

innovation

Peter F. Drucker defines innovation as "change that creates a new dimension of performance." No matter what organizations do, whether they are in business, government or the social sector, they must continuously develop new ideas and initiate change. In today's turbulent and fast-paced society, innovation is more important than ever. But, how do we lead for innovation? The authors in the Drucker Foundation's 2001 book, *Leading for Innovation*, offer some guidelines:

We must change how we think about leadership and innovation. Jim Collins writes that leading for innovation, "does not mean leading the creation of innovations per se or being a towering innovative genius yourself. Rather, it means being innovative in the way you lead, manage, and build your organization."

We need to lead the people who can make innovation happen. Max De Pree writes a leader first makes "a personal commitment to be hospitable to creative people and a broader commitment to be open to contributions from many quarters."

We must create an environment that encourages innovation. Rosabeth Moss Kanter states that the innovation process is

"messy rather than orderly," and innovation requires "courage as well as imagination."

To create an environment that encourages innovation, "leaders must create cultures in which experiments, questions, and challenges to prevailing models are not just for the courageous few but become the norm for the many."

Innovation is change that creates a new dimension of performance.

Peter F. Drucker

The leaders in this issue of *New Century Philanthropy* provide us with insights into the breadth of innovation in corporate philanthropy. We celebrate their efforts in this essential field, and wish for their communities a "new dimension of performance."

Rob Johnston, President & CEO

Peter F. Drucker Foundation for Nonprofit Management

This issue of New Century Philanthropy examines innovative practices of corporate philanthropy and citizenship.

CONVERSATIONS ON INNOVATION

Lee on COMMITMENT

As part of our on-going commitment to invest in the future of our communities, we nurture, cultivate, and develop programs that help to enhance everyone's quality of life. Our philanthropic mission to the communities we serve is an integral part of Verizon's corporate initiative. More than two-thirds of our foundation's \$75 million budget is aimed at developing and promoting literacy, technology, and work skills programs across the country. I believe our unyielding commitment eventually helps our customers, community partners, and employees make a tangible difference in our society.



Charles R. Lee is Chairman of Verizon Communications, Inc., and is a Director of the Committee to Encourage Corporate Philanthropy.

Roth on CREATIVITY



People are the most valuable assets we have. The most powerful tool we have is to get people to be creative. Fiscal discipline and limited financial resources should not diminish innovation. A certain level of tension can spark creativity. At The MONY Group, we focus on identifying community needs, and creating forward-looking programs to anticipate future community needs.

People are the most valuable assets we have. The most powerful tool we have is to get people to be creative.

Michael I. Roth

Michael I. Roth is Chairman and CEO of The MONY Group, and is a Director of the Committee to Encourage Corporate Philanthropy.

Schacht on COMMUNITY



I come from a background that believes corporations are made up of many stakeholders. The corporate community, then, is the organization itself and the various stakeholders it touches. And the corporation itself needs to be responsive to the communities upon which it is dependent. It is central for the CEO to set the tone at the top to cause the organization to behave in ways that are central to its long-term interests.

Henry B. Schacht is Chairman of Lucent Technologies, Inc., and is a Director of the Committee to Encourage Corporate Philanthropy.

Corporations must be responsive to the communities upon which they are dependent.

Henry B. Schacht

IN THIS ISSUE



CONVERSATIONS ON INNOVATION <i>Charles R. Lee, Michael I. Roth, Henry B. Schacht</i>	1
LEADING WITH MEASUREMENT Making Non-Financial Attributes Count, <i>James E. Copeland, Jr.</i>	3
BEST PRACTICES Sustainability Strategies, <i>Charles O. Holliday</i>	4
Prudential Brings Self-Reliance to Life, <i>Arthur F. Ryan</i>	4
Employee-Driven Corporate Philanthropy, <i>Sanjay Kumar</i>	5
Bold Solutions for Global Health Challenges, <i>JP Garnier</i>	5
CECP MEMBERS	2
CECP PERSPECTIVES	6-7
CECP NEWS	3

Committee to Encourage Corporate Philanthropy

committee members

CO-CHAIRS

Ken Derr*
Chevron Corporation

Paul Newman*
Newman's Own

VICE CHAIRS

Steve Case
AOL Time Warner, Inc.

Ralph S. Larsen
Johnson & Johnson

Charles R. Lee*
Verizon Communications, Inc.

Henry B. Schacht*
Lucent Technologies, Inc.
Warburg Pincus Ventures, Inc.

Walter V. Shipley
The Chase Manhattan Corporation

HONORARY CHAIRS

Peter L. Malkin*
Wien & Malkin, LLP

David Rockefeller

Paul A. Volcker

John C. Whitehead*

CO-CHAIRS, ADVISORY COUNCIL

Robert H. Forrester*
Payne, Forrester & Associates, LLC

Stephen Stamas*
Exxon Corporation (retired)

EXECUTIVE DIRECTOR

Charles H. Moore

MEMBERSHIP

Daniel P. Amos
AFLAC Incorporated

Robert H. Benmosche
MetLife

Frank A. Bennack, Jr.
The Hearst Corporation

Jon A. Boscia
Lincoln Financial Group

Lord John Browne of Madingley
BP plc

Daniel P. Burnham
Raytheon Company

Michael E. Campbell
Arch Chemicals, Inc.

Marilyn Carlson Nelson
Carlson Companies, Inc.

Vance D. Coffman
Lockheed Martin Corporation

Arthur D. Collins, Jr.
Medtronic, Inc.

Philip M. Condit
The Boeing Company

James E. Copeland, Jr.
Deloitte Touche Tohmatsu

Peter R. Dolan
Bristol-Myers Squibb Company

Lex Fenwick
Bloomberg L.P.

Jean-Pierre Garnier
GlaxoSmithKline, plc

Louis V. Gerstner, Jr.
International Business Machines Corporation

Charles K. Gifford
FleetBoston Financial Corporation

Raymond V. Gilmartin
Merck & Co., Inc.

Earl G. Graves, Sr.
Black Enterprise Magazine

Maurice R. Greenberg
American International Group, Inc.

William B. Harrison, Jr.
J.P. Morgan Chase & Co.

Fred Hassan
Pharmacia Corporation

Alan G. Hassenfeld
Hasbro, Inc.

Lewis Hay, III
FPL Group, Inc.

Charles O. Holliday, Jr.
DuPont

Thomas S. Johnson
GreenPoint Financial Corp.

William G. Jurgensen
Nationwide

James M. Kilts
The Gillette Company

John E. Klein
Bunge North America, Inc.

Charles F. Knight
Emerson

David H. Komansky
Merrill Lynch & Co., Inc.

Richard M. Kovacevich
Wells Fargo & Company

Stephanie Kugelman
Young & Rubicam Advertising

Sanjay Kumar
Computer Associates International, Inc.

Ralph S. Larsen
Johnson & Johnson

Leonard A. Lauder
The Estee Lauder Companies, Inc.

Shelly Lazarus
Ogilvy & Mather

John W. Madigan
Tribune Company

Steven J. Malcolm
Williams

Reuben Mark
Colgate-Palmolive Company

Raymond A. Mason
Legg Mason, Inc.

Douglas H. McCorkindale
Gannett Co., Inc.

Eugene R. McGrath
Consolidated Edison, Inc.

Harold W. McGraw, III
The McGraw-Hill Companies, Inc.

Henry A. McKinnell
Pfizer Inc

C. Stephen McMillan
Sara Lee Corporation

James C. Morgan
Applied Materials, Inc.

John P. Morgridge
Cisco Systems, Inc.

Henry M. Paulson, Jr.
The Goldman Sachs Group, Inc.

Philip J. Purcell
MorganStanley

Franklin D. Raines
Fannie Mae

Thomas L. Reece
Dover Corporation

Michael I. Roth*
The MONY Group, Inc.

John W. Rowe
Aetna, Inc.

Arthur F. Ryan
The Prudential Insurance Company of America

Thomas M. Ryan
CVS Corporation

Marjorie Scardino
Pearson plc

George A. Schaefer, Jr.
Fifth Third Bancorp

Charles R. Schwab
Charles Schwab & Co., Inc.

H. Marshall Schwarz
US Trust Corporation

Samuel K. Skinner
USFreightways Corporation

Seymour Sternberg
New York Life Insurance Company

Barry S. Sternlicht*
Starwood Hotels & Resorts Worldwide, Inc.

David A. Stonecipher
Jefferson-Pilot Corporation

Sidney Taurel
Eli Lilly and Company

G. Kennedy Thompson
First Union Corporation

Ronald E. Timpe
StanCorp Financial Group, Inc.

Charles L. Watson
Dyneegy Inc.

Sanford I. Weill
Citigroup Inc.

Gary C. Wendt
Conseco, Inc.

Charles R. Williamson
Unocal Corporation

Robert G. Wilms
M&T Bank Corporation

GRADUATE MEMBERS

Paul A. Allaire
Xerox Corporation

Robert M. Devlin
American General Corp.

Floyd Hall
Kmart Corporation

Irvine O. Hockaday, Jr.
Hallmark Cards, Inc.

Douglas W. Leatherdale
The St. Paul Companies, Inc.

Thomas S. Murphy
Capital Cities/ABC, Inc.

William C. Steere, Jr.
Pfizer Inc

Clifton R. Wharton, Jr.
TIAA/CREF

*Committee Board of Directors

New Committee Members Join CCEP



Frank A. Bennack, Jr.

Frank Bennack is President and Chief Executive Officer of The Hearst Corporation. He is a Director of J.P. Morgan Chase & Co., American Home Products Corporation and Polo Ralph Lauren Corporation. He is Chairman of the National Magazine Company Limited of Great Britain and Governor and Vice Chairman of New York Presbyterian Hospital and its Healthcare System. He is a Managing Director of the Metropolitan Opera of New York, Director of the Lincoln Center for the Performing Arts, and Chairman of The Museum of Television & Radio.

Daniel P. Burnham

Daniel Burnham is Chairman and Chief Executive Officer of Raytheon Company. He is Chairman of the President's National Security Telecommunications Advisory Committee (NSTAC), a member of the Defense Policy Advisory Committee on Trade (DPACT), a Trustee for Xavier University, a member of The Business Council and a Director of FleetBoston Financial Corporation.



Arthur D. Collins, Jr.

Arthur Collins is President and Chief Executive Officer of Medtronic, Inc. He serves on the Board of Directors of U.S. Bancorp and Cargill. He is also a member of the Board of Overseers of the Wharton School at the University of Pennsylvania, a member of the Executive Board of Advamed and numerous civic organizations, including the Walker Art Center.

Lex Fenwick

Lex Fenwick is the Chief Executive Officer of Bloomberg L.P. He joined Bloomberg L.P. as a salesperson in 1987. In 1996, Fenwick was named Managing Director for Bloomberg business in Europe, the Middle East, and Africa. In 2000, his responsibilities continued to increase until Michael Bloomberg was elected Mayor and Fenwick was named CEO in May 2002. He is also a Trustee of the Whitechapel Art Gallery.



Charles K. Gifford

Charles Gifford is President and Chief Executive Officer of FleetBoston Financial Corporation. He is a Director of the Massachusetts Mutual Life Insurance Company and NSTAR Corporation. He is Chairman of the Boston Plan for Excellence in the Public Schools and serves on numerous boards of non-profit organizations including Northeastern University, Boston Symphony Orchestra, WGBH Public Broadcasting, Junior Achievement, the Dana-Farber Cancer Institute, and the Greater Boston Chamber of Commerce.

Lewis Hay, III

Lewis Hay is Chairman, President and Chief Executive Officer of FPL Group, Inc. Prior to joining FPL, he was Executive Vice President and Chief Financial Officer of US Foodservice. Mr. Hay was previously Senior Vice President and Partner at Mercer Management Consulting where he led the firm's Washington, DC-based strategy practice. He is a Director of Utilities, Inc., and a member of the Council on Finance at Carnegie Mellon University.



Stephanie Kugelman

Stephanie Kugelman is Vice Chairman, and Chief Strategic Officer of Young & Rubicam Advertising. She is a member of the Advertising Board. She serves on the Board of Advisors of UPromise, and as Director on the Boards of Gilda's Club and Safe Horizon.



John W. Madigan

John Madigan is Chairman and Chief Executive Officer of Tribune Company. He is also Chairman of the Chicago Council on Foreign Relations, Chairman of The McCormick Tribune Foundation, a Director of the Associated Press, MorganStanley and AT&T Wireless Services. He is a member of the Board of Overseers of the Hoover Institution, and serves as a Trustee of Northwestern University, Illinois Institute of Technology, Rush-Presbyterian-St. Luke's Medical Center and The Museum of Television & Radio.

Steven J. Malcolm

Steven Malcolm is President and Chief Executive Officer of Williams. He is a Board member of Tulsa Area United Way, Tulsa Community Foundation, St. John Medical Center, and Boy Scouts of American Indian Nations Council. He is a member of the YMCA Executive Committee, Metropolitan Tulsa Chamber of Commerce Board of Advisors, Gas Processors Association, Southern Gas Association and University of Tulsa Board of Trustees.



Henry A. McKinnell, Jr.

Henry McKinnell is Chairman of the Board and Chief Executive Officer of Pfizer Inc. He is a member of the Board of Directors of Moody's Corporation and John Wiley & Sons, Inc. He is a member of the Board of Directors of the Business Roundtable and the Business-Higher Education Forum. Dr. McKinnell is a Director of the Business Council, the Royal Shakespeare Company America and the Japan Society. He serves as Chairman of the Pharmaceutical Research and Manufacturers of America and the Stanford University Graduate School of Business Advisory Council.



C. Stephen McMillan

Stephen McMillan is Chairman, President and Chief Executive Officer of Sara Lee Corporation. He is a member of the Board of Directors of Pharmacia, Monsanto and Bank of America Corporations. He is a member of the Advisory Board of the Stedman Nutrition Center of Duke University Medical School, and the boards of the J. L. Kellogg Graduate School of Management at Northwestern University and the Grocery Manufacturer's Association. He also serves on the Boards of the Economic Club of Chicago, the Chicago Council on Foreign Relations and Catalyst, is a member of the Business Council, The Business Roundtable, Executives' Club of Chicago, Commercial Club of Chicago and Civic Committee of Chicago.

Philip J. Purcell, III

Philip Purcell is Chairman and Chief Executive Officer of MorganStanley. He is a Director of American Airlines. He is a founding member and current Chairman of the Financial Services Forum, and is a Trustee for the University of Notre Dame.



Thomas L. Reece

Thomas Reece is Chairman, President and Chief Executive Officer of Dover Corporation. He serves as a Director of The Manufacturers Alliance and the National Association of Manufacturers. He is Chairman of Booker T. Washington Learning Center Advisory Board.

Charles R. Williamson

Charles Williamson is Chairman and Chief Executive Officer of Unocal Corporation. He is Chairman of the U.S.-ASEAN Business Council. He is a Board member of the U.S.-China Business Council, California Asia Society, U.S.-Indonesia Society, Los Angeles World Affairs Council and the American Petroleum Institute. He also serves as Director of the American Geological Institute Foundation, Stanford University Earth Sciences Advisory Board, and the University of Texas (Austin) Geology Foundation and College of Natural Sciences Advisory Board.



Leading *with* MEASUREMENT

Companies & Communities: Building the Measures

Earlier this year, the Committee entered into a strategic partnership with the Center for Corporate Citizenship at Boston College, The Corporate Citizenship Company, and the American Productivity & Quality Center, to collaborate with leading corporations to develop a user-friendly, widely-accepted, common global standard to track, record, and

manage corporate contributions to communities at home and abroad. In the issues to follow, this page – *Leading with Measurement* – will be used to lead a dialogue on measures and metrics, and to share knowledge, ideas and learnings about measuring corporate community involvement.

Making Non-Financial Attributes Count

Recently, the Committee to Encourage Corporate Philanthropy spoke with Mr. Copeland about the growing need of business organizations to measure their non-financial attributes. Here are a few excerpts from that conversation.

**Deloitte
& Touche**

A Conversation with James E. Copland, Jr.

CECP: How is measurement of a company's non-financial attributes innovative?

Mr. Copeland: Such measurement is a relatively new way to meet growing market-place demand for accountability. Recent events have shown quite dramatically that non-financial attributes such as culture, honesty, and integrity can carry a range of financial implications. If a company chooses to approach its non-financial attributes as a source of competitive advantage, measurement becomes the next logical step. That will become increasingly important, because in today's expanding Network Economy, virtually anyone with access to the Internet can become a client or customer. Companies which measure and report their non-financial attributes will present a more complete picture of their performance to potential stakeholders. I expect further globalization to spur continued innovation in this area, and result in internationally-recognized standards to measure, audit, and benchmark a company's non-financial attributes.

CECP: Why the growing interest in measuring and reporting an organization's non-financial attributes, such as community involvement?

Mr. Copeland: Effective business leadership doesn't stop at the bottom line. As leaders, we need to look beyond our front doors and out into the communities in which we operate. There's a strong business case for building an environment that can help your business thrive. Good things happen in communities where clients, employees, and their families are healthy, educated, and happy to live and work. Measuring and reporting our community involvement helps encourage our people to participate in their communities. Interestingly, it's many of an organization's non-financial attributes – from community involvement to others such as environmental management,

worker relations, and social responsibility – that comprise a significant part of the organization's enduring values. At Deloitte & Touche, we've found that our values are inextricably linked to our ability to create long-term value for our clients. I'm happy to say that living those values in our communities contributes mightily to another non-financial attribute of ours that's priceless – our reputation and good name.



CECP: Organizations can provide value by measuring their non-financial attributes. Can organizations also gain value in the process?

Mr. Copeland: Measuring non-financial attributes helps set a high standard for sustainable excellence. The real breakthroughs come when measurement drives an organization to identify the actions its people need to take every day to achieve and exceed the standard for excellence – which often provides the organization with a blueprint for future leadership. For example, more than a decade ago, women were leaving our firm in numbers vastly disproportional to men. We began to think about our "gender gap," and found that there were many things about our firm's culture that were causing our women to leave. In 1993, we launched the Initiative for the Retention and Advancement of Women, and instituted a rigorous set of metrics so we could identify the problems, establish benchmarks, and chart real, quantifiable results. Today, our firm has ascended to a position of undisputed leadership. Of our partners and directors, 16 percent are women – once again leading the profession and exceeding its average by almost 300 basis points!

James E. Copland, Jr., is Chief Executive Officer of Deloitte & Touche, LLP, and is a member of the Committee to Encourage Corporate Philanthropy.

CECP News



CORPORATE LEADERS JOIN COMMITTEE BOARD OF DIRECTORS

The Committee to Encourage Corporate Philanthropy is pleased to announce the election of four new members to its Board of Directors: Charles R. Lee, Chairman of Verizon, Michael I. Roth, Chairman and CEO of The MONY Group, Henry B. Schacht, Chairman of Lucent, and Barry S. Sternlicht, CEO and President of Starwood Hotels & Resorts Worldwide. The addition of the four new Board members is effective March 18, 2002.



Committee Board of Directors from left to right: Henry B. Schacht, Michael I. Roth, Steven Stamas, Charles R. Lee, Robert H. Forrester, Ken Derr, Paul Newman, and Peter L. Malkin. Missing from photo, Barry S. Sternlicht and John C. Whitehead.

"We are extremely pleased to welcome Henry, Chuck, Michael and Barry as Directors on the Committee's Board of Directors," said Ken Derr, Co-Chairman of CECP. "These CEOs are recognized leaders in their field and they bring new vision and direction to the Committee. Their choice to join our Board is a strong vote of confidence in the Committee and reaffirmation of their commitment to corporate philanthropy."

CITIGROUP HOSTS CECP'S THIRD ANNUAL MEMBER'S MEETING



On May 1, Ken Derr and Paul Newman will welcome members of the Committee to Encourage Corporate Philanthropy at the Committee's Third Annual Members Meeting. Mayor Michael Bloomberg and Steve Case, AOL TimeWarner, will be among the speakers at the afternoon meeting at the Citigroup Center in New York. Members will review and discuss the progress of the Committee including: membership development and engagement; measuring and reporting corporate giving; partnerships and collaborations; and communication and advocacy.

JOHN C. WHITEHEAD EDUCATION LEADERSHIP PROGRAM ANNOUNCED

The Board of Directors of the Committee to Encourage Corporate Philanthropy resolved to create the John C. Whitehead Education Leadership Program. The Education Program honors and celebrates founding Director and Honorary Chairman John C. Whitehead for his outstanding leadership in corporate philanthropy.



The first initiative of the Program will be to launch an annual John C. Whitehead Intern Leadership Program this summer. This program honors Mr. Whitehead and offers a business school student the opportunity to work closely with the Committee to Encourage Corporate Philanthropy.

The Committee collaborated with NetImpact, to identify students at leading MBA programs. NetImpact is a network of emerging business leaders committed to using the power of business to create a better world. It is also the most progressive and influential network of MBAs in existence today.

COMPANIES & COMMUNITIES BUILDING THE MEASURES

Leading Organizations Join Together to Pilot Collective Corporate Initiative

The Committee to Encourage Corporate Philanthropy has entered into a strategic partnership with The Center for Corporate Citizenship at Boston College, The Corporate Citizenship Company, and the American Productivity & Quality Center, to create a framework of ideas, definitions and systems to present a fuller and more complete account of US corporate contributions to communities at home and abroad.

This initiative will leverage the work and experiences of the London Benchmarking Group to build a measurement-management framework for US companies. The project will continue over the next eighteen months, working together with founding sponsors, including Applied Materials, AOL Time Warner, Bank of America, Bristol-Myers Squibb, ChevronTexaco, Cisco Systems, Consolidated Edison, Deloitte Touche Tohmatsu, DuPont, Eli Lilly, FleetBoston Financial, Hasbro, IBM, J.P. Morgan Chase, Johnson & Johnson, Merrill Lynch, The MONY Group, Starwood Hotels & Resorts Worldwide, US Freightways, and Verizon.

CECP *Best Practices*

Sustainability Strategies

by Charles O. Holliday, Chairman and CEO, DuPont

Reprinted by permission of Harvard Business Review. [Excerpt] From *Sustainable Growth, The DuPont Way* by Charles O. Holliday, Sept. 2001. Copyright © 2001 by the Harvard Business School Publishing Corporation, all rights reserved.



The miracles of science®

A Business Purpose

As a business practice, sustainable growth seeks to make more of the world's people our customers – and to do so by developing markets that promote and sustain economic prosperity, social equity, and environmental integrity. In no way should we in industry be apologetic about increasing our customer base. Sustainable growth benefits millions of people, but it is not altruism. We pursue sustainable growth because it benefits our businesses and our shareholders. Although protecting the environment should be a core value of every business – and for many companies, that's the first place to start – companies will make the biggest contributions to sustainability by doing what they do best: making markets work globally while also protecting the environment. If one is looking for a new definition of corporate social responsibility, sustainable growth is it, and it is directly related to business self-interest.

At the same time, we should not forget our greater role and responsibility. Companies will not succeed in the twenty-first century if the world's eco-systems continue to decline and if societies fail. So at DuPont we have set various stretch goals for 2010, including a reduction

of greenhouse gas emissions by two-thirds while holding our energy use flat (using 1990 as a base year). We also plan to increase our use of renewable resources to 10% of our global energy needs – a big step for a company that has depended almost exclusively on oil, natural gas, and coal as its primary sources of energy.



Chairman and CEO Chad Holliday speaks to children attending the dedication of a new education center at the 1884 Power Plant at Hagley on July 19, 2001.

To hit such ambitious targets while continuing to grow as a company,

we have had to reexamine many of our fundamental assumptions. For example, our old business models did not tell us how to operate in markets where gross margins are slim, unit sales are high, and people are poor. When I was the head of DuPont's business in Asia, for example, we had a rule of thumb that we would not invest in building a local infrastructure to sell in a market until the per capita GDP was at least \$1,000. In Africa, Southeast Asia, and many other parts of the world, economies are much weaker – hundreds of millions of people live on \$1 per day or less.

Today we realize that we can succeed in these markets if we carry out a substantial portion of our business operations there. So we hire local people who understand their economy, we site our production facilities near the markets they serve, and we've begun to do research and testing locally. For instance, when we developed Avaunt, an insecticide for combating a caterpillar that feeds on the flower buds of cotton plants in West Africa, we solicited the expertise of 20 entomologists from the cotton companies of seven African countries, and our local distributor conducted a series of seminars for farmers and supervisors to educate them about the product. Currently, DuPont's total sales in Africa amount to about \$100 million annually. Of

course, we hope to see that number increase, but we must be accomplishing such growth sustainably – and profitably.

Ultimately, real business growth – that is, sustainable growth – represents the only effective way to use the wealth and resources of the world's largest companies to help the world's smallest economies develop in a sustainable fashion. At the same time, we can expect that these ventures will result in lessons in sustainability that developed countries also need to implement. Sustainability does not pertain to just those societies where people are poor. In fact, by working with developing countries to avoid the environmental failures of developed nations, multinational companies can learn valuable lessons for implementing sustainability everywhere they do business.

If one is looking for a new definition of corporate social responsibility, sustainable growth is it, and it is directly related to business self-interest.

Charles O. Holliday

A Focus on Value Creation

Sustainability strategies will fail unless they create or increase shareholder value. Specifically, companies must continually demonstrate that business practices founded on sustainable growth are generating tangible financial gains. Early successes, even small ones, can be critical for establishing and maintaining momentum.

At DuPont, many of our early wins have resulted from higher efficiencies and improved margins. Through better packaging design and increased factory productivity, a DuPont plant in Brazil saved \$340,000 per year and reduced annual waste by more than 100 tons. At DuPont Canada, conservation initiatives since 1990 have resulted in a 28 % reduction in energy per unit of production – equivalent to an annual savings of \$12 million. And a peelable lid system developed by a DuPont team in Europe decreased the materials needed for packaging and reduced the use of methyl acetate solvent by more than 1,000 tons each year.



DuPont employee Clint Britnell of El Paso, Texas, working with student using donated equipment in a local high school.

Furthermore, a focus on sustainability has helped DuPont identify new products, markets, partnerships, and intellectual property – all of which can lead to substantial business growth. In many instances, we have developed new business models to take advantage of these opportunities.

A Test of Leadership

Sustainable growth should be viewed not as a program for stepped-up environmental performance but as a comprehensive way of doing business, one that delivers tremendous economic value and opens up a vast array of new opportunities. Capitalizing on these benefits may require relentless determination and tenacity, but ultimately companies will find that they can generate substantial business value through sustainability while both enhancing the quality of life throughout the world and protecting the environment.

Charles O. Holliday is Chairman and CEO of DuPont, and is a member of the Committee to Encourage Corporate Philanthropy.

Prudential Brings Self-Reliance to Life



by Arthur F. Ryan, Chairman and CEO, Prudential Financial, Inc., and Gabriella E. Morris, President of The Prudential Foundation, and Vice President of Community Resources of Prudential Financial, Inc.

The concept of "community" is at the very heart of Prudential. That's because we're all about helping people. We do this in many ways: through our businesses, which assist individuals and families as they build secure futures, and through Prudential Community Resources, which coordinates grants, social investments, employee volunteerism and strategic partnerships that build more productive, self-sufficient towns and cities nationwide.

Since our founding in 1875, our premise has been to help strengthen our neighbors and communities. Our continued focus on helping children and families improve the quality of their lives and contribute to the growth and betterment of cities and neighborhoods where they learn, work and live will undoubtedly help ensure that all of us have the opportunity to build the tomorrows of our dreams.

A clear example in action is the Prudential Young Entrepreneur Program, a multi-faceted grant initiative focused on enabling enterprising young adults to learn valuable business skills and become eligible for start-up business loans. We believe the program is a great vehicle to train a young, new cadre of entrepreneurs and is an important component to increasing economic development and improving the standard of living in our targeted neighborhoods.

INVESTING IN YOUNG ENTREPRENEURS

Orlando Green knew a lot about design when he started to dream about starting his own graphics firm. But although he had mastered his art, Orlando hadn't yet mastered the art of entrepreneurship. Fortunately, Orlando found a solution. He now owns a thriving graphics firm specializing in Web design. The secret behind Orlando's success is the Prudential Young Entrepreneur Program, an innovative, comprehensive development and job creation initiative for young adults between the ages of 18 and 30. Launched in 1999, the pilot program is funded by a four-year \$2.5 million grant from The Prudential Foundation. Prudential's goal was to create economic opportunity for young adults in targeted urban areas where entrepreneurship may not otherwise have been an option.



A graduating class of the Prudential Young Entrepreneur Program.

Continued on page 8

Employee-Driven Corporate Philanthropy

by Sanjay Kumar, President & CEO, Computer Associates International, Inc.



Computer Associates™

As more corporations realize that philanthropy creates value for all stakeholders – from customers to shareholders – it becomes increasingly apparent that corporate giving cannot fall solely to the responsibility of an anonymous committee. And while philanthropic efforts must involve the chief executive and chairman, engaging employees is key. The best corporate philanthropic efforts often involve the extended company, including employees, partners and their families. Such broad-based efforts typically create greater good for the recipients, and a stronger, closer-knit and more responsible organization for the givers.



CA employees taking part in the creation of a KaBOOM! playground.

Computer Associates' Employee Volunteer Program (EVP) is an innovative and successful approach to corporate philanthropy. Computer Associate employees drive the company's volunteer and philanthropic initiatives, which are fully supported by the company. These programs often serve strategic employee development requirements as well. Employee-driven philanthropy has strengthened employee morale, fostered team-building skills, motivated team members and helped to build professional and personal bonds among employees.

Computer Associates' Employee Volunteer Program (EVP) is an innovative and successful approach to corporate philanthropy. Computer Associate employees drive the company's volunteer and philanthropic initiatives, which are fully supported by the company. These programs often serve strategic employee development requirements as well. Employee-driven philanthropy has strengthened employee morale, fostered team-building skills, motivated team members and helped to build professional and personal bonds among employees.

The company has benefited enormously. Employees have formed cross-departmental teams to encourage dialogue within our businesses, and have strengthened relationships with clients during charitable events and initiatives.

Volunteer programs are as diverse as our 17,000-person international company. And while employee volunteerism may not sound innovative, consider the effect of actively empowering thousands of individuals through a structured program, to support worthwhile causes. A CA-sponsored initiative called KaBOOM! designs and builds playgrounds in communities lacking safe, accessible places for children to play.

Through the KaBOOM! program, CA championed a campaign to build "7 Playgrounds in 7 Days Around the World." In one week, CA employees constructed playgrounds to serve over 7,500 children. Employees involved in building these playgrounds strongly agree that participation was a positive experience and that other employees could benefit from supporting this type of program. Employees enjoy a renewed sense of teamwork, personal responsibility and satisfaction working with a committed group of volunteers. In addition, employees' involvement in the company's community programs strengthens and reinforces their opinion of the company.

Continued on page 8

Bold Solutions for Global Health Challenges

by JP Garnier, President and CEO, GlaxoSmithKline plc



GlaxoSmithKline's (GSK) global quest is to improve the quality of human life by enabling people to do more, feel better and live longer. Its strategic intent is to become the indisputable leader in its industry – not simply in terms of size, but in how it uses that size to achieve its mission. Through its Global Community Partnerships department and Corporate Donations committee, GSK partners with and supports organizations whose goals and objectives reflect its mission of improving the quality of human life.



GSK expects to donate around 6 billion treatments to eliminate LF, a commitment described as 'the biggest single act of corporate philanthropy in any industry.'

Through its Global Community Partnerships department and Corporate Donations committee, GSK partners with and supports organizations whose goals and objectives reflect its mission of improving the quality of human life.

The business of preventing and treating disease is inspiring and innovative in itself. With each generation, humankind is forcing back the onslaught of disease with newer and more effective medicines. Because of its central role in this endeavor, the pharmaceutical industry has always been a rewarding place to work. Research, development and innovation drive this industry. But beyond the billions of dollars spent on research and development, the millions of doses of vaccines administered each day, and the never-ending battle with disease, there is another, lesser-known aspect to the work of the pharmaceutical industry – community partnership.

For GSK, taking a leading role in community activities is a proud tradition. GSK was formed in 2000 by the merger of SmithKline Beecham and Glaxo Wellcome. Both legacy companies had a long track record of playing an active part in the community, but the creation of GSK created the opportunity to reaffirm that commitment and enshrine it as a part of what makes this new company unique - the GSK spirit.

Employees want to work for a company that makes them feel proud, and being a successful commercial business is just part of the equation. Employees also want to feel a part of something that is special, a company that is committed to making a difference. For external observers, it may take a little longer to begin to recognize the new name of GSK, but when they do, it is important that they associate that name with a creative and successful organization that is a powerful force for innovative and positive change, both in healthcare and in the community.

GlaxoSmithKline and the Global Alliance to Eliminate Lymphatic Filariasis

The program to eliminate lymphatic filariasis (LF) is an initiative with a bold objective: to eliminate LF as a public health problem by the year 2020. With more than one billion people at risk in about 80 countries, LF is one of the leading causes of disability in the world. It is estimated to cause economic losses of billions of dollars each year through disability, illness and lost work days. By breaking the cycle of infection between mosquitoes and humans, the medicines given as part of the program will spare the next generation from grotesque manifestations of LF.

Global efforts to get rid of LF began in May 1997 when the World Health Assembly called on governments to support plans to eliminate the disease as a public health problem. In December 1997, GSK collaborated with the World Health Organization (WHO) to spearhead efforts to eliminate LF. GSK would donate albendazole, one of the three essential antiparasitic drugs, for as long as necessary until the disease was eliminated. Best estimates put the total scale of this commitment at around six billion treatments, a commitment that was described by *The Financial Times* as "the biggest single act of corporate philanthropy in any industry."

Employees want to work for a company that makes them feel proud, and being a successful commercial business is just part of the equation.

JP Garnier

Since then, the program has evolved into a major public-private partnership known as the Global Alliance to Eliminate Lymphatic Filariasis. In addition to donating free albendazole tablets, GSK provides significant financial support for coalition-building, workshops and communications, and dedicated GSK staff expertise.

WHO recommends that LF infection can be prevented by treating entire endemic communities once a year with two co-administered antiparasitic drugs. In African countries the drugs are albendazole and Mectizan (ivermectin, donated by Merck & Co., Inc), and for the rest of the world, albendazole and diethylcarbamazine (DEC, a generic drug). The community treatments must be repeated each year for four to six years until the parasite dies out.



Indian man with LF holding newspaper announcement of the elimination program.

Interrupting transmission of LF means reaching even the most secluded rural communities or overcrowded urban shanty dwellings, and ensuring that people actually take the tablets. As a result, the LF program is also helping to build primary healthcare infrastructure at the country level. Early indications are that the program can integrate well with some other disease control efforts such as malaria bednets, school de-worming, river blindness prevention and schistosomiasis treatment. It also seems to be helping to build or enhance a local network of medical services, non-governmental organizations and community health leaders.

For centuries LF was a neglected disease because there was little hope for treatment or prevention. Now, there is new hope for both the control of the disease and for those afflicted with it.

JP Garnier is President and CEO of GlaxoSmithKline plc, and is a member of the Committee to Encourage Corporate Philanthropy.

CECP Perspectives

Microcredit: Powerful Financial Tools to Address World Poverty

by Sam Daley-Harris, Director, Microcredit Summit Campaign



The Microcredit Summit Campaign was founded on the idea that giving a poor woman a small loan to help in income generation activities such as starting a small business will help her climb out of poverty with dignity and also improve the well-being of her family. The Microcredit



A client of Kashf Foundation pictured here displays the bangles she will sell at market preceding local celebration of Eid. A small loan from Kashf has enabled her to supplement her weaving business with this new venture.

Summit Campaign is working to ensure that 100 million of the world's poorest families, especially the women of those families, receive credit for self-employment and other financial and business services by 2005. Nearly three thousand microcredit organizations, from Nairobi to New York City and from Bosnia to Bolivia, have joined the Campaign to provide small loans and other financial services to women. 19.3 million of the world's poorest families were borrowing from one of these organizations by the end of 2000, and these borrowers have proved to be credit-worthy entrepreneurs.

One of those borrowers is Kausar Baji, who lives in a very poor area in Lahore, Pakistan. She is a mother of five children. Her husband, Javaid, a driver, earns US \$45 per month, which does not meet the needs of their family. Kausar Baji's neighbor told her about Kashf Foundation, a microfinance program working in Lahore. She decided to take a loan of US \$75 to invest in her handbag making business.

In the past, Baji received her handbag supplies on credit from retailers, and net income per bag was only 9 cents. After securing the loan from Kashf, however, she was able to purchase her own raw materials, and returns per bag have doubled to 18 cents. In addition, Kausar Baji notes that her husband has become more supportive, "he has come to realize that we have to work together, as a husband-wife team, to meet the needs of our five children."

Since 1996, the Microcredit Summit Campaign has taken on corporate partnerships in an innovative venture to forever change the field of microfinance. Major sponsors include the Citigroup Foundation, the Monsanto Fund, the Charles Stewart Mott Foundation, and the Summit Foundation. In addition, the Campaign receives support from Deutsche Bank Americas Foundation, Mastercard, American Express, JP Morgan Chase, and Johnson & Johnson. It is women like Kausar Baji that inspire partnerships in this endeavor.

Corporations engaged in developing solutions to global hunger and poverty extend their worldwide outreach through partnerships with the Campaign. The Microcredit Summit Campaign currently has over 4,600 member institutions spread across fifteen different Councils – the largest of which is the Council of Microcredit Practitioners, with 2,800 institutions representing over 140 countries.

Partnerships with the Campaign fund visionary and strategic initiatives, reaching the world's poorest families, especially the women of those families. These families comprise nearly half of the 1.2 billion people who live on less than \$1 a day. These strategic partnerships commit to bring new ideas to the field through a unique learning agenda focused on four core themes: 1) reaching the poorest, 2) empowering women, 3) building financially self-sufficient institutions, and 4) ensuring a positive, measurable impact on the lives of clients and their families.

The Microcredit Summit Campaign has caught the attention of business leaders. Bob Shapiro, former Chairman of Monsanto, speaks about Microcredit as "a powerful tool that genuinely helps the poorest families in the world emerge from poverty. And by extension, it has the potential to help create a more inclusive world economy that actually works for billions and billions of people." Shapiro suggests "that every business in the world should be in the process of learning about this new tool."

More than anything, Microcredit is a business approach to ending poverty that unleashes the human spirit. Corporations have recognized the value of this strategy in combating poverty, and their borrowers are inspired by their contributions to the Microcredit Summit Campaign.

Transforming Problem Real Estate

by Jay Grab, President, Realty Restoration Gift Fund



Countless billions of dollars have been spent over the years at all levels of government and by corporations and individuals to address the daunting challenge of remediating thousands of brownfield properties across the country. Unfortunately, many of the dollars have, in fact, been spent litigating liability. Meanwhile, the problem festers. The Realty Restoration Gift Fund program addresses the problem of environmentally-impaired properties, facilitates the reintroduction of the newly-clean property into commercial or community benefits through the resulting sale, and provides a new source of philanthropic funds.

The goal of the Realty Restoration Gift Fund, a qualified 501(c)(3) public charity, is to employ the time-tested philanthropic techniques of donor-advised funds and traditional grantmaking while (1) creating new avenues for restoring problem real estate to productive use and (2) putting the sales proceeds of the restored properties at the disposal of leading American charities. This approach provides a number of winning results:

- Corporations meet their corporate philanthropic goals, reduce future exposure to environmental risk, gain goodwill and, simultaneously, see positive impacts to their bottom lines.
- Communities see impacted properties restored and economic revitalization opportunities increased.
- Charitable institutions, confronting ever-increasing needs and insufficient resources, find a new and substantial source of philanthropic support.

To deliver these results, RRGF collaborates with real estate consulting companies and companies specializing in environmental remediation. Often, RRGF will utilize the services of TRC, Inc., to perform environmental assessment and remediation, and AIG, providing comprehensive environmental risk insurance. TRC and AIG have developed a unique environmental risk management plan called the Exit Strategy.®

In a typical transaction involving TRC and AIG, a donor contacts RRGF with a proposed real estate donation. TRC, working with a real estate consultant, evaluates the proposed donation and advises RRGF as to whether the property meets RRGF's acceptance criteria. If the proposed donation meets the criteria, TRC prepares an environmental risk management plan, which includes environmental assessment, remediation plans and regulatory responses.

TRC and AIG prepare an Exit Strategy® proposal for the Donor and RRGF to review and approve. Guidelines for the gift are established and the donor donates the property along with the funds necessary to complete the remediation plan to RRGF, and secures the resulting charitable deductions. An appropriate end-user of the remediated property is then identified and a sale concluded. Under the typical donation agreement, a portion of the gift proceeds will be distributed to other charities subject to advice from the donor. Finally, the insurer, in our example AIG, underwrites the environmental compliance plan and provides remediation insurance coverage offering substantial protections to all of the parties involved in the transaction.

The RRGF program will result in grants to worthy charities across the country and the philanthropic spectrum. However, as a result of a collaborative agreement, a large beneficiary of RRGF grants will be The Conservation Fund. The innovation offered by the RRGF program and the development resources and stellar reputation of The Conservation Fund, one of the nation's most respected charities, offer both the hope and the promise of tapping a vast, underutilized source of corporate philanthropy to meet the growing demands on America's charities.

RRGF Benefits...

- ✓ Provides Financial & Tax Benefits
- ✓ Eliminates Environmental Liability
- ✓ Creates Community Good Will
- ✓ Unlocks Non-Core Assets
- ✓ Preserves Corporate Cash

Venture Philanthropy: High Impact Through High Engagement

venture philanthropy partners
investing in social change

by Mario Morino, Chairman, Venture Philanthropy Partners

There's an old saying that when you see a turtle on top of a fence post, you can be sure it didn't get there on its own. The same thing goes for top corporate executives. As fiercely competitive as the business world is, no one builds a successful enterprise without a major boost from others.



Mario Morino, Chairman, Venture Philanthropy Partners

The reason why many of us are now exploring the potential of new high-engagement models of philanthropy is because nonprofit executives serving the needs of America's children and families face a very different reality. As these nonprofit executives work day in and day out, they're often left to struggle along with precious little of the management and leadership support that their for-profit counterparts take for granted.

Having worked in both the for-profit and nonprofit worlds, I've seen how big the gap really is. In the 1970s and '80s, when I was helping build a software firm called Morino Associates and then LEGENT Corporation, I had invaluable support from a network of friends, partners, and strategic advisors. One of the most important of these relationships was with executives from the investment firm General Atlantic Partners. They helped me to prioritize better and recruit the right people as we were becoming a larger, more complex organization. They pushed me, as Peter Drucker would say, to focus on doing the right things, not just on doing things right.

I have come to believe that if we want to see nonprofit executives achieve ever-greater results for ever-greater numbers of children and families, they need to have access to analogous forms of financial and non-financial support. "Venture philanthropy" and "high-engagement philanthropy" are the terms that we and others have used to describe models for providing this support.

Like the majority of venture philanthropy organizations, Venture Philanthropy Partners, the organization I co-founded two years ago with a remarkable group of families in the National Capital region, is still in its infancy. So far, we've initiated long-term partnerships with three nonprofit organizations that are serving the educational and development needs of children, moving toward

our goal of assembling an outstanding portfolio of 10-14 nonprofit investments and fully and effectively deploying up to \$35 million of investment capital.

Our investments usually kick off with an involved strategic planning process. Drawing upon the services of high-quality firms like McKinsey & Co., the process takes about five months and about 1,000 person-hours. The resulting plan provides insight into the key organizational challenges that the nonprofits' leaders face – and that we want to help them address.

How do we help meet these challenges? First, we invest significant financial resources. We are providing each of our nonprofit partners with up to several million dollars, distributed over a three- to five-year period. Beyond the scale and duration of funding, what makes our approach unusual is that we provide this money not for program development or delivery but rather for "capacity building." That is, for building the infrastructure of the organization behind the programs.

Second, we invest significant human resources. We have general partners on staff, flanked by a team of other advisors, who work with our nonprofit partners on an almost daily basis to help them think through problems strategically and develop new ways of "managing to outcomes." Unlike foundation program managers, who are often involved with 50 or more grantees, our general partners will work with only four or five different organizations even when we have assembled our entire portfolio of partnerships.

Finally, we leverage the resources of our network and those of our investors. For example, one of our nonprofit partners is working to build stronger ties to six local universities. We have investors who sit on the boards of each of those universities.

Despite the sharp downturn in the economy, analysts predict that the United States is on the verge of a new golden age of philanthropy, with giving expected to exceed \$6 trillion in the next two decades alone. Just imagine if we could join together to make sure that this staggering stream of money is invested strategically, not just granted generously, and that nonprofit leaders have the support they and their missions deserve. If we do so, we will indeed witness a golden age of philanthropy. Even more important, we will be active participants in a transformative age of community, helping to lift the lives of millions who have been relegated to the periphery of our economy and society.

Network For Good: Taking e-Philanthropy to the Next Level

Network for Good

by Ken Weber, Chief Operating Officer, Network for Good

Last year was a breakthrough year for e-philanthropy. Impelled, in large part, by the events of September 11th, scores of Americans took advantage of the Internet to contribute hundreds of millions of dollars to causes and organizations they care deeply about. In a dramatic expansion of a movement that began just a short time ago, people have increasingly turned to the online medium to help improve the quality of life in communities across the country and around the world.

In 2001, Network for Good was established by the AOL Time Warner Foundation and AOL, Inc.; the Cisco Foundation and Cisco Systems, Inc.; and Yahoo! In partnership with more than 20 nonprofit foundations and associations, Network for Good encourages the use of the Internet for philanthropy and civic participation, and helps nonprofit organizations become more effective and efficient.

"By combining the passion, expertise and grass-roots affiliations of our nonprofit partners with the reach, resources and Internet capabilities of our corporate founders," says Steve Case, Chairman of AOL Time Warner, "we are able to make giving, volunteering and speaking out on issues as central a part of the Internet as shopping or using e-mail."

Our founders and partners recognize, too, that for e-philanthropy to be truly effective the process must be open and easy to use. That is why we allow visitors to access the GuideStar database, where they can research more than 850,000 nonprofit organizations. When they have made up their minds, they can then make safe, secure and private contributions immediately through their browsers, with assurance that 100 percent of their donations go to the charities they select.

For all of 2001, Network for Good and Helping.org raised about \$22 million, including \$15 million in response to September 11th. The average individual donation ranged between \$115 and \$250 – which was higher than average donations offline. Visitors also can find local volunteer options on Network for Good by using VolunteerMatch, the Web's largest database of more than 33,000 volunteer opportunities. Each week, an average of 700 volunteer matches are made through our site. Moreover, we provide a database of local and national government and media contacts so users can communicate directly with elected officials or invite the press to cover an event.

At the same time, nonprofit organizations can capitalize on the Internet's vast reach, and on the widespread presence of Network for Good's founders. "We want the philanthropic sector to realize the full benefit of the Internet's multiplier effect," says John Morgridge, Chairman of Cisco Systems, Inc. "Network for Good makes nonprofits more central to more people's lives, while helping consumers easily and conveniently connect to the causes they care about the most."

By using Network for Good's unique nonprofit portal, organizations can tap the full potential of the online medium, including:

- online tools that let nonprofits receive contributions through Network for Good – or through their own Websites by adding a "Donate Now!" button – as well as recruit volunteers;
- educational information on technology planning and training, buying discounted hardware and software, creating affordable Websites and the most effective ways to enhance fundraising efforts; and
- readily available advocacy resources such as tips on how to start an online newsletter or how to organize and execute an e-mail lobbying campaign.

With Network for Good, we have leveraged the most valuable assets of the Internet – communications, community, content and commerce – to create a powerful philanthropic resource. And we urge both nonprofits and donors to integrate it with their offline strategies and activities to ensure that they have every possible opportunity to make a real difference.



CECP Best Practices Continued

PRUDENTIAL Continued from page 4

What distinguishes the Prudential Young Entrepreneur Program from other entrepreneurship programs? It combines training, technical assistance, and business financing in one program. These services are provided through innovative partnerships with the country's leading entrepreneurial curriculum development, business incubation and microenterprise organizations. The program is currently running as a three-year pilot project in two sites: Newark, New Jersey and Philadelphia, Pennsylvania.

Aspiring Entrepreneurs and Economic Development

Administered by the Association for Enterprise Opportunity (AEO), the program is currently offered in Philadelphia at the Enterprise Center, which is affiliated with the University of Pennsylvania's Wharton School of Business, and at the New Jersey Institute for Technology. The curriculum was developed by the National Foundation for Teaching Entrepreneurship.



Cherri Dashields, owner of *Simply the Best Events*, is a 2000 PYEP Graduate. "At the end of the party, the client gave me a check for \$1,500. I said to myself, 'Somebody is actually going to pay me to do this?'"

As program manager, AEO provides complete program and fiscal management for the Prudential Young Entrepreneur Program on behalf of The Prudential Foundation. It also leads the team of partners involved in the program, including the curriculum developer, incubators and microlenders.

The training component of the program takes place in a business incubator at each site. Over the course of the pilot program, the curriculum has been revised and modified based on feedback from incubator sites. Each site offers three training cycles per year, with approximately 15 persons participating in each session. Local microlender and business incubator organizations guide participants through business plan development, and also provide business financing (between \$1,000 – \$15,000 to qualified candidates) and post-loan technical assistance.

To aspiring entrepreneurs who participate in the free program, everything is strictly business. They attend nine weeks

of classroom instruction, totaling 54 hours, where they learn basic business and workplace readiness skills. They are taught and mentored by business professionals and successful members of the business community. Students use this instruction, discussion, and infusion of busi-

ness thinking to develop their final project: a comprehensive business plan. Student business ideas range from high-tech, such as a business that scans documents and stores them digitally, to basic businesses such as day care and retailing. Business professionals review business plans. And after completing training, students enter into the traditional business incubator.

Measuring Results and Impact on People

Classes were first offered in May 1999 in Newark and Philadelphia. Since then, program partners continue to refine and improve the program. With greater numbers of participants wishing to enroll in each cycle, the program has the potential to be sustained beyond the pilot program ending in June 2002. As a result, the numbers of businesses and jobs have grown each year.

The success of the program goes beyond creating businesses. Students benefit from training and technical assistance, even if they chose not to start a business. Program training helps them to become better employees and also refines career goals.

"They opened my eyes about how I was thinking about things backwards. I would have invested in someone else's business more so than I would my own," Curtis Walker of *Consigning for Designing Men*, a Newark Graduate 2001, comments on technical assistance provided by the Greater Newark Business Development Center.

The most obvious goal of the Prudential Young Entrepreneur Program is to help young people develop business skills so they can strike out on their own. The program also hopes these young entrepreneurs will revitalize their communities, one business at a time. Participants who decide to work for other companies also benefit. They have the ability to develop a business idea, a skill that can help them get promoted at their current jobs or give them access to new opportunities.

"The program is geared toward people who probably wouldn't have this opportunity to make a dream become a reality," comments Denean Jacob-Eme, owner of *Sunshine Daycare Center*, a Newark Graduate 1999.

Through their accomplishments, program graduates will serve as role models for other young people in the community. When neighborhood youngsters point to Orlando Green, they see proof positive that education, training, and a good idea can change a life.

Arthur F. Ryan is Chairman and CEO of Prudential Financial, Inc., and is a member of the Committee to Encourage Corporate Philanthropy.

COMPUTER ASSOCIATES Continued from page 5

CA works with a select number of charitable organizations, which share a vision of empowering children to succeed. Rather than CA aligning with a single organization,

Employees' involvement in the company's community programs strengthens and reinforces their opinion of the company.

Sanjay Kumar

CA is able to succeed through a comprehensive approach benefiting several charitable groups. CA contributes cash, executive support, hardware and software, and paid employee volunteer support. CA supports, among others, Habitat for Humanity, Junior Achievement, KaBOOM!, Digital Schoolhouse, Computer Associates Foundation, the National Center for Missing and

Exploited Children and the Smile Train. These are examples of programs that truly impact children at all levels. In addition to corporate-sponsored activities, CA encourages and supports other charitable giving programs suggested by our employees. CA employees responded to our nation's recent tragedy by immediately organizing the NY KIN (Kids in Need) Fund. The Fund provides a range of long-term support for children who lost a parent or caretaker, or whose parent was seriously injured, in the World Trade Center disaster. CA pledged \$2 million to the Fund and continues to match employee contributions two for one. Our employees are supported with resources, and are also encouraged to innovatively develop ways that can make a difference in their com-

munities. CA supports employees through forward-thinking initiatives, such as employee release time that allows company employees to volunteer, during company time, for company-sponsored programs.

Employee involvement is critical to a successful partnership with these organizations. CA honors outstanding employee volunteers four times per year through the "Distinguished Corporate Citizenship Award." The CA employee receives company-wide recognition and the charitable organization receives a donation made in the employee's name. Organizations benefit from employee volunteerism as well. CA's volunteer recognition program, CA CARES, was established to encourage and recognize the essential contribution of volunteer service. We acknowledge our employees' generous investment of time and expertise by providing a financial grant to eligible organizations for which employees have a continuing, active involvement.

As an international organization, CA's employee-driven activities are organized and directed locally, across our global network. Employee-driven activities have contributed to local charities and associations throughout the world: walk-a-thons, bike-a-thons, blood and food drives, Volleyball challenges, school send-offs and Web-based volunteer opportunities. Collectively, CA employees also helped to fund charitable organizations, including the March of Dimes, BBC Children in Need, Barnardo's Australia, the Leukemia Lymphoma Society, Outward Bound Trust and UNICEF.



Students learn to use the Internet as taught in CA's Digital Schoolhouse

As a technology company, philanthropy enables CA to serve and support communities by deploying our expertise, products and services. Community involvement offers CA strategic opportunities to increase brand recognition and uniquely showcase the corporation's abilities. CA's corporate philanthropic activities provide employees a stronger sense of community, morale and self-satisfaction to compliment and transcend work and customer engagements. Community engagement motivates CA employees to seek out activities that will ultimately benefit Computer Associates and the community we serve.

Sanjay Kumar is President & CEO of Computer Associates International, Inc., and is a member of the Committee to Encourage Corporate Philanthropy.

New Century
Philanthropy Spring 2002



New Century Philanthropy is published by the Committee to Encourage Corporate Philanthropy (CECP).

Editor: Susanne Brose

Address: 140 East 45th Street, 3rd Floor
New York, NY 10017

Phone: 212.622.1081
Facsimile: 212.622.9809

E-mail: info@corphilanthropy.org
Web Site: www.corphilanthropy.org

Editorial Advisory Board:

Michele Courton Brown
FleetBoston Financial Foundation
Kathy Bushkin
AOL Time Warner Foundation
Michael Feller
J.P. Morgan Chase & Co.
Robert H. Forrester
Payne, Forrester & Associates, LLC
Alfred T. Mays
Johnson & Johnson
Mary Pickard
The St. Paul Companies Foundation
Stephen Stamas
Exxon (retired)
Robin S. Tryloff
Sara Lee Foundation
Curt Weeden
Contributions Academy

Newsletter produced by



MARKETING COMMUNICATIONS
SPECIALIZING IN NOT-FOR-PROFITS

www.corphilanthropy.org