significant portion of the population. Companies have to adjust to what some label the “graying of America.”

Trend 5:

Globalization Is Real, but It Is Not a Panacea

Even before the Constitution established the Interstate Commerce clause, the United States experimented with competition among the states to attract businesses that create wealth and jobs. States have thought nothing of offering tax incentives, real

estate settlements, and other inducements and emoluments to build up their local communities. But local communities are realizing that it is no longer just their next-door neighbors with which they have to compete; it is now communities in Ireland, Mexico, India, China, and other countries across the world.

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U.S. communities may not realize the extent to which companies have a vested interest in helping to make them as competitive as possible. Moving is a costly process. New supply chains need to be figured out, along with currency equations, legal adjustments, business process systems, and many other transition costs. At the same time, the heightened security environment, rising energy and transportation costs, and the exigencies of just-in-

time manufacturing are causing many companies to rethink their supply chains and their geographic sourcing strategies.

These issues help explain why 95 percent of the companies BCLC has surveyed plan to maintain their presence in their local communities for “the foreseeable future.”

Trend 6:

“Value” Is Measurable in both Economic and Societal Terms

While one might argue that there are as many ways of accounting for value as there are companies in the world, there has clearly been a trend among business leaders over the past 10 years to assess the full range of the societal-economic impact of business. It is now becoming clear that what Professor Michael Porter calls “the competitive context” of a company is influenced by factors and decisions beyond pure bottom-line considerations, and as a result, businesses are beginning to find ways to measure the societal effects of their activity as well. As Professor Porter says, “Successful corporations need a healthy society ... [and] a successful society needs healthy companies.”⁶ The economic and societal values of a business’ activity are interwoven, and therefore, good corporate citizens understand how to maximize both by making them mutually reinforcing.

“ It is not at all uncommon to hear business leaders talk about the “triple bottom line” and nonprofit leaders talk about “social return on investment.” The days of the sharp divide between the social and economic realms are ending. ”

Within philanthropic practice, there has been a stark, frequently discussed trend toward greater accountability for measurable results, in which ROI models have been applied to social sector impact. It is not at all uncommon to hear business leaders talk about the “triple bottom line” and nonprofit leaders talk about “social return on investment.” The days of the sharp divide between the social and economic realms are ending, at least at the level of theory and public discussion, while practice is trying to catch up.

Understanding the six trends described here is vital to understanding why businesses are taking such a vested interest in community development. What types of activities enhance the long-term viability of a community, strengthen its growth potential, and improve the overall quality of life of the greatest possible number of its residents? Staying ahead of the trends rather than sailing in their wake is vital for corporate and community leaders who want their city or town to be a place of progress.

⁶ M. Porter and M. Kramer, “Strategy and Society: The Link between Competitive Advantage and Corporate Social Responsibility,” *Harvard Business Review* (December 2006), p. 7.

Implications for Corporate Community Investment

The confluence of these trends in a corporate citizenship context has significant implications for American businesses. The companies with which the Business Civic Leadership Center (BCLC) works are rethinking their community investments at the same time that they are growing much more globally aware and active.

Based on discussions at BCLC's 2007 National Conference on Corporate Community Investment, it seems that these two phenomena are distinctly related. As companies face the challenges of a globally competitive marketplace, they are confronted with the need to recruit and retain the best talent. And in order to serve this need, they are faced with the dual challenges of human capital infrastructure and the quality of life in the communities in which they operate.

“ In a trend away from corporate philanthropy as a separate, good-doing, image-enhancing activity, companies are looking at how they can further business interests through their overall approach to corporate citizenship. ”

Once the domain of philanthropy and public policy, the twin objectives of improving education (of all sorts) and of revitalizing communities have become part of the domain of strategic business decision-making. Businesses are increasingly placing a premium on smart corporate community investment (CCI) as a way to enhance their long-term competitive environment.

Because of the trend toward a more robust accounting of societal and economic value, there has been a growing recognition among business leaders that charitable and bottom-line objectives need to be aligned and mutually reinforcing. In a trend away from corporate philanthropy as a separate, good-doing, image-enhancing activity, companies are looking at how they can further business interests through their overall approach to corporate citizenship.

Recent research has shown that corporate philanthropy has a positive effect on a company's business needs and, in fact, leads to increased revenues.⁷ And to the extent to which business and civic objectives are mutually reinforcing, the overall value equation improves even more. As businesses realize this, they appear to be responding with a renewed focus on the strategic direction of their once-charitable activities.

Most businesses have centralized their civic and charitable functions. The Committee Encouraging Corporate Philanthropy reports that companies conduct a greater share of their charitable activity through their corporate community affairs offices and their corporate foundations rather than through their decentralized sites.⁸ This suggests that a more strategic alignment between social and financial goals is taking place in companies' headquarters across the country. As we move toward a more focused blend of strategic business and corporate citizenship activities, the nature of a business' involvement in its community will be transformed over time. Specifically, this transformation will be characterized by three related trajectories:

⁷ B. Lev, C. Petrovits, S. Radhakrishnan, "Is Doing Good Good for You? Yes, Charitable Contributions Enhance Revenue Growth," New York University Stern School of Business White Paper.

⁸ Committee Encouraging Corporate Philanthropy, *Giving in Numbers 2007*, www.CorporatePhilanthropy.org, p. 10.

Moving from...

Giving for corporate image
Giving to unrelated causes
Giving as inputs

...to

Investing for competitive advantage
Investing in aligned objectives
Investing in outcomes

Businesses now often apply financial theory to their community investments. Given the increasing differences of age, ethnic and cultural heritage, neighborhood profile, and income, companies are moving away from “one size fits all” approaches and are increasingly tailoring civic and charitable programs to various segments within their communities. They invest in programs that target low-income and/or blighted communities. They target “arts and parks” programs, as well as other quality-of-life and community development investments in their communities. The number of ways companies invest in their local communities is endless.

“ What is the relationship between a business’ corporate citizenship priorities and the overall competitiveness of the city in which it operates? How can businesses promote progress in their community while growing as a company? ”

These trends have further implications for corporate community investment that are new and developing. If companies are to be more strategic about how their civic and business objectives align in measurable ways, what are the implications for the community within which they have major business operations? What is the relationship between a business’ corporate citizenship priorities and the overall competitiveness of the city in which it operates? How can businesses promote progress in their community while growing as a company?

BCLC’s 2007 National Partnership Conference on Corporate Community Investment revealed that many business leaders are considering investment in human capital as a key community and economic development issue. This is significant, owing to the separate realms that these issues occupy in public policy, nonprofit practice, and research.

Not surprisingly, the human and economic development possibilities for a community are essential to measurable improvements in the quality of life, which businesses increasingly regard as an issue on which they should focus their corporate citizenship efforts in strategic ways. Three big trends in today’s marketplace are having an evident effect upon decision-making in company boardrooms:

1. Investing in human capital, both within the company and in the broader community, is necessary for the company and a catalyst for progress in the community.
2. Creating an environment of opportunity makes for a competitive city, which in turn is good for the business.
3. Holding the company and partners accountable for improved societal and financial outcomes is necessary to know whether progress is happening or not.

Snapshot of Corporate Civic Priorities

Corporate citizenship, especially within a company's community, is multifaceted and much more diverse than philanthropic contributions. Nonetheless, corporate philanthropic activity serves as a good gauge of the nature of corporate citizenship in America.

Corporations gave \$12.72 billion to charitable causes in 2006. While this represents the lowest percentage of pre-tax profits devoted to corporate philanthropy in the past 20 years, rapidly rising profits rather than a slowdown in giving is the cause, according to *Giving USA 2007*.⁹

“Corporate citizenship, especially within a company's community, is multifaceted and much more diverse than philanthropic contributions.”

When considered in five-year increments, the \$63.26 billion that corporations contributed between 2002 and 2006 represents a 166 percent increase in inflation-adjusted dollars compared to what they gave a generation ago. This is a larger increase than that among individual givers (who nonetheless contribute the largest share of all American giving) during the same period.¹⁰

When it comes to the community issues that companies believe most affect the development of their communities, the data show that they have a significant interest in education and community and economic development. While there is no universally agreed-upon method for tracking the recipients of donations, available evidence indicates that investing in educational infrastructure and improving opportunity within communities are a high priority for companies, despite the significant growth in healthcare and international giving in recent years. BCLC has found that investment in human capital, key drivers of progress, and opportunity are centrally important to businesses' corporate citizenship strategies today.

These findings are supported by other sources of data as well. In the Committee Encouraging Corporate Philanthropy's breakdown of corporate giving by issue area, 37 percent of all giving went to education and community and economic development, compared to 34 percent to health care. And if healthcare companies are excluded — since they give a disproportionately high amount to health issues, as would be expected — total corporate giving to the healthcare sector drops to 27.6 percent.¹¹

Boston College's Center for Corporate Citizenship's index of corporate giving has seen a concentration of education and economic development priorities in the top five slots of their index over the past half decade. While education has remained the number one issue for some time, economic development and higher education have moved up to top slots as well, while human services such as homelessness, child care, and unemployment services have moved down the list and have even dropped out of the top 10 altogether in the last issue of the index.¹²

These trends are consistent with BCLC's findings. In a 2007 survey of businesses and chambers of commerce conducted for the National Conference on Corporate Community

⁹ Giving USA Foundation, *Giving USA 2007*, p. 31.

¹⁰ *Ibid.*, p. 23.

¹¹ Analysis of CECP's data, *Giving in Numbers 2006*, p. 12.

¹² The Center for Corporate Citizenship at Boston College, *Community Involvement Index 2005*, www.bcccc.net, p. 3.

“ Businesses are increasingly recognizing a strong relationship between their need for skilled employees and the capacity of their broader community environment to help them equip, recruit, and retain those employees. ”

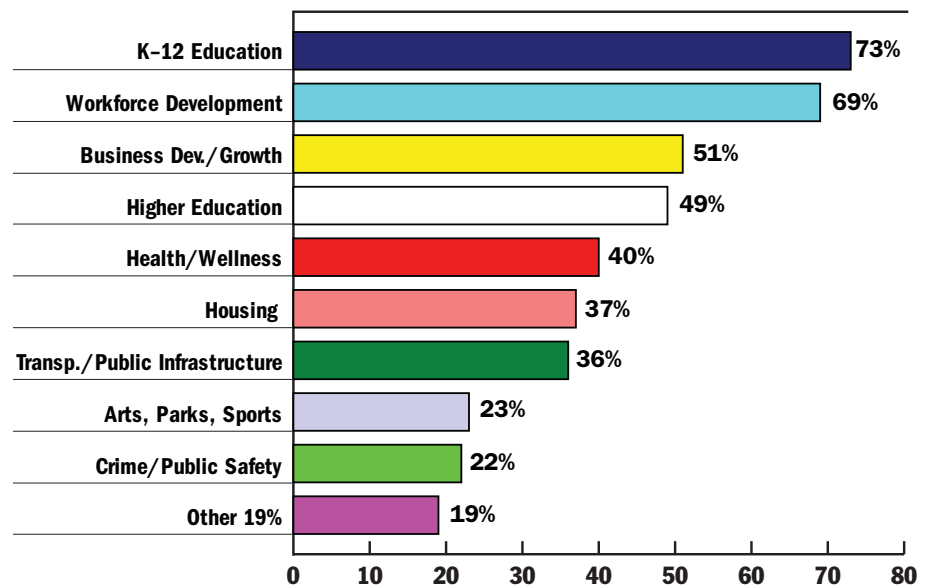
Investment, K–12 education was the most frequently cited issue that challenges development in respondents’ communities, followed by workforce development, economic development, and higher education (see Figure 1). These were in turn followed by transportation, housing, and health and wellness — all strong quality-of-life factors.

The trend in CCI over the past five to 10 years is toward a more highly focused set of human and economic development priorities and away from services for basic needs. Businesses are increasingly recognizing a strong relationship between their need for skilled employees and the capacity of their broader community environment to help them equip, recruit, and retain those employees.

Businesses benefit from high human capital infrastructure, increased property values, decreased crime, and more public amenities. A business in a community beset with failing schools, disinvestment in surrounding neighborhoods, and ineffective job training programs will have difficulties finding and retaining the best employees. To the extent that a business can move from supporting a community program that bears little relation to its strategic objectives to an initiative aimed at improving the community’s human or economic development potential, the more the business’ corporate citizenship will help both the wider community and the company.

Top Issues Affecting Community Development

Figure 1





Courtesy of General Motors

A New Era of Corporate Community Investment

Businesses have a clear interest in the social and economic progress of their communities. Already a vast array of public and private resources is available for community and economic development, so an immediate question arises: Do businesses really need to do anything in addition?

The answer is yes. Businesses need to take community investment seriously and assume an elevated role in the social and economic progress of their communities for several practical reasons.

Resources Are Scarce

Even the largest or most philanthropic company cannot address every community need. Companies have told the Business Civic Leadership Center that they are besieged with requests, sometimes as many as 5,000 in a single month. Companies are looking for leverage and partners to address complex community issues, particularly when addressing “public goods” like education or wellness in which they are not the only ones benefiting from their activities.

“ There seems to be increasing common ground between businesses and entities responsible for managing tax credits, government grants, and other public resources to ensure that the best investment strategies for improving human capital and other drivers of progress are utilized. ”

Process Matters

Many companies have told the Business Civic Leadership Center that they are often consulted after important community decisions have been made, as opposed to being part of the process. They believe that they can contribute by being more centrally involved in local decision-making to call attention to key drivers of progress in their community. There seems to be increasing common ground between businesses and entities responsible for managing tax credits, government grants, and other public resources to ensure that the best investment strategies

for improving human capital and other drivers of progress are utilized, and many companies are interested in exploring these connections.

New Ideas Are Needed

Businesses are among the nation’s leading innovators and, with a more focused approach to CCI, they are likely to provide solutions for their community that will not exist without their involvement. Businesses are more accustomed than their public sector peers to thinking about progress in practical terms. That is, success in the marketplace comes from thinking about what types of change are needed to improve practices, profit, and people.

A New Era of Corporate Community Investment

Smart CCI Demands Results

Businesses have a bottom-line interest in the progress of their community, whereas not all community and economic development professionals do. Not everyone who makes decisions about the future of a city's economic development will lose his or her job if the community declines. Not so with businesses. Their future profitability and the progress of their community are more tightly woven together than they have been in the past. Because of this, they bring a strengthened attention to results.

There is a larger, overarching reason that businesses should become more intentionally involved in the economic and community development of their city or town: They have a vested interest in the future of the knowledge economy and how it informs decisions about the future of their community.

“ For all of the activity that government programs produce around the United States, there is a gap that only the business community is truly suited to fill. ”

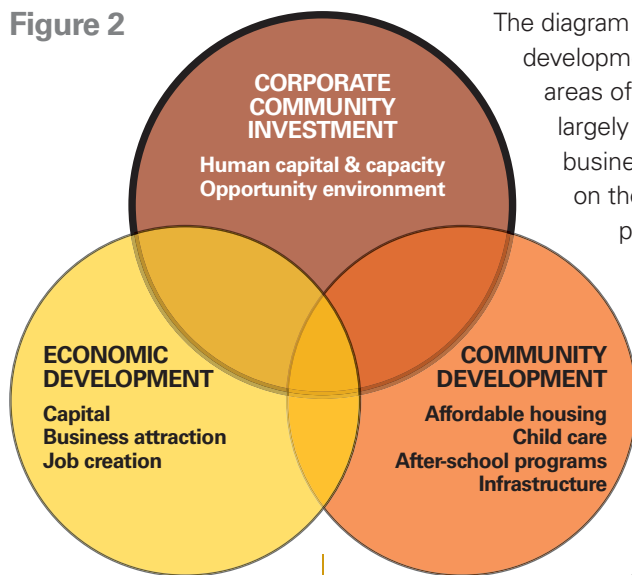
A quick survey of fewer than a dozen federal programs shows that the federal government spends \$36 billion on economic and community development and related drivers of community progress such as workforce development, housing, and supplemental education programs. This represents a sum large enough to make a business that sits at number 36 on the Fortune 500 list.

However, for all of the activity that government programs produce around the United States, there is a gap that only the business community is truly suited to fill. Public policy has not

yet tried to bring together trends in human capital development with economic development policy, nor has it figured out how to link development with business interest in recruitment and retention. Without business involvement, this likely will never happen or will happen so slowly that it will trail, rather than stay in front of, economic trends.

While no businesses believe they should bear the lion's share of responsibility for their communities' development, they do believe their role is unique. Figure 2 helps to characterize how CCI is related to, yet distinct from, current economic and community development practice.

Figure 2



The diagram is not meant to exhaustively capture all that each realm of development encompasses, but it does lay out in general terms the main areas of interest and responsibility for each. Economic development is largely focused upon attracting capital and businesses, starting new businesses, and creating jobs. Community development focuses on those essential community supports without which economic progress would be impossible or futile, such as more reasonably priced housing, programs for young people, and infrastructure. Obviously, the two areas of practice overlap. A local economic development council and a community development corporation, for instance, will both have an interest and a role to play in an infrastructure project intended to attract new businesses to a distressed part of town.

In the same way, businesses will always be engaged on projects that overlap with economic and community development initiatives. But businesses are unique in their specific interest in the development of people and the creation of an environment that makes the community competitive, attractive, and the kind of place people want to live and work.

Economic development officials may try to increase the overall productivity of their region, city, or town by fostering greater capital investment. Businesses may try to increase productivity beyond their own company walls by fostering greater investment in the local educational system as part of their CCI strategy. Each may also participate in the other's effort, but the business' distinct understanding of human capital formation and how to think strategically about it remains unique.

The future of CCI is dependent upon the degree to which the corporate community becomes even more intentional about investing in key drivers of social and economic progress, such as education, workforce development, financial literacy, and homeownership. But this is not all. CCI will be more or less successful depending on whether investment proceeds in a way that produces results that can be measured and tracked.

“ The future of CCI is dependent upon the degree to which the corporate community becomes even more intentional about investing in key drivers of social and economic progress. ”

Successful Investing

For companies hoping to achieve positive social outcomes through their corporate citizenship efforts, the opportunity to create the desired impact is likely to be greater by aligning their business and philanthropic objectives. A company that helps meet its own human capital needs by equipping residents of a nearby neighborhood with the training it needs will achieve broader social outcomes than if the company supports a single nonprofit in the neighborhood that meets basic needs. If this effort is done in conjunction with a broader economic development strategy to increase the community college's partnership with area businesses, the effects will be greater still.

Business and community leaders will eventually be able to assess the effects by accounting for such outcomes as the individual productivity of involved businesses, unemployment rates in the neighborhood, disposable income of residents, ownership of housing, and so on.

“Businesses have a significant role to play in establishing indicators of progress and applying the appropriate public pressure to see that they are tracked.”

In other words, a successful CCI strategy naturally leads to an accounting for results. Though progress in each community will look different, few would disagree that decreasing unemployment and increasing disposable income in a troubled neighborhood are desirable outcomes. And what is desirable as an indicator of progress should be measured or accounted for in some way.

A common objection to measuring progress is that it is simply too costly to do so. Some participants at BCLC's National Conference on Corporate Community Investment shared this view. While this is true of customized, highly detailed databases, much of what community leaders would want to track over time is publicly available. Measures such as homeownership rates, median income growth, crime rates, school test scores — these are accessible, although in some cases they are accessible only after the fact. But they are a good starting point for focusing objectives among community leaders.

Businesses have a significant role to play in establishing indicators of progress and applying the appropriate public pressure to see that they are tracked. Government programs are notorious for tracking inputs — and possibly outputs — without tracking real results. And there is little consequence when no measurable progress is attained with government resources.

For this reason, business leaders can demonstrate authentic leadership in a community by focusing public objectives on real, measurable goals. Figure 3 is a model for establishing indicators of progress. It is not meant to be definitive for all companies or communities. Rather, it is illustrative. Companies and their communities would need to adapt it to their own needs and realities for it to be useful.

Figure 3

Drivers of Community Progress	Human Capital & Capacity	Opportunity Environment
Types of Investments	Advanced Placement courses Mentoring Scholarships and other funding Alternative high schools Local niche training Public-private jobs partnerships	Financial literacy Down payment assistance Matched savings Property revitalization School partnerships Public safety initiatives
Indicators of Progress	Test scores Graduation rates College applications Median income Job numbers by industry, geography Public assistance rolls Unemployment Etc.	Savings accounts Homeownership rates Personal debt loads Personal housing cost/income ratio Crime rates Property values New business establishments Etc.

The drivers of community progress, which match those in Figure 3, are meaningless if they are not matched with carefully directed investments. It is important that investment strategies do not fall into the trap of so many corporate citizenship efforts that are based upon, in Professor Porter's words, "a generic rationale that is not tied to the strategy and operations of any specific company or the places in which it operates."¹³ Rather, the types of investments that are chosen should be based on a careful assessment of community needs, the value chain of the involved company (or companies), and how the company (or companies) can create economic and societal value.

Establishing the proper indicators of progress is always a challenge but absolutely necessary. Through partnerships with municipal authorities or local higher educational institutions, however, basic tracking methodologies with the best available data can be established at a lower cost than is often assumed. Companies do not have to build complex and expensive systems to track indicators and measure outcomes to be good corporate citizens. What matters most is that businesses establish as a value that they intend to track progress over time and evaluate future investment decisions in light of the results.

If businesses focus upon the drivers of community change with well coordinated strategies and clearly defined indicators of progress, the difference they can make in their communities is profound. And along the way, they will find their answer to The Question.

¹³ Porter and Kramer, p. 4.

Successful Investing

Corporate Community Investment Guiding Principles

1. No single company can address every community challenge. It is vital to develop business-to-business, business-to-government, and business-to-nonprofit relationships to leverage resources and address large-scale issues facing local communities.
2. Companies should take interest in increasing the competitiveness of U.S. communities in light of the changing landscape that includes globalization, demographics, the knowledge economy, and other trends.
3. Corporate community investors should focus consistently and clearly on the drivers of community progress such as human capital development, quality of life, sustainable infrastructure, a sense of community, and an environment of opportunity for people and businesses.
4. Because the knowledge economy is here to stay, investing in people should be at the forefront of any local economic development strategy.
5. Progress in a community is possible and it is measurable. Although it can be achieved through diverse strategies and investments, there is no excuse for avoiding the development of progress indicators and measures, and businesses should lead the way.

Corporate Community Investment Programs

In this report we have presented two broad areas of focus for corporate community investment: building human capital and capacity and creating an opportunity environment. We have identified these two types of investment because they focus on the needs of both the community and the company, allowing corporate citizenship programs to offer societal and economic value.

The following section brings the two corporate community investing strategies to life.



Courtesy of Freddie Mac

Human Capital and Capacity

CreateHope

Empowering Teachers and Students through Adopt-A-Classroom Partnership

Deloitte & Touche USA LLP (Deloitte)

Partnership with College Summit to Increase College Enrollment

Ford Motor Company Fund

Ford Partnership for Advanced Studies

HSBC–North America

Partnership to Improve College Preparatory Education

PNC Financial Services Group

PNC Grow Up Great Program for Pre-K Support

Siemens Foundation

Inspiring the Next Generation of Scientists and Engineers

Verizon Foundation

Thinkfinity

CreateHope

Empowering Teachers and Students

Partners: Adopt-A-Classroom

Many CreateHope corporate clients understand the challenges facing primary and secondary education in the U.S. and are looking for timely and innovative ways to help make a difference. However, previous attempts to invest in specific schools or classrooms did not provide the desired transparency about how company and employee donations were being used.

The Program

CreateHope formed a partnership with Adopt-A-Classroom, a nonprofit organization working to increase opportunities for student success by providing teachers with funds to purchase resources for the classroom. The partnership supports and promotes meaningful and engaged workplace-giving opportunities in the area of education.

The partnership enables companies and their employees to directly support teachers and classrooms across the country. By adopting a specific classroom, donors provide both financial support and encouragement for the teacher and students. The process ensures that every dollar donated is received by the teacher and has maximum impact on the classroom.



CreateHope's partner, Adopt-A-Classroom, allows companies to offer financial support to teachers to purchase items for their classrooms.

CreateHope and Adopt-A-Classroom offer the following system to companies participating in the partnership:

1. Donor selects a classroom: Each employee selects a classroom and makes a contribution, either one-time or recurring, via the company's GivingStation®, an online employee community involvement portal developed by CreateHope. If a donor does not designate a class, Adopt-A-Classroom matches the donor with an underserved classroom in the community.
2. Donation directed to the classroom: Contributions are deducted from the employee's paycheck, and the donated amount and any associated company matching funds are distributed to Adopt-A-Classroom. Adopt-A-Classroom directs 100% of the funds received in the form of an online credit to the designated classroom teacher.
3. Ordering classroom resources: The teacher uses the credit to shop online from a network of affiliate vendors. The teacher has full discretion to purchase resources that meet student needs and increase opportunity for classroom success.
4. 100% accountability and transparency: Adopt-A-Classroom sends each donor an "Impact Report" that details, item-by-item, dollar-for-dollar, what the teacher purchased with the donation.
5. Corresponding and interacting: Donors and teachers communicate throughout the school year, so donors can learn about the difference they have made in the lives of the students. In most instances donors receive thank-you packages, artwork, and other student-created projects. Donors may choose to support the classroom in ways beyond the financial contribution, such as visiting the classroom, chaperoning field trips, and other activities that are coordinated directly between donor and teacher.
6. Lasting relationship: As donors participate in subsequent years, they not only enjoy the cumulative



These students and teacher thanked Jones New York, an Adopt-A-Classroom partner.

effect of their efforts with each new class of students, but also develop a lasting and meaningful relationship with the classroom teacher.

Community Impact

Since the program's launch in May 2007, six companies have included Adopt-A-Classroom as part of their employee workplace-giving program. In only four months, nearly \$250,000 in employee donations and corporate matching funds have been pledged to teachers in more than 500 classrooms nationwide.

By the end of 2007, the number of companies participating in the program is expected to grow to 10 or more, which will greatly increase the community reach and impact.

The Difference CreateHope Makes

While the joint initiative is new, anecdotal reports from teachers working with Adopt-A-Classroom give a glimpse into expected outcomes for this program. Said one teacher, "The Adopt-A-Classroom program has had a major impact on my classroom and my school. Over 90% of our student population lives below the poverty level. Our needs are many. We now have a beautiful, up-to-date globe, headphones for our reading program, and guided reading materials that we desperately needed. We are extremely grateful!"

Why CreateHope Is Involved

CreateHope partnered with Adopt-A-Classroom to address the interests of corporate clients that wanted to ensure student success and help develop the workforce of tomorrow. This initiative is part of a broader network of programs initiated by CreateHope to facilitate workplace giving and volunteering programs across the country and internationally.

CreateHope's Lessons Learned

The biggest lesson learned to date has been timing of donation fulfillment and distribution. Delays in fulfillment of donations via payroll, and the subsequent timing of the distribution of eligible corporate matching funds, may result in funds reaching the classroom at the end of the school year or over the summer. While these funds will still be available for the teacher at the beginning of the school year, the impact on current students is minimized. As a result, CreateHope works closely with corporations implementing the program to advise them as to the timing of their giving program, and the impact this may have.

Deloitte & Touche USA LLP (Deloitte)

Partnership to Increase College Enrollment

Partner: College Summit

A college education is a determining factor in professional success. According to the U.S. Census Bureau, American workers with a bachelor's degree earn nearly \$1 million more over their lifetime than those with just a high school diploma. Thus, higher education can be an effective way to break the cycle of poverty.

Yet every year, nearly 200,000 college-capable high school graduates from low-income families do not enroll; they do not even submit applications. The fact is, low-income students who get A's on standardized tests go to college at the same rate as their higher-income peers who get Ds on the same tests. Not only is this a socially deplorable situation, it is also unacceptable from a business perspective. In a tight labor market reliant on diverse talent, corporate America, and Deloitte, cannot afford this loss.



A Deloitte employee, James Luna, volunteered with a College Summit student at a college essay writing workshop in summer 2007.

The Program

Deloitte has teamed with College Summit, a national nonprofit organization focused on closing the gap in college access for low-income students, to address many of the factors that contribute to this complex social problem and, ultimately, to increase the rate at which college-capable high school students from low-income families apply to and enroll in college.

One such factor relates to measurement. Because high schools are not measured by the number of students they send to college, students and their parents are missing a critical measure when they evaluate overall high school performance. Deloitte believes that one of the most effective ways to increase college enrollment rates is to make them more measurable and visible in communities.

Current systems that measure college enrollment rates are inefficient and not scalable. Some are based on surveys and self-reported data, students' intentions, or other subjective metrics; others utilize objective data — from college registrars, for example — but are manual and expensive. A West Virginia database might work well within that state, but has difficulty tracking students who enroll out-of-state. And even the most sophisticated systems do not adequately protect student privacy.

Based on these findings and given Deloitte's deep knowledge and experience in developing complex measurement systems, a key focus of the company's relationship with College Summit is to contribute a consulting team that is working jointly with College Summit on a pro bono basis to change the way high school performance is measured.

Deloitte's support of College Summit includes:

- Pro-bono support, through a team that is developing a scalable database capable of accurately measuring and reporting district-wide college enrollment rates
- A skills-based volunteering program, through which more than 40 employees served as writing coaches

and spent four intense and meaningful days on campus throughout the summer of 2007 to help students create college application essays

- Nonprofit board service, with U.S. CEO Barry Salzberg contributing his leadership as a member of the College Summit national board and other Deloitte partners contributing locally in the same way
- Capacity-building philanthropy through a financial contribution in excess of \$600,000

All told, Deloitte's support is valued at more than \$2 million.

Community Impact

College Summit works with schools and districts in 10 states and since 1993, has supported more than 20,000 high school students in navigating the college application process. It has also trained more than 700 teachers and counselors, providing the skills, curriculum, and tools that have helped its partner schools achieve double-digit increases in college enrollment.

"Our goal is to redefine how high schools measure success. We're working with Deloitte to change the perception that high school graduation is a destination; it should be seen as a launch pad for a brighter future," said J.B. Schramm, founder and CEO of College Summit. "Deloitte's problem-solving expertise and volunteer passion are helping College Summit advance to the next level."

Why Deloitte Is Involved

Deloitte was inspired to work with College Summit because the organization has not only identified the fact that there is a huge gap in terms of college access for low-income students in this country, it also provides districts and schools with a proven, scalable strategy and tools to transform college-going throughout the district — resulting in proven outcomes and deep social impact. By equipping students, teachers, counselors, principals, and administrators alike, College Summit builds the capacity, expectation, and excitement for change at all levels. Deloitte was also



Partnering with College Summit allows Deloitte employees to contribute their intellectual capital and help increase college enrollment rates.

motivated to work with College Summit because it offered the opportunity to contribute its intellectual capital in an integrated way.

Deloitte's Lessons Learned

An important lesson is that, while financial donations are important, Deloitte's most valuable asset is its employees' brain power. Deloitte can make the most significant and lasting impact by contributing business knowledge and experience to help build the capacity of an organization like College Summit.

An equally important lesson is that in order to develop and sustain a supportive relationship that goes beyond cash philanthropy, Deloitte must choose nonprofit partners that are relevant to its business. For example, the need for a strong and diverse pipeline of high-achieving, well educated knowledge workers is part and parcel to Deloitte's core business. As a result, the company's support of College Summit drives strategic business value that makes the philanthropic support more sustainable.

Ford Motor Company Fund

Ford Partnership for Advanced Studies

Ford Motor Company Fund's signature education-based program, the Ford Partnership for Advanced Studies (Ford PAS), prepares students for success in college and careers in today's global knowledge economy. Started in 2004 with assistance from the Education Development Center (EDC) and other subject-matter experts, Ford PAS is a rigorous, 15-module high school curriculum recommended for grades 9–12. The PAS curriculum is taught by certified high school teachers — trained by Ford PAS — in 150 sites across 23 states, exposing students to business, technology, engineering, design, alternative energy, and economics while simultaneously helping them to develop skills in problem-solving, critical thinking, team work, and communication.

The Ford PAS curriculum is aligned with national and state high school standards in English language arts, social studies, mathematics, science, business education, and educational use of technology. Ford PAS is available to any high school or other youth-serving organization throughout the United States wishing to implement all or part of the program. It has reached more than 20,000 students since its launch and in 2007, received the first-ever Public-Private Partnership Award from the National Governors Association.

The Program

Every module in Ford PAS requires the completion of a cooperative, hands-on team project. Role plays, simulations, and presentations are also common learning activities, as are coordinated learning experiences (CLEs). CLEs connect students to professionals, organizations, and community resources that are directly related to the curriculum. Implementation of the Ford PAS program includes the coordination of a Business Education Advisory Council (BEAC), comprising representatives from businesses, community organizations, and higher education who lend support for classroom instruction and host CLEs.

One institution with which Ford PAS partners is the Advanced Technology Academy (ATA) in Dearborn, Michigan, a charter school with 400 students and 23 teachers. As part of the Ford PAS curriculum, ATA students heard from a

guest speaker from Lear Corporation about how statistics are related to the Six Sigma approach to quality assurance. They were also shown how Young & Rubicam's creation of advertisements for Ford Motor Company involves the same research, math, and strategic planning skills that they are learning in school.

In addition to a comprehensive teachers' manual for each module, Ford PAS supports teaching and learning through a variety of assessment tools, videos, online simulations, skill resource and audio libraries, and links to relevant software applications and Web sites. These resources are available through the Ford PAS Web site, along with information about college scholarships and other opportunities for students and chances for teachers and program coordinators to network with each other.

Professional development opportunities for teachers are offered by Ford Motor Company Fund, as well as by local, state, and regional educational partners that support Ford PAS implementation. In addition, staff from the Ford Motor Company Fund provides technical assistance to local programs via email and telephone.

Community Impact

Ford PAS intends to help students achieve cognitive and interpersonal outcomes both immediately and in the long term. In the case of ATA, there is strong evidence of positive student outcomes including:

- Preparation for college and career orientation: ATA administrators reported that every graduating senior at ATA was accepted to a college. Students were unanimous in their comments that Ford PAS taught them about new careers or helped them refine their existing careers interests. Teachers reported seeing student growth in college-related skills such as producing a high-quality, college-level paper.
- Research and problem-solving skills in a real-world setting: Ford PAS taught students how to process information, to make data understandable, and to



Michigan Governor Jennifer Granholm (r.) presented the Ford Motor Company the first Public-Private Partnership Award by the National Governors Association. Accepting the award were Cheryl Carrier and Ziad Ojaki.

solve business-related problems. Student projects are reality-based, dealing with situations such as customer service issues or the viability of starting a business in another country. Some students saw disassembled automobiles at Ford Benchmarking Facility's reverse engineering laboratory. Students also completed an assignment to reverse-engineer a common household item, such as a blender or cell phone.

- Increased motivation to be successful: Some teachers, administrators, and students reported that completing the rigorous Ford PAS curriculum makes students believe they can accomplish "something big," and that this is motivational. Some teachers and administrators believe that Ford PAS convinces students that they need more than a high school education and pushes them to ask "why" and develop their curiosity.

The Difference Ford Makes

"Ford PAS shows how companies can work with states and communities to prepare today's young people for success in tomorrow's workplace. As Ford undergoes its own transition to better compete in the global economy, I commend Ford's leaders for engineering a solution to aggressively cultivate 21st century job skills in Michigan and across the nation," said Michigan Governor Jennifer Granholm.

Why Ford Is Involved

The United States — and Ford Motor Company — will not remain competitive if today's students are not better engaged in STEM (science, technology, engineering, and math) education. Ford is helping to ensure that students are prepared for the workforce with 21st century skills: communication, critical thinking, problem solving, adaptability, lifelong learning, technology and financial literacy, innovative and creative thinking, and teamwork.

Ford's Lessons Learned

In the course of development and implementation of Ford PAS, it is increasingly clear that we must look for ways to allow students to be innovative and creative. Innovation and creativity are what made this country prosperous. As Henry Ford once said, "If I had asked my customers what they wanted, they would have said a faster horse." We are losing students who are learning their core academics in traditional ways. Ford sees Ford PAS as an opportunity to engage students, provide them the opportunity to develop the critical 21st century skills required by employers, and allow them to develop their curiosity for continuous growth and improvement.

HSBC–North America

HSBC–Cristo Rey Partnership to Improve College Preparatory Education

Partner: Cristo Rey Network

A survey showed that for every 100 high school students in the United States who begin ninth grade, 67 finish high school in four years, 38 go to college, and 18 earn associate degrees in six years. (Mortenson, T. [2000]. NCES-IPEDS graduation rate survey. Postsecondary Education Opportunity.)

HSBC–North America, one of the top 10 financial services companies in the United States, partnered with the Cristo Rey Network to support their education model. This model subsidizes college preparatory education to students in Cristo Rey Network high schools and supports students who work at businesses or community-based nonprofit organizations. The organizations benefit from the employment of student workers underwritten by HSBC.

The Program

The Cristo Rey Network is a national system of secondary schools that provides college prep education to young people in distressed urban environments. More than 92 percent of the students attending Cristo Rey schools are minorities, and the median family income is \$33,051.

The signature component of the Cristo Rey model is a work-study program in which all students share entry-level clerical jobs at businesses, funded by the corporations. The program allows students to earn a significant portion of the cost of their education and provides them with real-world job experience.

HSBC's relationship with individual Cristo Rey Network schools began in 2003, initially supporting scholarships. In 2005, HSBC expanded its support of Network schools throughout the United States, becoming the organization's first national corporate partner.

The HSBC–Cristo Rey Partnership also supports student workers at multiple nonprofit organizations, including the American Cancer Society, National Council on Economic Education, Teach for America, and Junior Achievement.



Cristo Rey students are asked not *whether* they are going to college, but *where*.

Community Impact

Cristo Rey Network students are asked not whether they are going to college, but where they plan to pursue their post-secondary studies.

Recognizing the benefits of higher education, more than 96 percent of the Cristo Rey Network's class of 2006 went to college and 98 percent of the class of 2007. The average daily attendance rate at school was 97 percent. Because of these results, the program receives a 90 percent corporate sponsor renewal rate each year, and students are also enthusiastic about the program.

Liz Brucks, director of special projects at Teach for America Chicago, praises students from Cristo Rey Jesuit High School of Chicago who work in her department: "They approach each of their tasks with a remarkable sense of ownership. They are a valuable part of the Teach for America team, and we enjoy working with each of them."



Cristo Rey's work-study model allows students to earn income for their education and to obtain real-world job experience.

In addition to HSBC's support of Cristo Rey's work-study model, HSBC employees also volunteer in various initiatives with Network schools.

An executive from HSBC is on the board of directors of Cristo Rey Jesuit High School in Chicago, and more than 250 employees have participated in many volunteer projects such as teaching classes, setting up computers, assisting students with college applications, and beautifying school grounds.

The Difference HSBC Makes

The partnership with HSBC benefits both the students and the nonprofit organization, according to Cristo Rey Network President John P. Foley, S.J.

"Our students pay for their education with their job, learn about the critical work done in the nonprofit sector, and contribute to an organization that is making an enormous difference in people's lives," said Father Foley. "The nonprofit organizations where our students work are able to have an even greater impact on the local community."

"The best part of my job is that I get to learn more about entrepreneurship," said Maria Martinez, a Cristo Rey New York student. "I would recommend working at NCEE to my fellow students because you learn about things that really matter in our community."

Why HSBC Is Involved

The HSBC–Cristo Rey Partnership is one of HSBC's major education initiatives in the United States, complementing the company's scholarship programs that serve 1,800 students annually, its national partnership with Junior Achievement reaching 100,000 children, and the "Institute on the Environment and the Economy" offered in collaboration with the Foundation for Teaching Economics.

www.hsbcusa.com/ourcompany

“ The signature component of the Cristo Rey model is a work-study program in which all students share entry-level clerical jobs at businesses, funded by the corporations. ”

PNC Financial Services Group

PNC Grow Up Great Program for Pre-K Support

Partners: National Head Start Association, Family Communications, Inc., and Sesame Workshop

Many children who enter kindergarten are not prepared to learn. The research of Dr. James Heckman, a Nobel Laureate economist from the University of Chicago, reveals that productivity growth in the U.S. attributable to education will be cut in half over the next 20 years if action is not taken to reduce the number of functionally illiterate and innumerate individuals in the nation's workforce.

The PNC Financial Services Group shares these concerns and recognizes that an economic investment in the workforce of tomorrow makes sound business sense. In 2004, PNC launched PNC Grow Up Great, a 10-year, \$100 million investment to prepare children from birth to age five, with a focus on underserved children, for success in school and life by helping to ensure that they enter kindergarten ready to learn. PNC formed a cross-functional senior leadership team to develop a strategic program that includes grant-making, volunteerism, advocacy, and awareness.



PNC Volunteer Cheryl Johnson works with preschoolers at the YMCA North Philadelphia Head Start.

The Program

PNC Grow Up Great and PNC Crezca con Éxito, its Spanish-language equivalent, form the most comprehensive corporate-based school-readiness program in the nation. The program is committed to helping produce stronger, smarter, and healthier children, families, and communities. PNC partnered with three credible national nonprofits to implement the program: the National Head Start Association; Family Communications, Inc., producer of Mister Rogers' Neighborhood; and Sesame Workshop, the nonprofit educational organization behind Sesame Street.

The company also recruited a multidisciplinary Advisory Council of 13 national leaders in early childhood education to provide strategy, recommend partnership and advocacy opportunities, and serve as spokespeople for PNC Grow Up Great.

PNC established a first-ever competitive grants process for Head Start to fund new models of achievement. The PNC Foundation provided grants of up to \$50,000 per year, renewable for up to three years, for 17 "Head Start Demonstration Projects." To date, more than \$6.5 million in grants has been awarded to Head Start and other organizations that support early childhood education.

PNC linked volunteerism to the Head Start partnership by providing employees a 40-hour per year paid volunteer time policy as part of its 10-year goal of contributing 1 million volunteer hours to early childhood education. A "Grants for Great Hours" program was instituted to provide grants from \$1,000 to \$3,000 to centers where employees volunteered approved hours over a 12-month period. To boost senior-level participation, the company instituted the Executive Volunteer Program tailored for busy professionals.

PNC also launched a print and broadcast public service advertising campaign and developed collateral and Web-based materials for parents and educators, including Sesame Workshop-produced Happy, Healthy, Ready for School kits available in both English and Spanish. A dedicated Web site, www.pncgrowupgreat.com, provides

information for parents and educators, including “101 Great Tips” for turning everyday activities into learning opportunities for children.

Community Impact

Some of the Head Start Demonstration Projects have produced exceptional results since their launch, and best practices are now being used to guide development of future early childhood education demonstration projects.

In less than three years, 22 percent of PNC’s employees have volunteered through the PNC Grow Up Great program and more than 48,000 volunteer hours have been logged at early childhood education centers. PNC’s internal communications campaigns around volunteerism resulted in PNC staff becoming National Head Start’s largest volunteer force.

More than 250,000 Happy, Healthy, Ready for School kits have been distributed and have received a 96 percent favorability rating from parents and educators.

The Difference Grow Up Great Makes

Denise Anthony from Pittsburgh said, “When my son Micah entered kindergarten, not only was he ready, he was not challenged at all because he already learned everything at the Council of Three Rivers American Indians Center Head Start. With the PNC grant, they were able to extend the science program, providing an even better curriculum. Keep up the great work. Our society as a whole will reap the benefits.”

Why PNC Is Involved

A correlation exists between the opportunities for success for children and the economic health of a community. Knowing that PNC is only as strong as the communities in which it operates, the company sought to affect meaningful change through PNC Grow Up Great. It is an outgrowth of extensive research and considerable employee input, and



PNC employees constructed a new library for preschool children at the Chester County Head Start Center in Coatesville, Penn., during United Way Day of Caring.

represents the company’s investment in an issue of major importance in the communities served.

In addition, the initiative complements PNC’s strategic approach to philanthropy by infusing passion, relevance, and leadership into PNC’s brand. PNC Grow Up Great has differentiated the company in the eight states and District of Columbia in which it operates. Program communications have helped establish the PNC brand among diverse audiences as well, particularly among Spanish-speaking communities.

PNC’s Lessons Learned

Through the leadership of PNC Chairman and Chief Executive Officer Jim Rohr, the issue of school readiness has captured the attention of business leaders around the country. By integrating PNC Grow Up Great into the company’s core business strategy, PNC has shown that a bank can successfully play a leadership role in issues that are critical to shaping a positive future for communities — enabling all children not just to grow up, but to grow up great.

Siemens Foundation

Program to Inspire the Next Generation of Scientists and Engineers

Partners: The College Board, Thurgood Marshall College Fund, United Negro College Fund

As one of the world's leading engineering and technology companies, Siemens has long recognized the importance that innovation plays in staying competitive in the global economy. Without enough highly skilled and qualified scientists, mathematicians, and engineers, we would be unable to make advancements in the technologies that we have today. It is imperative to keep up with the growing global demand for these minds if the United States is to retain its competitive edge in the global arena.

The Program

Consequently, Siemens has undertaken efforts to encourage and challenge students to become excellent in the subjects that will help keep America competitive. For example, the Siemens Awards for Advanced Placement and the Siemens Competition in Math, Science, and Technology reward students who pursue studies and excel in the fields of math and science.

Through the Siemens AP Awards, a \$200,000 program first started in 1998, a \$2,000 scholarship is presented to the one male student and the one female student from each state who has scored the highest on math and science AP exams. In addition, one male and one female student are selected as national winners, each of whom receives a \$5,000 scholarship. The Siemens AP Award also recognizes

teachers and high schools making significant strides in AP. One teacher is selected as Siemens National AP Teacher of the Year for dedication to the AP program both inside and outside the classroom.

The Siemens Competition in Math, Science, and Technology, also launched in 1998 and administered by the College Board, is the nation's premier science and math research competition for high school students. Siemens awards approximately \$750,000 in scholarships annually to students through this competition.

This past year, 1,660 students entered the competition. Entries are judged at the regional level by esteemed scientists at six leading research universities: Carnegie Mellon University, University of Notre Dame, California Institute of Technology, Massachusetts Institute of Technology, Georgia Institute of Technology, and University of Texas at Austin.

The competition provides high school students and schools an opportunity to achieve national recognition for original math, science, and technology research projects. National individual and team winners receive scholarships ranging from \$10,000 up to a top prize of \$100,000. Schools receive a \$2,000 award for each individual or team project selected as a regional finalist.

While these are truly extraordinary students, their achievements would not be possible without the dedication and mentoring provided by their teachers and schools. To ensure that our nation continues to have excellent teachers, Siemens awards grants not only through the Siemens Awards for Advanced Placement but also through the Siemens Competition. The competition recognizes schools with a \$2,000 award for each project that makes it to the regional finalist level.

To encourage students who are studying to become math and science teachers, Siemens established partnerships with the United Negro College Fund and the Thurgood Marshall College Fund to award scholarships to students at the nation's historically black colleges

“ To ensure that our nation continues to have excellent teachers, Siemens awards grants not only through the Siemens Awards for Advanced Placement but also through the Siemens Competition. ”



Dmitry Vaintrob from Eugene, Oregon, is the 2006–07 Western Region Silver Medal Winner in the Siemens Competition in Math, Science, and Technology.

and universities (HBCUs). As bachelor degrees awarded in science, technology, engineering, and math decline, HBCUs play a vital role in meeting America's need to increase and diversify science professionals. A 2005 report by the Southern Education Foundation found that black colleges in the South are producing close to one-fourth of the entire nation's African-American college graduates in the sciences.

Community Impact

To provide an idea of just what it takes to win the Siemens Competition, the most recent winning team, made up of Steven Arcangeli, Scott Horton, and Scott Molony from Oak Ridge High School in Tennessee, entered a project that may one day provide a tool that could enable scientists to genetically engineer bacteria that would cost-effectively turn plant matter into ethanol used to fuel automobiles. The previous year's winner, Michael Viscardi, solved the nineteenth-century Dirichlet problem, which can be used to calculate the amount of heat at any point across the surface of an object.

By supporting outstanding students today, and recognizing the teachers and schools that inspire their excellence, the Siemens Foundation helps nurture tomorrow's scientists and engineers.

The Difference Siemens Makes

Leigha Ann Morris, a freshman at Saint Augustine's College and a 2007 Siemens Teacher Scholarship recipient, said, "This scholarship will help me to reach

my goal of teaching, which will not only bring minority representation to the field of math and science, but also inspire others to follow in my footsteps."

About the 2006–07 Siemens Competition finalists, U.S. Secretary of Education Margaret Spellings said, "These students represent the best of America's spirit of entrepreneurship and innovation. They're terrific role models for all of us, and I hope students around the country will be inspired to follow their lead."

Why Siemens Is Involved

Without focusing on the next generation of scientists, mathematicians, or engineers, how can we be sure that someone will be able to develop the next life-saving cancer therapy equipment? Or ensure that we can meet the growing demand for energy with the most efficient and environmentally friendly technology? Or provide enough clean drinking water for our families? Or develop more advanced building technologies to give us the peace of mind that we are living and working in the safest buildings?

Siemens is committed to the future and to those who will create it.

Lessons Learned

As Benjamin Franklin pointed out, "Investment in knowledge pays the best interest," and we need to make sure that we are investing heavily in our students. They are the future of our nation. The better we prepare them today, the more our nation will advance tomorrow.

Verizon Foundation

Thinkfinity

Partners: American Association for the Advancement of Science, National Center for Family Literacy, National Council of Teachers of English, National Endowment for the Humanities, International Reading Association, National Council on Economic Education, Smithsonian – National Museum of American History, National Council of Teachers of Mathematics, National Geographic Society, ProLiteracy Worldwide, and the John F. Kennedy Center for the Performing Arts

Technology has revolutionized how we live, learn, and work. To participate in today's knowledge economy, people need a level of literacy and education that is unprecedented in history. The Verizon Foundation is a leading supporter of innovative, technology-based approaches to literacy and K–12 education, delivering online learning resources for teachers, students, and nonprofit organizations.

The Program

Thinkfinity is the cornerstone of the Verizon Foundation's literacy, education, and technology initiatives. This free, comprehensive digital learning platform is built upon the merger of two highly acclaimed programs well-known to educators: the program formerly known as Verizon MarcoPolo and the Verizon Literacy Network.

Thinkfinity is designed to improve learning in traditional settings and outside of the classroom by providing high-caliber content and professional development that helps improve student achievement — anytime, anywhere, at no cost.

Thinkfinity.org contains more than 55,000 authoritative educational and literacy resources for teachers, students, and community programs, including standards-based K–12 lesson plans, student materials, interactive tools, and Web sites. Through Thinkfinity's collaboration and work, the highest-quality standards- and research-based educational and literacy resources are delivered.

The program also includes a comprehensive professional development series that prepares educators to

incorporate Thinkfinity's resources into their instructional settings for the maximum impact. A rollout network of select states and national education and literacy organizations ensures the broadest possible reach for these valuable resources and services.

The Impact

By June 2007, more than 236,000 educators in public school districts had been trained to use Thinkfinity.org. *Edutopia* magazine readers rated Thinkfinity.org the best Web site to download free lessons.

One example of the impact Thinkfinity.org has had is from teacher Michelle Irwin, who did not want her 4th grade students from San Francisco, California, to think of George Washington Carver only as the name of their school. She wanted them to know the man who created everything from peanut butter to linoleum.

To help with her task, Irwin pulled information and pictures of Carver and other African-American inventors and doctors from Thinkfinity.org. There, Michelle found



The Verizon Foundation's Thinkfinity initiative helps improve student learning in traditional settings and outside of the classroom.



Thinkfinity.org is recognized as the best Web site for educators to download free lessons.

photos of Carver and medical pioneer Dr. Charles Drew (who also has a namesake school in San Francisco). She printed out and hung the pictures on a bulletin board outside her classroom.

When her classroom activities moved to the computer lab, she provided a link to the educational resources of every student, who then went online to research a short paper she asked them to write. “The lesson helped the students on many levels. Students learned how to do research online, paraphrase, and cite information, while also getting a sense of pride about the man their school is named after,” Irwin said.

The Difference Verizon Makes

Denise Smesny, an instructional technology specialist in the Goose Creek school district in Baytown, Texas, said, “In Goose Creek, I have trained many teachers over the last five years. Without exception, our teachers are amazed at the superior educational resources provided at no cost from Thinkfinity. In most cases, the teachers leave training and go back into the classroom the following day with new and exciting lessons and interactive activities for their students. Goose Creek is

currently rolling out two technology initiatives: the NOVA 5000 1:1 student computing device and Mobile Learning Labs. Thinkfinity provides instant lessons and student interactive activities for these devices. Verizon has given all teachers and students the gift of a quality online curriculum tool for enhancing education.”

The Lessons Learned

Verizon has learned that its programs to serve the social needs in its communities are most effective when they stem from what Verizon does best — technology. By leveraging its core business and finding partners with complementary expertise, Verizon has been able to put its expertise and innovation to work for the benefit of teachers and students across the country.

Why Verizon Is Involved

The Verizon Foundation believes it is critically important that children are offered the educational resources they will need to compete in the global economy. By providing students with interactive learning tools and offering teachers top-quality lesson plans, Thinkfinity is helping ensure our children will have the skills to compete.



Courtesy of Entergy Corporation

Opportunity Environment

Accenture and Accenture Foundation

Building Capacity in Nonprofit Organizations

AltruShare Securities

Unique Community Investment Model: Nonprofit Ownership of For-Profit Brokerage Firm

CVS Caremark

Workforce Development: Building Partnerships, Achieving Results

Dow Chemical Company

Contributing to Community Success in Mid-Michigan

Erickson Retirement Communities

Sharing Our Gifts, Celebrating Life

Health Care Service Corporation

Care Van Program

IBM

The Small Business Toolkit

KPMG LLP

Reviving Baseball in Inner Cities — Going to Bat for America's Youth

Safeway Inc.

Prostate Cancer Awareness Program

Accenture and Accenture Foundation

Building Capacity in Nonprofit Organizations

Partner: Louisiana Association of Nonprofit Organizations (LANO)

In response to Hurricane Katrina, Accenture's leadership team asked, "How can we respond to promote recovery from this emergency and in light of future emergencies? What can we do to help "the helpers" — those local organizations that are critical to long-term recovery? How can we create a sustainable impact? How can we make the greatest impact?"

As an answer to these important questions, Accenture chose to give back to the Greater New Orleans area in a way that would deliver meaningful value and widespread impact to the disaster-stricken community. With a \$600,000 contribution, Accenture helped the Louisiana Association of Nonprofit Organizations (LANO), a statewide nonprofit network, to design and launch the New Orleans Nonprofit Central resource cooperative. Nonprofit Central's goal is to provide basic operations and technology services to nonprofits of all sizes in the Greater New Orleans region post-Hurricane Katrina.

The Program

Accenture's donation, comprising a cash gift of \$62,000 from the Accenture Foundation and approximately \$538,000 in in-kind consulting and related services, leverages the management, technology, and outsourcing expertise of its people. Accenture's contribution is used by LANO to assist its more than 170 New Orleans-based nonprofit organization to more effectively fulfill their missions.

Accenture has been working with LANO since December 2005, initially developing a post-Katrina strategic plan and more recently helping to formulate the Nonprofit Central concept through project management, organization and process design, and technology. Accenture also helps LANO coordinate support across the coalition of service providers, with each service provider offering specific areas of expertise, such as financial, operational, marketing, service delivery, volunteer management, and client referrals.

Community Impact

As a result of the LANO-Accenture partnership, LANO has:

- Provided essential services to returning New Orleans residents
- Redefined its services to meet the needs of New Orleans area citizens
- Utilized best practices in nonprofit management and leadership
- Collaborated and partnered in new, needed ventures
- Increased financial security and sustainability
- Assisted in creating a region where citizen participation and leadership are valued

The Difference Accenture Makes

Melissa Flournoy, LANO's chief executive officer, said, "LANO appreciates the strategic leadership of Accenture in our efforts to re-energize and support the nonprofit sector in New Orleans. I'm really pleased that Accenture has invested a great deal of time and talent and resources to help us rethink our own business model. The future is really much brighter because of the business acumen and leadership that Accenture and the Accenture people have brought to the conversation."

Accenture senior executive Allen Gaudet was personally affected by Hurricane Katrina. In addition to providing his time to LANO on the Nonprofit Central project, Gaudet was recently asked to join the LANO board of directors.

"I am grateful for Accenture's generosity in helping LANO and other nonprofit organizations re-establish their presence in the New Orleans area," he said. "There is so much work to be done, but I am confident the region will thrive once more as a result of collaboration between the private and nonprofit sectors."



Accenture's support of the Louisiana Association of Nonprofit Organizations (LANO) is a key contribution to the long-term hurricane recovery of the greater New Orleans region.

Why Accenture Is Involved

The people who work at Accenture are passionate about making a difference in the communities where they work and live. As a company, Accenture is committed to ensuring its philanthropic investments continue to do good in its communities. To that end, Accenture supports its people's passion to bring lasting, positive change to communities. Accenture's people bring to their corporate citizenship efforts the same principles of high performance that they apply to their work with clients.

Accenture's Lessons Learned

Through its work with LANO, Accenture has furthered its learning about the importance of corporate citizenship and giving back to the broader communities it serves. In addition, its work with LANO reinforced its commitment to leveraging employees' time and talents. Creating a channel for its people to work with established civic organizations resulted in sustainable impact. As a company, Accenture continues to encourage its employees to think broadly about where they can apply their skills and talents to address the needs of the community.

AltruShare Securities

Unique Community Investment Model: Nonprofit Ownership of For-Profit Brokerage Firm

Partners: Tides Foundation and Underdog Foundation

While many of today's community investment programs focus on real estate investments, such as low-income housing, there is still a need to find innovative solutions to the array of challenges that communities face. Often what prevents more effective and holistic community investment is a lack of information about communities' situation and needs.

AltruShare is the first nonprofit-owned institutional brokerage firm specializing in community investment. AltruShare offers its clients the opportunity to integrate corporate social responsibility into the investment process without limiting investment choices or return — the company's business model allows two-thirds of its profits to be allocated to a fund that supports two community partners with proven experience in community-based investment.

All things being equal, AltruShare believes that institutional investors will choose to transact through a firm whose profits support the communities in which they operate.

The Program

A majority (two-thirds) of AltruShare's ownership has been donated to the AltruShare Opportunity Funds, which benefit local community programs dedicated to youth development, education, and economic opportunity. These funds were created to provide a sustainable source of research and support for the underserved communities in the states in which AltruShare operates. As AltruShare's profit increases, so will its stake in investment initiatives in the communities where it operates.

A portion of AltruShare's research is in the form of in-depth needs and opportunities analyses in various low-income communities. So far, it has conducted analyses of dozens of communities in California, Connecticut, Massachusetts, New York, Ohio, and Pennsylvania. This

research helps AltruShare determine the most efficient and effective ways to reinvest in these communities.

In addition, AltruShare sponsors research on corporate community investment within specific industries.

After conducting a national six-month search for nonprofit partners to participate in its innovative business model, AltruShare selected the community foundations Tides (San Francisco, Calif.) and Underdog (Island Pond, Vt.) to help it determine the best way to reinvest its profits in its local communities. Combined, the two foundations have 40 years of experience in community-based philanthropy and investment.

“ All things being equal, AltruShare believes that institutional investors will choose to transact through a firm whose profits support the communities in which they operate. ”

Tides Foundation has 30 years of experience in community-based philanthropy and has assisted AltruShare in some of the needs-assessment analysis it has conducted.

Underdog Foundation brings the unique expertise of customized community venture capital funding, integrating socially responsible investment, community development finance, and philanthropic components.

Community Impact

Last year AltruShare provided Hale House of Harlem, New York, with its first funding grant for the Mother Hale Learning Center, which has allowed Hale House to immediately begin offering excellent childcare to families of all income levels. This grant helped the Learning Center serve a socio-economically diverse client base by subsidizing the cost of voucher and reduced payments accepted from low-income families.

On the investment side, AltruShare is working with Micro Credit Businesses, Inc., in Bridgeport, Connecticut, to fund micro-loan programs for residents of low-income communities.

Additionally, AltruShare sponsors a job training and internship program in its offices on Saturdays. For example, the New York Institute of Finance teaches a group of seven college students from Bridgeport a curriculum in "Fundamentals of the Securities Industry." Industry guest speakers, including employees from Northern Trust and IBM's Retirement Plan, have also come to AltruShare's offices to talk about their careers and experiences.

At the end of the training program AltruShare helps these students find paid summer internships in various positions within the financial services industry, such as stockbrokers, investment managers, and pension plan sponsors. The training and internship program is designed to give the students experience and practical knowledge, which helps them get a foot into the industry before they graduate.

The Difference AltruShare Makes

One of the graduates of AltruShare's job training and internship program stated, "AltruShare offered me practical job training and the opportunity to intern at an investment bank where I learned firsthand about equity markets including foreign emerging markets."

“ AltruShare was founded on the belief that Wall Street has the ability and resources to create private-sector solutions to the needs of low-income communities. ”

Why AltruShare Is Involved

AltruShare was founded on the belief that Wall Street has the ability and resources to create private-sector solutions to the needs of low-income communities.

AltruShare's Lessons Learned

The Community Reinvestment Act has primarily impacted investments in real estate, such as low-income housing, but this is just one of the urgent needs of residents of economically disadvantaged communities. Our regional needs-assessment analyses have uncovered similar issues in low-income communities across the country. The first is a need for affordable early-childhood care and after-school programs, as many children come from either single-parent homes or families where both parents are working to provide for basic needs. There is also a great need for jobs with an opportunity to advance in both skills and pay.

CVS Caremark

Workforce Development: Building Partnerships, Achieving Results

Recruiting and retaining high-quality employees are challenges that many companies face. Nonprofit organizations that offer workforce development services also face their own challenges: the need to give participants real-life training and job placement opportunities.

CVS Caremark develops public-private partnerships with community and government organizations to bridge the company's need for skilled employees and the community's need for employment for job seekers.

The Program

As a corporate leader in workforce development, CVS Caremark builds public-private partnerships on local, state, and national levels to support the hiring, training, development, and retention of quality associates. In communities nationwide, these programs create career opportunities and help promote successful employment transitions.

The CVS Caremark Government Programs team leads the employee-development and retention initiatives by establishing partnerships with high schools, colleges and universities, workforce development agencies, vocational rehabilitation agencies, faith-based and community organizations, youth organizations, senior programs, and mature worker organizations. The partners work closely together to establish recruitment, pre-screening, placement, and retention services for eligible candidates.

Customized training is available through an array of programs that offer skills training, work experience, and vocational and career advancement opportunities. Internships, mentoring, job shadowing, and apprenticeship programs are available to prepare individuals for career advancement and help CVS Caremark hire and retain quality employees. CVS Caremark career opportunities for participants can include photo lab technicians, pharmacy technicians, shift supervisors, and managers and assistant managers.

Community Impact

CVS Caremark partnerships include:

- **Pathways to Pharmacy** — CVS Caremark offers inner city and rural high school students the opportunity to explore pharmacy as a career path. Last year 1,800 inner city students participated in the eight-week summer experience, and 2,000 are anticipated for the 2007 program. The partnership is with the National Drug Chain Association and America's Promise, with CVS Caremark pledging to America's Promise that it will introduce 1 million children to the career pathway of pharmacy by the year 2010.
 - **Mature Worker Program** — More than 17 percent of the company's workforce is older than 50 — there are even six people in their 90s working as technicians. In 2007, the American Society on Aging recognized CVS as the employer of the year for the commitment to mature workers. Experience Workers is recognizing two employees and the Knoxville Distribution Center for exemplary efforts in hiring, retaining, and training mature workers.
 - **Workforce Development Initiatives** — CVS Caremark pioneered the One-Stop Employment and Corporate Learning Center, linking diverse workforce development systems together in public-private partnerships. These centers are active in Washington, D.C.; Baltimore; Detroit; Atlanta; and New Jersey, and the newest center recently opened in Cleveland.
- CVS Caremark was an early advocate and is now a long-term participant in the federal Work Opportunity Tax Credit program. The company has helped transition thousands of candidates to work, helping them master new skills and gain access to vocational and career opportunities.
- **Faith-Based and Community Initiatives Program** — The CVS/pharmacy Faith-Based and Community Initiatives program supports the community by

providing employment opportunities that lead to career advancement and by offering services that contribute to the development, coordination, and expansion of faith-based employment and training efforts. The company strives to increase awareness and knowledge of workforce initiatives and designs programs to meet the employment and training needs of the church and community.

The Difference CVS Caremark Makes

The CVS Caremark Government Programs team tracks the associates' progress in workforce development and communicates with agency partners about the participants' ongoing training needs. In 1996 CVS Caremark started its first welfare-to-work program with six people in Akron, Ohio, in partnership with Family Solutions. Since that time the company has hired 60,000 former welfare recipients; many have thrived and been promoted into higher positions with more responsibilities. The retention rate for these employees is 60 percent.

Debra Autry was in the first class and after 11 years of service, is a nationally certified pharmacy technician working in one of the highest-volume pharmacies in Ohio. Debra stated, "I always thought I wanted to be a secretary, but the work was monotonous — working as a pharmacy tech is great and I really enjoy the people and working for CVS."

The key to the success of the program is partnerships. "CVS Caremark is a national leader in creating public and private partnerships to further workforce development. The Employment and Training Administration has been pleased to recognize the benefits workers and their families have gained from the groundbreaking strategies implemented by CVS Caremark and its partners. We continue to encourage this kind of innovative work," says Emily De Rocco, Assistant Secretary of Labor. In 2006, CVS was recognized with the "New Freedom Award" for its programs in hiring people with disabilities.

“As a corporate leader in workforce development, CVS Caremark builds public-private partnerships on local, state, and national levels to support the hiring, training, development, and retention of quality associates.”

Why CVS Caremark Is Involved

The reason for CVS Caremark's involvement in these programs is a business decision. The company is looking for quality people who have the skills to take care of the healthcare needs of customers.

CVS Caremark's Lessons Learned

The company's mission is to support hiring, training, development, retention, and life-long learning of diverse quality associates. The workforce development programs give CVS a competitive advantage. These same opportunities are available to any company that has a champion within who wants to make it work.

The Dow Chemical Company

Contributing to Community Success in Mid-Michigan

Partners: Local businesses, governments, community groups, and individuals in mid-Michigan

As part of its global commitment to sustainability, Dow looks to invest in programs and organizations that will have a long-term impact and serve as a starting point for widespread community involvement and growth. That is particularly vital in a struggling economy, like that currently being experienced by Michigan.

The list of local organizations, projects, programs, and events that Dow sponsors or is involved with in mid-Michigan is extensive, but most can be categorized into three areas of focus: enhancing education/job skills training, strengthening individuals and families, and spurring community growth. This profile concentrates on the third category, spurring community growth.

The Program

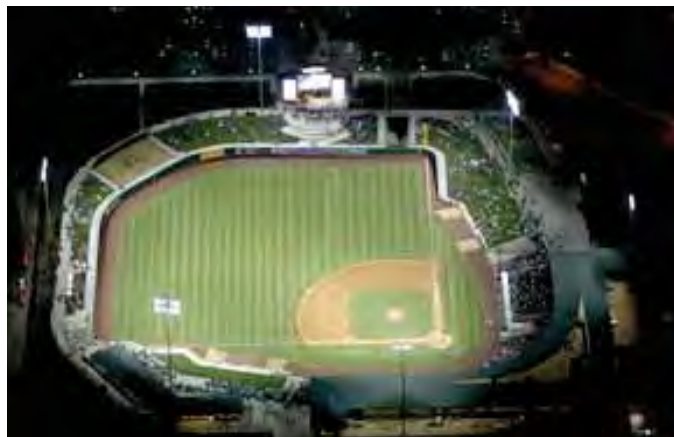
Dow is investing in local recreational venues and events that attract visitors to mid-Michigan for fun and relaxation. These visitors, drawn both from within the community and from neighboring communities, patronize local businesses and encourage further investment by local government and private entrepreneurs. By maintaining ongoing dialogue with community members, Dow is learning how it can best contribute to improve the quality of life in its communities. Dow has worked with a number of partners on the following projects:

- The Dow Event Center – In 2004, Dow promised financial sponsorship of a local civic arena in downtown Saginaw in an effort to help breathe new life into an economically depressed area of the city. The sponsorship, comprising \$250,000 per year for 10 years, allowed the center to maintain renovations that had begun in 2001. It was believed that attaching Dow's name to the venue would add credibility to the revitalization efforts and encourage additional investment in the area.

- Dow Diamond – In 2005, Dow donated money to help build a minor league baseball stadium near downtown Midland, and in 2006, Dow became the naming sponsor, promising \$280,000 per year to continue to support the \$31 million facility. The company also helped establish the nonprofit Michigan Baseball Foundation, which owns the team and stadium and donates profits from the games to local charitable organizations. The Great Lakes Loons, an "A" affiliate of the Los Angeles Dodgers, completed their inaugural year in September.
- 2008 Dow River Roar – After sponsoring the event at a lower level in 2007, Dow has signed on to be the title sponsor of the 2008 River Roar, an annual powerboat race that brings 100,000-plus spectators to Bay City from across the state of Michigan and beyond. The River Roar has enjoyed 20 years of success with support from local small businesses. Proceeds from the event are donated to charities throughout mid-Michigan.

The Impact

Attaching the Dow name to the Dow Event Center has helped position it as more of a regional, rather than local, venue. The facility now hosts about 220 events each year, bringing in more than 200,000 visitors from around



Dow donated money to help build a minor league baseball stadium near downtown Midland, as well as to the nonprofit Michigan Baseball Foundation.

the state. The ongoing success of the Dow Event Center has spurred continued revitalization of the area, with renovations planned or underway for the Commerce Building and the Temple Theater. The City of Saginaw has since requested and received a federal grant for streetscape improvements.

Since the announcement of the arrival of the Great Lakes Loons, playing at Dow Diamond, Midland's downtown area has seen an unprecedented revival, with nearly \$30 million of private funds already spent or planned to rehabilitate or expand existing downtown businesses. Three new hotels are being built in Midland, and almost 200 new seasonal and/or year-round jobs have been created. According to economic impact projections, expenditures in Midland County as a result of out-of-town attendees alone may equal about \$2.14 million annually.

Finally, the organizers of the River Roar believe that Dow's sponsorship will give a much-needed boost to the annual event, further increasing visibility and bringing even greater economic benefits to the community.

The Difference

According to Denise Hufford, Midland Downtown Development Authority interim director, "Downtown Midland experienced a significant interest and increase in traffic this year, due in great part to the Great Lakes Loons and the Dow Diamond. While not everyone visiting the stadium shopped or dined on game days, most were, at the very least, exposed to our district. ... This routing of pedestrians through our downtown increased the awareness of the district and resulted in substantial increased revenue for many of the local retailers and restaurants, as well as an extremely low commercial vacancy rate."

The Lessons Learned

These community growth projects have confirmed Dow's belief that investment in local communities pays off in ways far beyond its original purpose — by



Dow participated in the Eat Your Heart Out fundraiser for the United Way Volunteer Center.

building stronger partnerships with community leaders, by improving the quality of life of employees in our communities, and by making it easier to attract and retain talented employees.

Dow is asked to support a number of worthwhile projects and causes, and determining which ones to support can be difficult. These options are discussed in meetings between site leaders and the Community Advisory Panels (CAPs). There are CAPs in place at 36 of our manufacturing sites around the world. These regular meetings provide local Dow leaders with vital feedback about the opinions of our neighbors during the development phase of local policies.

Why Dow Is Involved

Dow's corporate commitment to social responsibility extends around the globe, but starts in the communities where its employees live and operate. Michigan, and especially mid-Michigan, is not only an area where Dow has several manufacturing facilities, it is also where its corporate headquarters is located. Dow believes that by investing in the local community, it strengthens ties with that community and makes the community a better place to live.

In mid-2006, Dow received the inaugural Regional Leadership Award from Vision Tri-County for ongoing contributions to the economic climate, attractiveness, and livability of the tri-county region of Bay City, Midland, and Saginaw. The award was presented by former New York Mayor Rudolph Giuliani.

Erickson Retirement Communities

Sharing Our Gifts, Celebrating Life

The statistics and public interest stories are everywhere — America is aging. Someone turns 60 years old every 10.9 seconds in America. An estimated 70 million baby boomers will retire by 2020, and people can now live 20 to 30 years past traditional retirement age.

The Program

Erickson Retirement is the nation's leading developer of campus-style retirement communities. These communities make up one facet of a larger network of entities all positioned to redefine how America ages. Each full-service campus is developed in partnership with a separate and distinct nonprofit provider with the mission to provide the best environment for the staff and residents to pursue their passions and enjoy their lives to the fullest. This includes engaging residents and staff in philanthropic and volunteer activities that increase the quality of life in the surrounding community.

Erickson focuses on three themes through which each campus invests its resources: redefining aging, expanding education across the lifespan, and strengthening communities. This model is replicated in 21 communities in Colorado, Illinois, Maryland, Massachusetts, Michigan, Missouri, New Jersey, North Carolina, Ohio, Pennsylvania, Texas, and Virginia.

The Impact

Redefining Aging

- Erickson partners with groups and causes that drive policy and practice to redefine aging in America, leading the national charge to “celebrate the freedom years.” The Erickson HealthSM system is the nation's largest and most completely integrated wellness and healthcare system for people over age 62. By focusing on wellness, prevention, and easy access to health services, Erickson Health is able to debunk negative stereotypes of the aging process.
- Erickson Media seeks to redefine the images and

impressions America has towards aging. *The Erickson Tribune* is a monthly newspaper with a print circulation of 6.4 million that is also available online. Its mission is to involve, inform, and inspire people to take charge of their lives, and it does this through an array of features, in-depth articles, contests, and health-related news that fill a niche for retired Americans. Retirement Living, www.rl.tv, was launched in 2006.

- There are currently 7,500 trained geriatricians in America, with a looming 70 million people to be 65 or older by 2020. Erickson launched a Fellowship in Geriatric Medicine at Johns Hopkins University to train and equip the next generation of geriatricians in America.

Expanding Educational Opportunities across the Lifespan

- Erickson has established Centers for Continuous Learning at several communities to offer lifelong learning and civic engagement for residents of the greater community. The company develops partnerships with nearby school systems; residents act as tutors; employees talk to students about career options; and students visit the community to partner with residents on volunteer projects.
- High school students who work in Erickson communities are eligible to receive college scholarships, with more than \$100,000 being distributed annually from each campus. Partnerships are established with local postsecondary institutions. These enhance and augment the numerous staff programs that include tuition reimbursement and internal workforce education/development opportunities.

Strengthening Communities

- An Erickson campus makes the commitment to be a “neighbor of choice” by bolstering every level of a community's local economy. Erickson's Development

has taken a leadership position in directing millions of private dollars to improve local infrastructure — roads, water and sewer systems, parklands and open space, etc.

- Erickson campuses are continually recognized as “employers of choice” by local and regional HR associations. Fully developed Erickson communities create approximately 1,000 jobs. Erickson’s benefits package has been internationally recognized as superior, as is evidenced in employee retention rates that lead the industry.
- Erickson promotes community health IT readiness through the creation and sharing of a software interface platform that allows electronic medical records to be shared between community hospitals and local healthcare providers.
- Through volunteer activities our 20,000 residents contribute more than 1 million hours each year in support of local and national causes. Campuses and facilities are shared with the greater community to serve as host sites for such events as the American Cancer Society’s Relay for Life, Alzheimer’s Memory Walk, the Susan G. Komen Run, Habitat for Humanity, the American Heart Association’s Heart Walk, and countless other national initiatives, as well as local community resource needs.
- In 2005, due to the efforts of Anne Blackburn and her fellow residents, Riderwood Village was the first retirement community in the country to be recognized as a Certified Wildlife Habitat by the Wildlife Habitat Council.



Residents of Erickson’s communities frequently volunteer with Habitat for Humanity and many other local and national charitable organizations.

more than they had ever been able to in their life.

Ruth Walker, a six-year resident of New Jersey’s Cedar Crest community, said of a project through which volunteers create “lap desks” for children with cancer: “I began this project about eight years ago and am extremely pleased that so many of my friends here at Cedar Crest are involved each year. This is truly a labor of love because it provides the children with an

opportunity to write, draw, color, and be creative like so many other children.”

A resident of Maryland’s Riderwood community, Bill Johnston, has said, “It’s part of the Erickson philosophy for all of us to share our resources and ability together and create something for the community that is greater than the sum of the parts.”

The Lessons Learned

What started out as one man’s vision to provide a higher level of retirement option to middle-income America has led to a remarkable serendipity. By providing an environment and opportunity for people to live worry-free from the most common concerns of retirees, Erickson discovered an incredible release of human capital that is increasingly being overlooked by much of society. The collective brainpower, work history, and volunteerism from the residents has yielded a hundred times return to their communities.

Why Erickson Is Involved

Erickson’s business interests are directly aligned with a community’s desire to have a reputation as offering the highest quality of life for its citizens. Erickson considers it a privilege to share its gifts to create communities — both inside its gates and out — that celebrate life.

The Difference

Erickson residents have said that by moving to an Erickson community and living in an environment that fosters active giving, they were able to contribute to their community far

Health Care Service Corporation

Care Van Program

Partners: Health Care Service Corporation (HCSC) operates the Blue Cross and Blue Shield plans in Illinois, New Mexico, Oklahoma, and Texas, and partners differ depending on the Blue Cross and Blue Shield plan. Some examples are the New Mexico Department of Health, Navajo Nation, University of New Mexico Family Practice, Texas Medical Association Alliance, Chicago Department of Public Health, and Oklahoma County Immunization Coalition

Each of HCSC's Blue Cross and Blue Shield plans operates a Care Van mobile health program that partners with other organizations to address significant healthcare needs in the state.

The needs in each state are different, so each Care Van program is unique. However, there are a number of similarities among them. For example, immunizations are a high priority for each of the programs, but they structure additional outreach to their local areas of focus.

The Program

In addition to key partnerships with state health departments, each Care Van program develops innovative outreach efforts to address the needs of local constituencies. The focus is on building healthy communities through basic services, educational outreach, and health promotion. Activities have included participation

in events such as the Chicago's Mayor's Cup youth soccer tournament to promote fitness and to distribute English and Spanish-language pamphlets about healthy nutrition and exercise, as well as street outreach to homeless people, dental screenings and sealants, and outreach to underserved populations in rural areas and Native American reservations in New Mexico and Oklahoma.

The Care Vans are a vital resource that enables states to provide better access to public health services. The programs complement traditional "brick and mortar" clinics by visiting schools, churches, restaurants, recreational parks, shopping centers, public housing, community events, and other community locations. They conduct immunization outreach clinics in the communities where at-risk families live and work.

Community Impact

The Illinois Care Van program operates three vans, working in partnership with local county health offices. Two of the vans operate in the Chicago area, while one travels in the rural regions of the state. In 2006, the Illinois Care Van program gave more than 10,000 immunizations and provided hundreds of dental sealants and health screenings.

In January 2006, Blue Cross and Blue Shield of Illinois (BCBSIL) initially lent a Care Van to support post-Katrina health relief efforts. BCBSIL subsequently donated that Care Van to a federally qualified health clinic in New Orleans, to support their ongoing efforts to address critical public health issues in Louisiana.

In Texas, 10 care vans operating through the Caring for Children Foundation work in partnership with Blue Cross and Blue Shield of Texas, the Texas Medical Association, the Texas Medical Association Alliance, and other organizations across the state. Through March 2007, the Texas Care Van program has screened 265,499 children and given 423,919 immunizations. The program has also provided 320,190 additional health screenings, including blood pressure checks, glucose screenings, body fat analysis, and strength testing.



The New Mexico Care Van program has resulted in more than 600 immunizations and hundreds of screenings statewide since 2006.



Each of Health Care Service Corporation's Blue Cross and Blue Shield plans operates a Care Van program. Pictured here is an Texas Care Van.

Since 1999, the Blue Cross and Blue Shield of Oklahoma Caring Van program has provided free immunizations to children through clinics held at child care facilities, schools, social service agencies, and other community locations. Currently, two vans are stationed in Oklahoma City to serve central and western parts of the state and two vans are stationed in Tulsa, serving eastern Oklahoma. To date, the program has provided 93,000 immunizations to 38,500 children.

Established in 2006, the Blue Cross and Blue Shield of New Mexico (BCBSNM) Care Van program, in collaboration with the New Mexico Department of Health, provided more than 600 immunizations and performed hundreds of screenings statewide. Through a creative media partnership with Radio Disney, the Care Van holds a monthly clinic and health education event with BCBSNM providers and employers. In addition, Care Van clinics are partnering with the Navajo Nation and with Federally Qualified Health Clinics.

The Difference

According to Don Blöse, chief of the immunization service at the Oklahoma State Department of Health, "The Caring Van program has provided thousands of immunizations to Oklahoma children whose families may have difficulty in accessing care. Over the past several years, the efforts of

this program have helped Oklahoma improve its national standing on vaccination coverage rates for 19–35-month-old children from being 48th worst to 25th best."

The Lessons Learned

The Care Van programs are a fundamental element of HCSC's community outreach. As a multi-state organization, there is tremendous value in having a corporate initiative that can be customized to meet the unique demographic, geographic, and resource needs of each local community. Through experience working with local community partners in four states, HCSC has learned how to create a balanced program that establishes a unifying structure for corporate community involvement and optimizes local investment. The best results are achieved in a healthy exchange of corporate guidance and grassroots creativity.

Why HCSC Is Involved

HCSC has a long tradition of commitment to the well being of the communities in which it does business. Health and health care are the primary areas of focus for HCSC's corporate community involvement. Therefore, HCSC is committed to working with customers, healthcare providers, community partners, the government, and others to build and support a healthcare system that is effective for all.

The Small Business Toolkit

Partners: International Finance Corporation; in the U.S. an Advisory Council formed of members including: Asian American Business Development Center; Black Enterprise; Council of Better Business Bureau; Latinos in Information, Sciences and Technology; Native American Business Alliance; Native American Chamber of Commerce; N.Y. African American Chamber of Commerce; U.S. Hispanic Chamber of Commerce Foundation; Women Presidents' Organization; Women's Business Enterprise National Council; U.S. Small Business Administration; U.S. Pan Asian-American Chamber of Commerce

Around the world, small businesses are the growth engines of the world's economies, creating jobs and improving local conditions. In the U.S., small businesses have generated 60 percent to 80 percent of the new jobs annually in the U.S. over the past decade. However, nearly half of these businesses will fail within the first four years. Figures around the world are similar. Small businesses are often held back by the lack of skills, knowledge, and sustainable business management practices that larger businesses routinely use to succeed.

The Program

To help small businesses grow and prosper, IBM and the International Finance Corporation (IFC), the private sector arm of the World Bank, have partnered to put the power of collaborative technology in the hands of small and medium-size enterprise (SME) owners.

Starting from a toolkit originally developed by IFC, IBM and IFC together launched a free new version of the Small Business Toolkit (us.smetoolkit.org), with IBM dedicating top talent from IBM Research and nearly \$2 million to the transformation. The Toolkit is designed in the U.S. for underserved communities, such as women, black, Hispanic, Native American, and Asian entrepreneurs, and in the emerging global markets for any small business.

The Toolkit provides entrepreneurs and small businesses with advice and guidance on how to implement sustainable business management practices, especially in areas such as finance, accounting, international business, marketing, human resources, and insurance. Built on an open source platform and with more than 500 pieces of content, the system features include:

- Web conferencing, blogging, group calendars, and survey and quiz builders
- How-to articles
- Content syndication to enable partners to share and access new content easily
- Multilingual business directories to help businesses link locally, regionally, and globally.
- Full support of right-to-left languages like Arabic

IBM and the IFC engage with financial institutions, nonprofit organizations, the private sector, and governments in emerging markets to customize and localize the Toolkit's content, online community features, and languages for end users.



The SME Toolkit, a collaboration between IBM and the International Finance Corporation, helps small businesses in the United States and around the world to grow and prosper.

The Impact

- The Toolkit attracts more than 2.5 million visitors annually.
- More than 1,250 small business service providers have been trained on how to use the Toolkit.
- There are 28 global, regional, and country-specific sites.
- The content is translated into 14 languages.
- There are 20 local/regional partnerships to promote, build, and localize content.
- The Toolkit has 15 content partners.
- Two-thirds of users consider the Toolkit best in class for online training resources that support SMEs.

The Difference

Fletcher White, the owner and director of the Little Gym of Clinton, Md., which opened in October 2007, stated, "I have found the SME Toolkit to be virtual treasure chest for business management, planning, and human resources. I have used the Web site and have found documents which I have already included in my employee handbook, offer letters, and customer service manuals. I really appreciate the effort and technology IBM and the IFC have invested in the Toolkit to help freshmen entrepreneurs build and expand their businesses."

Said Taren Coleman, president and CEO of Coleman Financial Group, LLC, "I think this toolkit is a great reference guide because it puts much needed business information quickly and easily at the fingertips of any business owner. By compiling such a breadth of information in one place, this guide is not only a timesaver but ultimately a money saver too, and every business owner can appreciate that."

“ One of the keys of success for the SME Toolkit is community partnerships that ensure the content and user experience is customized to local needs. ”

The Lessons Learned

One of the keys of success for the SME Toolkit is community partnerships that ensure the content and user experience is customized to local needs. The process of identifying and selecting partners in strategic markets and meeting the unique needs of small business owners has further aligned IBM's corporate citizenship with its business priorities.

Why IBM Is Involved

In a global economy innovation can come from anywhere. This truly is one-stop shopping for small businesses, and it levels the playing field so that every business can have the same chance to succeed. IBM is committed to providing the solutions that will improve the success of small businesses in underserved communities and emerging markets, and ensuring the vitality of these businesses, as a means to improve local social and economic conditions.

KPMG LLP

Reviving Baseball in Inner Cities — Going to Bat for America's Youth

Partners: Major League Baseball, Reviving Baseball in Inner Cities™ (RBI)

The need for positive activities, combined with the lack of organization and support of athletics for inner-city youth, compelled KPMG LLP to team up with Major League Baseball's community effort, Reviving Baseball in Inner Cities. Established in 1989 by Major League Baseball player John Young, RBI goes further than merely running a youth baseball program to train the next generation of players; it also encourage these young people to stay in school.

Today, RBI programs have been launched in more than 200 cities worldwide, giving more than 125,000 youth between the ages of 13 to 18 the opportunity to enjoy the game of baseball.

The Program

In June 2007, Major League Baseball and KPMG LLP announced a partnership in which the Big Four accounting firm became the presenting sponsor of Reviving Baseball in Inner Cities (RBI). KPMG has agreed to help in development of RBI programs through financial assistance, managerial services, and volunteering.



KPMG's involvement in RBI included offering managerial and experiential knowledge, which helps the program expand.

The goal of the RBI program is to foster growth and character building in these inner cities through: teaching them the importance of teamwork, helping them build self-esteem, encouraging them to work towards academic excellence, increasing their interest and skill in baseball, and promoting diversity in the sport.

The Impact

Within the first year of the sponsorship, KPMG has begun assisting RBI with its managerial and experiential knowledge to facilitate the growth and expansion of the program. KPMG plans to continue providing assistance, both on and off the field, in various areas that range from educational seminars to fundraising to mentorship to keeping score for local games. Several of the initiatives are highlighted below.

- Together, MLB and KPMG have chosen six new U.S. cities to launch RBI this season — Chicago, Detroit, New York (Harlem), Philadelphia, St. Louis, and Washington, D.C.
- KPMG has provided \$1,000,000 towards support of the RBI program as well as scholarships to advance talented youth. Through this financial contribution, KPMG hopes to encourage inner-city young people to pursue both academic and athletic achievement.
- Additional financial contributions will be made for every Major League run batted in during the MLB season.
- KPMG has encouraged its employees to become volunteers in helping with coaching and on-field assistance, as well as mentoring in classrooms of inner-city schools. More than 900 KPMG volunteers have already participated in RBI activities throughout the U.S.
- In facilitating the expansion of RBI and strengthening the infrastructure, KPMG will counsel local RBI organizations on their governance structure and assist in the creation of a National Board of Directors.

The formation of this board will enhance RBI communications and increase and better allocate resources.

- RBI regional tournaments, as well as an RBI World Series, will be financially supported by KPMG. These tournaments will help highlight the skills and efforts of the inner-city youth as well as showcase the effectiveness of the RBI programs.
- In August 2007, MLB and KPMG sponsored a one-hour televised primetime special on ESPN, which presented the RBI program to the public. In doing so, the efforts of the RBI program will be recognized on a national level and hopefully bring in additional support.

The Difference

KPMG LLP Chairman and CEO Tim Flynn expressed, "RBI is a great fit for KPMG. It provides a positive, productive experience for the kids with the fun and competition of a team sport like baseball and softball. And it's equally rewarding for KPMG's people, who will have the privilege to be able to mentor and help kids grow to their full potential. We are very excited to be part of this program."

Major League Baseball has released statistics that in first-year drafts, 30 Major League clubs have picked more than 150 RBI graduates throughout the 16 years of RBI's existence. Some of these big league teams include the Tampa Bay Devil Rays, the Boston Red Sox, the Philadelphia Phillies, and the Florida Marlins.

The Lessons Learned

KPMG understands that contributing to our communities is a priority because we realize that the firm cannot achieve strong performance without first taking an active interest in the people we depend on: our clients and our people. Indeed, being a responsible professional today means making a commitment to our communities — and following through in ways that truly make a difference for people everywhere. KPMG is proud of the financial contributions



KPMG is a presenting sponsor of RBI, a community program by Major League Baseball.

our firm makes collectively and our people make individually to help those who face difficult challenges.

KPMG collaborates with many national not-for-profit organizations on national events, volunteer activities, and fundraising efforts. These organizations were selected based on either the extensive involvement by KPMG's volunteers or the results of research, surveys, and focus groups that showed these were areas of interest to our partners and employees. They also have a proven track record of helping people face and overcome extraordinary challenges. KPMG determined to further concentrate their efforts with RBI because of our people's desire to interact with and make a difference in the lives of young people and further support our mission of diversity and impacting our future of our nation.

Why KPMG Is Involved

KPMG realized the need to increase the opportunities for inner-city teens, specifically in the aspects of building self-esteem and improving academic achievement. KPMG is willing to step up to the plate by giving financial contributions, time, and their managerial expertise in order to help these young people build a better future for themselves.

Safeway Inc.

Prostate Cancer Awareness Program

Partner: Prostate Cancer Foundation

The Program

What began as a modest effort to raise funds and awareness for a California-based prostate cancer research charity has grown into a major community outreach initiative for some 200,000 Safeway employees — the Safeway Prostate Cancer Awareness Program. Since 2001 Safeway employees and the Safeway Foundation have given more than \$28 million for prostate cancer programs, making Safeway the single largest corporate donor for prostate cancer research and treatment.

The funds are donated to cancer research projects and teaching hospitals in the many areas where Safeway operates stores, allowing the people who raised the money to know exactly where it is going and that it is supporting research locally, as well as throughout the United States. Grant recipients have reported dramatic results in leading-edge research.

Safeway dedicates the month of June to prostate cancer fundraising, setting a dollar goal that consistently is surpassed. For example, the 2006 fundraising total of

\$5.1 million was more than \$100,000 over the stated goal. In June 2007, when the company set a goal of raising \$6.5 million, employees rallied their communities and raised an astounding \$10.7 million.

Most donations are raised by store clerks who ask customers to add small contributions to their grocery bill. Safeway works with the Prostate Cancer Foundation, the world's largest funding source of prostate cancer research, to identify hospitals and research programs to receive the funds. The company also educates its customers and communities about the importance of early detection.

The Impact

The impact of the Safeway Prostate Cancer Awareness Program can be measured by the research made possible by Safeway grants. In 2004 the Safeway Foundation, together with its chairman, president, and CEO, Steve Burd, and his wife, Chris, contributed \$2.5 million to fund a Distinguished Professorship in Prostate Cancer Research at the University of California, San Francisco (UCSF). The grant, in part, funded a study of the correlation between prostate cancer and diet and lifestyle choices. In 2005, UCSF released findings of the study showing that men with early-stage prostate cancer who make intensive changes in diet and lifestyle may stop or even reverse the progression of the disease. This study was published in the *Journal of Urology*.

In 2006 Dr. Isla Garraway received the Safeway Career Development Award to support her work with isolating prostate cancer stem cells. If the cell is successfully isolated, it can be further studied.

Another award recipient, Elahe A. Mostaghel, MD, PhD, an assistant professor at the Fred Hutchinson Cancer Research Center and University of Washington, spearheaded groundbreaking work in 2006 in understanding how prostate cancer cells die or survive hormonal treatment. The study impacted how new drugs and clinical trials are now being designed.



Safeway is the single largest corporate donor for prostate cancer research and treatment.



Safeway customers and employees have raised more than \$28 million for prostate cancer research, awareness, and treatment. The donations enable grants to cancer centers in communities where Safeway operates.

In 2006 Safeway and the Prostate Cancer Foundation made grants to comprehensive cancer centers in several of Safeway's major operating areas, including the Fred Hutchinson Cancer Center in Seattle, Johns Hopkins University in Baltimore, the University of California at San Francisco, and the University of California at Los Angeles.

The Difference

Dr. Mostaghel, research associate at the Fred Hutchinson Cancer Research Center, said, "The fundraising program established by Safeway and their generous support of the Prostate Cancer Foundation provide a critical link in the chain of funding available to researchers in the prostate cancer scientific community. Through funding provided by Safeway and its employees, I recently received a Career Development Award from the PCF, designed to support young investigators early in their careers. The PCF award has been particularly important in furthering my research goals. Primarily, it has allowed me the flexibility to pursue research questions that are outside the scope of projects I am currently working on, and also to pursue early research questions which would otherwise be too undeveloped to apply for funding from the National Institutes of Health."

Lessons Learned

Having raised more than \$28 million, Safeway has become one of the largest supporters of prostate cancer research and awareness. The ability to make a major impact on a cause magnifies the necessity that both elements of support — research and awareness — are treated with equal importance. Philanthropy is much more than raising funds and donating to important causes. It is also the willingness to get involved with the cause at a grass-roots level and show supporters how their contributions have brought about true change.

Safeway shares with its customers and communities how their donations have helped fund new treatments, provided free screenings, and financed outreach programs to aid in the detection and treatment of prostate cancer. Ads were placed in major publications thanking customers for their generous support. It is crucial for the ongoing success of the program that contributors know how their money is spent and that they are indeed making an impact in the fight against prostate cancer.

Why Safeway Is Involved

In 2001 Safeway chose to focus much of its healthcare community outreach on cancer causes. Prostate cancer is the most common form of cancer for men. The disease affects one in six men. About 218,000 men in the United States are diagnosed with prostate cancer each year. Because the majority of prostate cancers are small, confined to the prostate, and do not cause symptoms, an additional 9 million men in the United States may have prostate cancer without knowing it. More than 27,000 men die of the disease each year. However, with early detection, the cure rate is high. Nearly 100 percent of men diagnosed in the early stages are disease-free after five years, making financial support for early diagnosis and treatment crucial in the fight against the disease.



Courtesy of Siemens

Next Steps for Corporate Community Investment

Based on the findings from this initial report, the following next steps seem to be in order:

Increased partnerships among businesses and chambers of commerce

The National Partnership Conference on Corporate Community Investment made clear that more formally established networks among business leaders would help them share information about what is working in their communities and what is not. There is a felt need among corporate citizenship leaders that this type of information should be shared through established online networks and regular in-person forums that meet to discuss specific CCI themes.

“ We need to bring old public programs into the 21st century to ensure that they are equipped to deal with the new economic realities in which we all live and work. ”

Increased partnerships between businesses and existing economic and community development entities

In order to ensure that businesses are fully aware of the opportunities for development in their communities, and to ensure that economic and community development professionals understand the full range of business partnerships available to them, there exists a clear need to create ways for the two worlds to interact more frequently. Economic development and community development each have fairly well established networks, both in specific regions and nationally. It is imperative that chambers of commerce and companies participate in the regular discussions, forums, and conferences that occur in these networks.

Fresh debate about economic development policy

We need to bring old public programs into the 21st century to ensure that they are equipped to deal with the new economic realities in which we all live and work. In addition, we need to think anew about new policy innovations that will provide the right kinds of incentives for communities to adopt development policies that truly promote progress. Especially for businesses, new forums and networks need to be established to allow them to explore policy options, participate in policy development, and communicate their views to policymakers at the local, state, and national levels.

Greater consensus on what drives progress

Economic and community development policy has hidden for years behind the belief that progress is too different in diverse communities to define in any clear way. And yet most business and civic leaders can agree on what is generally good for communities and what is not. Businesses need to create the kinds of forums that bring together various stakeholders to agree on the kinds of measures of progress upon which new policies should be based. There has been too little intellectual seriousness on this issue, and that needs to change.

Additional Resources

Nonprofit/Member Organizations

Aidmatrix Foundation

Through its technology, links surplus product and goods including food, clothing, building supplies, medical or educational supplies, and cash with over 35,000 charitable organizations on five continents

www.aidmatrix.org

America's Promise—The Alliance for Youth

The nation's largest cross-sector alliance of mayors, governors, community leaders, businesses, nonprofit groups, faith groups, foundations, parents, teachers, media, and young people to positively impact America's youth

www.americaspromise.org

Business Civic Leadership Center

Through its new corporate community investment program, provides a platform for businesses to coordinate with community partners to improve social and economic progress in America's communities

www.uschamber.com/bclc/programs/investment

Enterprise Community Partners

Offers financing and expertise to organizations providing affordable housing in communities across America, and offers tax credit financing and asset management services through its for-profit subsidiary

<http://www.enterprisecommunity.org>

Initiative for a Competitive Inner City

Founded by Harvard's Michael Porter, brings private sector and civic leaders together to foster economic growth in inner cities through research, publications, and consulting

www.icic.org

Institute for a Competitive Workforce

Promotes high educational standards and effective workforce training systems so that they are aligned with each other and with today's rigorous business demands

www.uschamber.com/icw

International Economic Development Council

A membership organization dedicated to the economic development profession; members include chambers of commerce, companies, education institutions, and redevelopment authorities, among others

www.iedconline.org

Living Cities

A partnership of financial institutions, foundations, and government agencies that invest capital and provide organizational leadership development to bring revitalization to urban neighborhoods

<http://www.livingcities.org>

Local Initiatives Support Corporation (LISC)

Provides capital, technical expertise, training, and information to help transform local distressed communities and neighborhoods into healthy ones through affordable housing, business development, and the construction of commercial and community facilities

www.lisc.org

Opportunity Finance Network

A network of private financial intermediaries that identifies and invests in opportunities to benefit low-income and low-wealth people in the United States

www.opportunityfinance.net

Points of Light & Hands On Network

In August 2007 the two organizations combined to form the nation's largest volunteer network

www.pointsoflight.org

www.handsonnetwork.org

United Way of America

National headquarters in Alexandria, Va., with 1,350 United Ways across America; common areas of focus are helping children and youth succeed, strengthening and supporting families, improving access to health care, and promoting independence and economic self-sufficiency

<http://national.unitedway.org>

Wall Street Without Walls

Similar to Doctors Without Borders, allows finance professionals to give of their expertise in addressing social concerns by partnering with local economic development organizations that serve disadvantaged small businesses, individuals, and families

www.wallstreetwithoutwalls.com

Additional Resources

Books

Richard Florida

Cities and the Creative Class

Paul Grogan and

Tony Proscio

Comeback Cities: A Blueprint for Urban Neighborhood Revival

Jane Jacobs

The Death and Life of Great American Cities and Cities and the Wealth of Nations

Joel Kotkin

The City: A Global History

John Norquist

The Wealth of Cities: Revitalizing the Centers of American Life

Federal Government

Department of Housing and Urban Development (HUD), Community Development

Provides billions of dollars each year in grants to cities and states for the purpose of financing housing, infrastructure, and related community development activities

www.hud.gov/offices/cpd/about/cpd_programs.cfm

Department of Commerce, Economic Development

Through its Economic Development Administration, makes grant awards available to organizations on a competitive basis for a variety of activities aimed at improving economic conditions in underserved areas

www.hud.gov/offices/cpd/about/cpd_programs.cfm

Department of the Treasury, Economic Development

Through its Community Development Financial Institutions (CDFI) Fund, provides access to capital through monetary and tax credit assistance for the purpose of spurring economic development in urban and rural communities

<http://www.cdfifund.gov/>

White House Faith-Based and Community Initiatives

Created by President George W. Bush, along with Centers for Faith-Based and Community Initiatives in 11 federal agencies, to strengthen faith-based and community organizations' ability to provide social services to people in need

www.whitehouse.gov/government/fbci

Publications

Chronicle of Philanthropy

A monthly newspaper about the nonprofit world for charity leaders, fund raisers, grant makers, and other people involved in the philanthropic enterprise; sponsors a service called "Give and Take," a roundup of blogs focused on the nonprofit sector

www.philanthropy.com

The Corporate Citizen

The Business Civic Leadership Center's monthly e-newsletter that publishes original guest articles, news, and corporate profiles from the corporate citizenship field

www.uschamber.com/bclc/resources/newsletter

The CRO

A quarterly magazine dedicated to the work of corporate responsibility officers (CROs)

www.thecro.com



Courtesy of HSBC–North America

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