



# AGENTS OF SOCIAL CHANGE

United Way is partnering with companies to innovate corporate social responsibility. Same old story? Hardly. Now companies are using *all* of their assets to address complex societal issues

**A**t the Charlotte Motor Speedway last October, David Ragan (left) scored a top-10 finish in his UPS-sponsored race car marked with a United Way logo and the LIVE UNITED® maxim. For the customarily brown-and-bronze UPS car this was a one-off repaint. The package-delivery giant invests heavily to brand itself on the speedway circuit, but for this race it stepped aside. Why did UPS forego its chance to make a splash with 140,000 NASCAR fans at the track and millions more via telecast?

Before you answer, the point of the one-week logo switch was for United Way to cite UPS as the first-ever corporate donor to hit the stratospheric level of \$1 billion in total contributions to United Way. Experts in the field of corporate social responsibility (CSR) would surely have UPS take a slow victory lap for remaking its race car as a United Way publicity vehicle. Consumers generally know what UPS does, but they also want to know what the company stands for. There's plenty of research to confirm such curiosity, and well-run companies increasingly pay heed. The result is a stronger connection with the public through efforts aimed at the betterment of society.

As Ragan's pit crew prepped his 850-horsepower Ford, United Way and UPS had their social innovation engine revved up, too. Model-car replicas and branded signage were prominently in view, and after the race Ragan's sweat-infused, race-worn gear was auctioned off. Most importantly, a contingent of UPS employees from across the U.S. was there to build literacy kits for young children from low-income families. This type of volunteerism is thriving, as companies look to engage employees in expanded CSR efforts that represent a total commitment of company assets far beyond baseline financial contributions.

IN PARTNERSHIP WITH





On the ground in 41 countries and partnered with some 1,800 local United Way organizations, United Way Worldwide combines a global perspective with its longstanding passion for socially beneficial change. Its three focus areas are education, income and health, and its collaborative approaches to problem-solving continually evolve. There is an obvious need for these services; changes in American society, its economy and media have further increased the importance of CSR and the value of corporate cause-related initiatives. Programs and events are more complex, "consumer engagement" is more desirable and charitable goals are loftier. But committing to specific accomplishments requires a sustained effort, and the underlying strategy has to fit the culture of the company or partnership.

There is more than ample evidence of the benefits companies can reap from an "all-in" approach to CSR beyond the fundamental reason that it's the right thing to do. An influential report, the 2010 Cone Cause Evolution Study, showed that no fewer than 83 percent of Americans wish more products, services and retailers they use would support causes. Brand managers fighting the share-of-market battle would be wise to further note that eight of 10 surveyed shoppers said they were likely to switch brands, given equivalent price and quality, to one that supports a worthy cause. The consumers most highlighted and cross-referenced in the study were "Moms and Millennials." Given these attitudes, an effort along the lines of the GE Online Outlet Store is relevant. Under the program, General

Electric forwards 2 percent of all appliance sales it transacts through the portal to United Way, the driving force behind a new and expanded age of CSR, and the largest privately-funded non-profit in the world.

Another great example of CSR is the United Way Gift Card from American Express. For each card purchased, American Express donates the purchase fee to support United Way's work to advance the common good. In addition, the PASS Card, a prepaid, reloadable card parents give teens, provides Cardmembers access to discounts at hundreds of merchants through an online shopping site, the Rewards Mall, through which American Express makes a charitable donation to United Way for each eligible purchase.

Part of the scale factor that distinguishes United Way is its ability to aspire to and tackle grand goals. Its mission, "to improve lives by mobilizing the caring power of communities around the world," is grounded in a belief that, by mobilizing resources and connecting diverse sets of individuals and institutions with the issues and strategies that they most care about, it can create long-term change.

"As a sector, we've made some progress against our communities' most pressing social challenges, but we haven't made enough. If we hope to achieve the kind of real, sustainable results that create a better life for all people, we need to be more bold," says Brian Gallagher, United Way Worldwide's president and CEO. "As a network, United Way and its partners put a stake in the ground, and set very specific goals around those issues which are fundamental to long-term success—education, income and health."

United Way's "Goals for the Common Good" seek three formidable targets in the U.S. by 2018:

- Cut by half the number of young people who drop out of high school.
- Cut by half the number of lower-income working families that lack financial stability.
- Increase by one-third the percentage of healthy young people and adults.

# TOP 100 COMPANIES

These United Way Global Corporate Leadership companies and their employees are advancing the common good by contributing more than \$1 billion and volunteering more than 25 million hours annually to create better, stronger places to live and work. Learn more about United Way and our work with these outstanding partners at [liveunited.org/gcl](http://liveunited.org/gcl)

## SPRIT OF AMERICA\* AWARD WINNER

U.S. Bank

## SUMMIT AWARD WINNERS

Bank of America  
Dominion Resources Inc.  
Microsoft Corporation  
P&G

## CAMPAIGNS OF \$15 MILLION OR MORE\*

Wells Fargo  
UPS\*\*  
Publix Super Markets, Inc.  
IBM  
Bank of America  
AT&T  
The Boeing Company  
Microsoft Corporation

ExxonMobil Corporation  
GE  
Intel Corporation  
Deloitte LLP  
Johnson & Johnson  
P&G  
Nationwide Insurance  
Costco Wholesale

\*In order of amount raised  
\*\*First company to exceed giving \$1 billion to United Way

3M  
Abbott  
Accenture  
Aetna Inc.  
Agilent Technologies, Inc.  
Air Products  
Alcatel-Lucent  
Allstate  
American Express  
Automatic Data Processing, Inc.  
Avery Dennison  
AXA Equitable  
Battelle  
Best Buy Co., Inc.  
BNY Mellon  
Bristol-Myers Squibb Company  
C&S Wholesale Grocers, Inc.  
Cargill  
Caterpillar Inc.  
CenturyLink  
Ceridian Corporation  
Chevron Corporation  
Chrysler Group LLC  
Citi  
Citizens Financial Group, Inc.  
Colgate-Palmolive  
Comcast  
Constellation Energy  
Cummins Inc.  
Delphi  
Delta Air Lines, Inc.  
Deluxe Corporation  
The Dow Chemical Company  
Duke Energy

DuPont  
Eastman Kodak Company  
Eaton Corporation  
Eli Lilly and Company  
FedEx Corporation  
Fluor Corporation  
Ford Motor Company  
General Mills, Inc.  
General Motors  
GlaxoSmithKline  
The Goodyear Tire & Rubber Company  
Guardsmark, LLC  
Harris Bank/BMO Capital Markets  
The Hershey Company  
Hewlett-Packard Company  
HSBC North America  
ING  
International Paper  
ITW  
jcpenny  
John Deere  
JPMorgan Chase & Co.  
Kellogg Company  
Kimberly-Clark Corporation  
KPMG LLP  
Limited Brands  
Lockheed Martin Corporation  
Lowe's Companies, Inc.  
Macy's, Inc.  
Marriott International, Inc.  
Medtronic, Inc.  
Merck & Co., Inc.

MetLife, Inc.  
Morgan Stanley  
The Mosaic Company  
Motorola  
New York Life Insurance Company  
Pfizer Inc.  
Pitney Bowes Inc.  
The Principal Financial Group  
Prudential Financial, Inc.  
PwC  
Raytheon Company  
RR Donnelley  
Sara Lee  
Shell Oil Company  
Sprint  
SunTrust Banks, Inc.  
SUPERVALU  
Target  
Texas Instruments  
Toyota  
The Travelers Companies, Inc.  
United Airlines  
United Technologies Corporation  
USAA  
Valero Energy Corporation  
Verizon  
Walgreens  
Walmart  
WellPoint, Inc.  
Weyerhaeuser Company  
Whirlpool Corporation  
Williams  
Xcel Energy  
Xerox Corporation

GIVE. ADVOCATE. VOLUNTEER.  
LIVE UNITED® 

**2011 UNITED WAY SPIRIT OF AMERICA® AWARD WINNER**  
U.S. Bank

**SUMMIT AWARD WINNERS**  
Bank of America, Microsoft Corporation,  
Procter & Gamble, Dominion Resources Inc.

For more information: [Liveunited.org/SOA](http://Liveunited.org/SOA)



52% of United Way Financial Resource Center clients in Hartford establish and maintain their first budget; 61% decrease overall debt.



what's possible," says Rangan. "There is a synergy for them between for-profit operations and the work being done in the area of corporate social enterprise. They challenge themselves to integrate the success of the core business with successful efforts to address societal needs."

### Addressing Economic Challenges

Even though median wages for two-parent families have increased 23 percent since 1975, this is largely due to families working more, not earning more. A typical two-parent family worked 26 percent longer in 2009 than in 1975. In short, it's harder than ever to improve family finances.

Recognizing the need to move individuals and families toward greater economic self-sufficiency, Bank of America invests in helping people achieve financial stability, and has developed a robust partnership with United Way to reduce by half the number of lower-income working families who spend 40 percent or more of their income on housing. Helping these individuals take advantage of the Earned Income Tax Credit (EITC) is a proven way to boost incomes and local economies that rely on the financial stability of hardworking people. According to Brookings Institution research, every \$1 received in EITC funds generates \$1.50 in economic activity.

Since 2007, Bank of America's partnership with United Way has benefitted more than 60 communities in 28 states, and contributed to the free completion of more than 1.5 million tax returns resulting in more than \$2 billion in total tax refunds to working families. Bank of America's funding has helped provide a lifeline for communities when funds from others sources have decreased.

"Bank of America's support of United Way financial stability strategies stems from our understanding that healthier communities are healthier places in which to live and do business," says Kerry Sullivan, president of the Bank of America Charitable

### The Expectation of Giving Back

People have always expected profitable businesses to give back in their local community—that's why hardware stores sponsor Little League teams. But the definition of any corporation's community is less and less based on geography. Procter & Gamble's "Touch-down for Kids" initiative, which delivered a \$5,000 donation for every touchdown scored at the 2011 NFL Pro Bowl game, used a hometown approach by supporting United Way youth health and wellness efforts in scoring players' local NFL markets. General Motors also teamed up with the NFL and United Way around their efforts to tackle childhood obesity by donating 70 Super Bowl XLV tickets to United Way Worldwide. By auctioning Super Bowl packages, the gift generated nearly \$264,000 to advance youth health and wellness in NFL markets nationwide.

Of all brands, UPS was among the first to discover that, wherever you do business, you are—or should be—part of the community. The company (founded in 1907), which formed its charitable foundation back in 1951, was also a very early adopter of the employee-engagement principle. By virtue of its business, UPS trucks and drivers serve almost every community every day, coming face-to-face with all walks of life around the world. As more than 400,000 employees see firsthand the varying needs of each community in which they live and work, UPS is ever aware of urgent need and committed to addressing it. In 2010, UPS employees and their family members contributed 1.2 million volunteer hours to worthy efforts.

A Cone study finding that 75 percent of respondents wish to practice "skills-based volunteerism" is supported by the work of UPS Logistics Action Teams (LATs). Employees of UPS are, by the nature of the work, often led into areas struck by disasters of every sort. Along with their countless impromptu acts of assistance to victims, LATs support important relief work, such as the American Red Cross's efforts for victims of this year's tornadoes in the Southeastern U.S. These response units draw upon the company's transportation network, legendary logistics expertise and far-reaching employee volunteer base to bring aid efficiently and without delay to affected

areas. The LAT approach at UPS is modeled after a similar program at a global food relief network, for which UPS provides personnel in the form of first responders who coordinate logistics.

Logistics and efficiency are in both the DNA and the heart of UPS and its people. As the United Way Literacy Kit project on NASCAR race day came to a conclusion, three or four of the 50 UPSers came forward after the event, unsolicited, to offer constructive suggestions on how the kit assembly could have been done more efficiently. "That's our workforce—the logistics chip is in the brain of just about every one of them," says Lisa Lynn, corporate relations manager at UPS. "It's a unique mix of the head and the heart. When the efficient way of doing anything becomes second nature, you're in a better position to help others. Going back to our founder Jim Casey, those traits permeate our workforce."

When the corporation-charity relationship is well structured and enduring, novel opportunities tend to follow. For United Way and UPS, one of those offshoots is in evidence right now—a six-week online auction of once-in-a-lifetime experiences (see sidebar).

Communities can fall into chaos after natural disasters or become dysfunctional through failed education systems and family environments where adequate life skills aren't taught. Corporations now address these problems with their full array of assets, aware that revitalization naturally leads to improved business conditions. Another way to think of it: A rising tide lifts all boats.

The best CSR success stories tend to start by identifying a specific need—one that matches well with a company's management expertise and workforce skills. Employee engagement with the effort is bolstered because the challenge at hand fits so well with the organization's capabilities. As societal problems move toward solutions, a bonus benefit is the greater ease in conducting business day to day.

"Companies increasingly understand the importance of strengthening the communities where they live, work and have a presence. CSR is no longer an annual afterthought. 'Strategic philanthropy' is now built into their business plans," says Gallagher. "And today's employees are often leading the way. They want a fuller, more

engaging philanthropic experience, and that has resulted in tremendous partnerships. Employees are not only volunteering their time, they're leveraging their professional expertise and driving community strategies and solutions."

One clear way work for the common good has gone mainstream lies in the attitudes of newer entrants into corporate management. Harvard Business School marketing professor Kash Rangan serves as co-chair of the Social Enterprise Initiative, established at the ivy-walled university 25 years ago. He sees the social-benefit component of corporate activity becoming tightly integrated into everyday operations.

"This generation of business students takes a holistic view of

### Silent Auction, Loud Prizes

United Way is currently auctioning goods and services donated by UPS with a face value of \$40,000 and lots of feel-good summertime appeal. The 75-plus items up for your bidding pleasure focus on Live Nation rock concerts, the 2012 Olympics and a unique NASCAR opportunity. Some of the items can be bid on by UPS employees only (file this under workforce engagement), while the rest are open to the public on eBay. Tickets to see concert headliners like Kid Rock, Dave Matthews and Maroon 5 are

on the block, along with autographed sports gear and the thrill of serving as an honorary pit crew member of the Roush Fenway Race Team No. 6. All proceeds flow to United Way, including the pretty penny some bidder pays to join that pit crew, receive race tickets for family and friends, help set up the pit box area (and watch the race from atop it) and pose for photos by the car. To get in on the bidding before the gavel bangs—anytime from right now until Sept. 9—visit [liveunited.org/thanksUPS](http://liveunited.org/thanksUPS).



Place a bid!



Foundation. "Through financial stability partnerships like United Way, we've seen good outcomes as more families receive free tax preparation and the EITC, but we recognize that many individuals are still in need of additional programs and support. We're working to extend our impact and address these needs by leveraging our philanthropic funding and employee volunteerism in areas such as integrated services."

The economic downturn has revealed that many families need even more help to access public benefits, find livable-wage jobs and learn personal financial management skills. In response, Bank of America became a founding partner of United Way's national effort to support Financial Stability One Stop Centers,

which provide a range of financial services (including free tax preparation) under one roof. The One Stop Centers empower individuals to earn, save, build and sustain assets. To help scale this promising new approach, Bank of America recently invested in nine United Way Financial Stability One Stop Centers across the nation, and is focused on expanding its skills-based volunteer opportunities as part of the company's 2011 goal to donate 1.5 million volunteer hours in the communities it serves.

Through these efforts, "Bank of America volunteers are now picking up the baton and providing information, coaching and guidance to hardworking families so they can make informed decisions on how to make their money go further," says Carol Heller, Bank of

## Only 33 percent of U.S. fourth-graders are proficient in reading.

America senior vice president and community relations manager in Hartford, Conn. "Our volunteerism meets pressing community needs while increasing our visibility in the community, a win-win situation for all."

One employee volunteer in Hartford, Sara Andre-Bello, a Team Leader from Home Equity Loan Operations, says the free tax return, budget coaching and credit-report education services call upon volunteers like her to "use the same tools and knowledge that we use in the workplace, which gives us a rewarding and meaningful way to give back to our community."

The free tax preparation effort is an area of concentration for the Walmart Foundation, as well. In 2011, for the third successive year, the charitable arm of retail leader Walmart provided a grant of \$4.2 million to United Way, One Economy Corporation and the National Disability Institute's Real Economic Impact Tour to increase usage of free tax preparation and filing services. This outreach occurred both in-person and online, using the Web site MyFreeTaxes.com as a platform. If you can possibly picture Uncle Sam underwriting convenient community locations across the country, plus a fleet of mobile vans, equipped with online tax-filing technology to do this work—well, don't bother: it's taken care of through this innovative partnership. In 2010 alone, the Walmart Foundation's grant assisted nearly 1 million taxpayers and returned \$1.6 billion in refunds.

Once this effort has engaged low-income filers—to gain them EITC access—it goes a step further and provides much-needed eligibility information for the Women, Infants and Children (WIC) program and Supplemental Nutrition Assistance Program (SNAP). The addition of WIC and SNAP eligibility education is a new feature of this year's partnership. The grant, shared among the program partners, is expected to help return more than \$1.75 billion in

total tax refunds, credits and tax preparation fee savings to eligible families nationwide.

"As people continue to struggle with economic challenges, the Walmart Foundation wants to ensure that those eligible for the Earned Income Tax Credit are aware of the benefit and have access to it," says Margaret McKenna, president of the Walmart Foundation. "Through our grant, we raise awareness and provide access to free filing services to those who need them the most."

### Volunteerism in Action

There is a meeting point where the idea of mobilizing employee volunteers and the willingness of those volunteers creates action. The recent United Way Day of Action sponsored by Target on the National Mall in Washington, D.C. provides a compelling example. Starting at dawn on June 21, more than 1,000 volunteers worked into mid-afternoon assembling summer reading backpacks for 50,000 young people from households lacking the means to buy books for summer reading. The awareness-raising festivities in the capital were echoed in more than 250 local communities throughout the U.S. The United Way Day of Action launched a recruitment effort aimed at attracting no fewer than 1 million volunteer readers, tutors and mentors. (Anyone can volunteer to be a reader, tutor or mentor at [liveunited.org/gclvolunteer](http://liveunited.org/gclvolunteer).) Target and its team members are helping lead the way through their \$1 billion commitment to education and their focus on improving literacy.

Dating back to 1946, Target has acted with purpose as a community benefactor, donating 5 percent of net income—in current terms that is \$3 million-plus per week—with a focus on education. In keeping with the current mindset of corporate social responsibility, Target explicitly identifies conditions today as "an education crisis in America" and sets a bold, concrete goal: helping American school-children achieve grade-level reading skills by the end of third grade.

If CSR strategies are sound and creativity mixes in good measure with disciplined execution, amazing results are possible. In every case, success is fueled from the start by a vision of a better society—one that the public is waiting for private-sector players to embrace. ●

## Art for Art's Sake (Plus a Dose of Cause Awareness)

CSR can spur imagination as the effort is made to give back to society while connecting to something of meaning within an organization. In 2009, members of Microsoft's Photography Club collaborated with the Microsoft Corporate Giving Campaign to create a fine-art photography book to raise money for United Way Worldwide. More than 450 photographers at Microsoft donated their time, talent and portfolios to create the book, *Photographers@Microsoft*.



Get the book!

Involvement grew to over 500 photographers in 2010 and over 700 in 2011, and Photography Club members can count the time on the project as volunteer hours.

Combined, the 2009 and 2010 books raised more than \$90,000. *Photographers@Microsoft* can be purchased at [photographersatmicrosoft.com](http://photographersatmicrosoft.com).