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Peace Corp(oration): IBM's Deep Dive Into Social Responsibility



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Interview with **Kevin Thompson**, IBM's Senior Program Manager for the Corporate Service Corps

Sustainability 1.0 was about mitigating risks: getting ahead of regulations and avoiding PR debacles. Sustainability 2.0 involves the recognition that this work improves competitiveness. So what's next?

ISSP went in search of tangible examples of Sustainability 3.0 where corporations realize that there are huge problems in the world that they are well positioned to solve. This interview with Kevin Thompson is one place our search took us. Kevin created IBM's Corporate Service Corps, an internal Peace Corps of sorts.

When Peace Corp Values Merge With Corporate Interests

What do you get when you mix equal parts passion and pragmatism? You get IBM's Kevin Thompson, Senior Program Manager for IBM's Corporate Service Corps.

In 2003, IBM was on the prowl for talented unorthodox MBAs, and Kevin fit the bill perfectly. IBM was looking

for unique perspectives based in non-traditional work experiences to shake up traditional corporate thinking, contribute value to society, and to increase revenues.

After a two-year rotation in IBM's global strategy and marketing function, Kevin joined IBM's corporate citizenship group. At first Kevin's role in corporate citizenship was to support IBM leadership as a specialist on the policies, trends and status of corporate citizenship worldwide among other corporations, NGOs, governments and multinational organizations. It was during this time that he joined the advisory board of the Boston College Center for Corporate Citizenship, one of the leaders in the field. In 2007, drawing on his experience as a Peace Corps volunteer in Ghana, Kevin proposed a plan for a "corporate Peace Corps" for IBM. The Corporate Service Corps vision was to combine IBM's need to expand business in strategic emerging and developing countries and address core societal problems in a 21st century leadership development program. It seemed like a good solution for these countries and

allowed for a big impact within a short time frame. Now, IBM is involved in working with Open Source Development in Vietnam or helping a neighborhood school project called Apprendiz develop new fund raising strategies in Sao Paulo, Brazil.

Overcoming skepticism

When Kevin and his collaborators first proposed this idea, some IBM executives were skeptical, concerned that the concept was not proven, that someone might make a blunder, or that someone might get hurt. There was no precedent at the scale of engagement IBM would need to consider. IBM was aiming for at least 100 team members right out of the gate.

These concerns, though valid, didn't stop Kevin and IBM's commitment to move ahead. The keys to Kevin's success were his decision not to take criticism personally and to work with the current tides that were in his favor. The Corporate Service Corps' first team went out in July of last year, and since then over 500 of IBM's most talented leaders from 47 countries

VOLUNTEERING IN BRAZIL—A PERSONAL STORY

What can a major U.S. company do to become a better corporate citizen? Kristina Kloberdanz, who works in marketing at IBM, can testify about IBM's work in international social responsibility and its progress in improving its position in emerging countries. She was part of a contingent that went to Brazil in support of a non-profit there.

After 16 years at IBM, Kristina believed she had never before worked harder in any single month, nor had a more rewarding experience.

“Going down to Brazil were fourteen of us from eight countries. Since Brazil and São Paulo are emerging, our group worked with six different NGOs (Non-Governmental Organizations). This was a game-changer for IBM because we don't deal with non-profit organizations in our day-to-day life. The challenge for non-profits is to keep the boat afloat; they're built on passion and doing good and they typically don't have the luxury of resources, time and people.”

Kristina was not new to the non-profit world. She's on the Board of Directors for the New York Junior League involving 3,000 volunteer women in Manhattan and overseeing the community involvement with thirty community partners, including cultural enrichment of youth. She is also on the Board of Directors for NYC Outward Bound and Outward Bound International. Their mission—helping youth see that they can achieve more than they thought possible—intertwined with the IBM project, and for the first time she could combine her “day job” with the other side of her life. This way she could take the best from both worlds and cross-pollinate her experiences.

Kristina talked about the types of people who were attracted to this opportunity



have provided pro bono business and information technology services in 13 countries on 51 different teams. Now shifting into its second year, IBM's Corporate Service Corps is taking on a new set of challenges geared towards scaling up more broadly within IBM and across the private sector. 50-60% of the enterprises the CSC works with are small to medium in size, providing the key to local economic development. These are organizations that IBM thinks it can contribute to by helping in areas such as financial management, supply chain, Web strategy, marketing, and so on. IBM's corporate citizenship has already taken off and is now an example for many other domestic and multinational corporations.

“Corporate citizenship is about a new contract between business and society. It calls for a vision of partnership

between the public, private and social

sectors,” Kevin said.

Evolving Corporate Citizenship

In the past, IBM's engagement with the community revolved around traditional philanthropy. In the 1980's, IBM was the largest corporate contributor. However, philanthropic giving was not very strategic. In the early 1990's, IBM suffered a major downturn. At that point, under Stan Litow's leadership, Kevin's boss, IBM's plan shifted from just writing checks to leveraging their strengths and capabilities as a corporation to work on core societal programs with a primary focus on education.

In the world of corporate citizenship, as demonstrated by IBM, what happens to societies happens to business. Corporate citizenship often involves working in tandem with private, public and social sector organizations to accomplish IBM's vision and mission, while of course keeping shareholder value in mind. In addition to widening its lens from just philanthropic to strategic corporate citizenship, IBM has expanded its view of internationalism. In the past, IBM has been organized in a way that created silos at the country level. IBM now treats their international counterparts as countries in a world that is deeply connected and globally integrated. Also, IBM realized that if they wanted to do business in each country, they would need to learn new methods of getting things done, such as the sourcing of products and services and understanding cultural differences. It often takes multiple teams from 8-10 different countries to work together on a project to meet the demands of clients.

The people who have the biggest impact aren't necessarily the ones who know the most, but those who know how to get the most answers, know who can solve problems.

Kevin Thompson, IBM

and what that meant for team dynamics.

"It's interesting to note, out of IBM's 400,000 employees and the 5500 that initially applied, the type of people who want to 'jump off a cliff' and do this type of endeavor are pretty much Type A personalities. And when you put those Type A personalities together for 30 days, and...well, Type A is the same no matter what language you speak, which results in a completely other dynamic.

"We were paired in groups of two or three to work with six NGOs. I had a gold mine opportunity to work with an NGO called Aprendiz which was started over ten years ago by a renowned journalist turned activist in Brazil. He took an area in São Paulo that was drug-infested and violence-ridden and created a concept that was called Neighborhood School. It starts with the belief that not just the family or school is responsible for youth, but the whole community, all the stakeholders. Whether it's the school, NGOs, companies; they're all accountable for breaking down these traditional barriers and allowing children to escape the barriers in their community. It's been recognized by UNESCO and UNICEF as an educational role model to be replicated world-wide. And most recently the São Paulo work is going to be replicated in over 100 state schools. They're doing amazing things!"

Due to Brazil's new tax structure and changes to the incentive laws, non-profits located in Brazil need to begin to look outside the country for further funding and support. Individually, Kristina was grouped with two other people: a man who was tasked with developing an internal communication plan, and another woman who, along with Kristina, was assigned the task of coming up with international fundraising strategies.

Corporate Service Corps and Network Theory

The Corporate Service Corps is now connecting people who were previously divided by geographic distance. They now have a lasting impact on each other's lives.

Kevin feels those most successful will be those who know who to ask for solutions.

"The people who have the biggest impact aren't necessarily the ones who know the most, but those who know how to get the most answers, know who can solve problems," Kevin said.

Using diverse international teams, participants in the CSC program have a wealth of international contacts they can now collaborate with. In Nelspruit, South Africa, for example, both IBM employees and the women working in a local cooperative brick-making venture will have a rich source of relationships to continue to draw on.



Is It Working?

The first measure of success has to be reflected in the communities that they serve. Harvard Business School Assistant Professor Christopher Marquis studied the impact of the IBM Corporate Service Corps. He surveyed 31 of the local "project hosts" to assess their satisfaction with the program. The vast majority cited improvements in their internal business processes and their ability to forge new and stronger partnerships with other private sector, non-governmental, and governmental agencies in-country as a result of their work with the IBM Corporate Service Corps. In addition, the IBM participants significantly increased their cultural intelligence and resilience as leaders as a result of the program.

Another measure of success is the experience of the employees. According to Kevin, IBM participants "have a transformational experience," and develop a lasting value of personal integrity.

Payoffs for IBM include both financial and some less tangible results, which are successfully demonstrated by improvement in the affinity between participating emerging nations and IBM. If people feel better about IBM, IBM will stay and others will want to buy their products.

Advice for Others

Other companies are starting to take note and adopt Corporate Citizenship as a matter of policy. Major companies are asking how to implement their own international corporate volunteerism model and of course Kevin and the IBM team are delighted to help them. However, even with these noted successes, Kevin points out that Corporate Responsibility / Citizenship can be a gray area. Other areas of corporate focus such as sustainability can be clearer and more measurable.

When asked about personal and professional lessons he learned in this role, as well as recommendations for others, Kevin said “Make sure you’ve got the fundamentals down. Don’t devalue something that isn’t 80% of the way to your dream. You have to go through many steps along the way in order to build a skill set such that when you *do* get into the right job, you can actually execute it.” In keeping a steady eye on the long-term results, Kevin has helped generate a groundswell of support. This occurs not only within IBM but also by enrolling future partners, creating a world where companies can be part of the greater good, while reaping the ethical financial rewards of their own big bold citizen challenge.

Benefits to Employees

The benefits to the employees are deep and lasting.

“We lose passion in our corporate jobs trying to make revenues and profit numbers, while having the opportunity to work with these organization, is invigorating and their passion is infectious. You are forever changed by the experience and you’re leaving them the ability to take that baton and run with it. It’s very exciting!” Kristina explained.

Kristina said she found the connection to her work back home.

“In a big company like IBM, there isn’t an existing job like this. However, the one sliver of my marketing job that would relate is the element of corporate sponsorship; I knew how corporations sponsor, partner and get involved and I would leverage that side of it. I jumped right in. Which U.S. based corporations are giving to NGOs in Brazil? Where is the money from U.S. foundations? Where are they giving? What are they giving for? What are they getting in return? Using our understanding of that initial landscape, we created an international fundraising strategy, which they could then use domestically as well. A non-profit, and its resources, typically doesn’t have the luxury of thinking strategically; it can only think short-term. In order to do effective fundraising you have to have a solid strategic plan. You have to have a vision statement and an elevator pitch. Then you can match it to whom you go after and what you do. The joy of this is seeing something compelling and you know their initiative is in jeopardy. There’s nothing more exhilarating than helping them make it happen.”

There were three distinct things Kristina got out of this opportunity:

- Brazil is an emerging market and all of her previous international work with IBM has been in big cities like London, Paris, or Melbourne. So getting the chance to work with an emerging market like Brazil was really exciting.
- The opportunity to do non-profit work is incredibly fulfilling. When do you get to do non-profit work with for-profit resources? That was really unique.
- When you put fourteen people together from eight different countries for thirty days, you get all sorts of dynamics, whether cultural or just language. You may have a lifetime project manager who wants to over-plan everything, chip designers who can’t see out of the weeds, some people who are eager to leave, and everything in-between. Kristina loved being taken out of her comfort zone. Some can manage and cope with change and others thrive on it. “With a group like this, you’re going to get total combustion and it was interesting to see how people overcame that.”

Benefits to the Host Community

Results on the ground, of course, are what people look for. Kristina sees the benefits of this project in Brazil as very clear.

“Our objective was not to go down just to write a lot of grants but to develop a fundraising strategy, to create a plan which they can adapt. That’s what has happened; we’ve started the motor and now they’re running with it. We have a team there now that’s continuing that momentum. We’ve learned and evolved. We came in with a big strategy and now the people in Brazil are starting to implement it and we’re there to help and provide information.

“One of the programs Aprendiz has in the community of Sao Paulo is an initiative called ‘OldNet’. It’s a program where teenagers sign up to teach elderly people about the internet and how to use computers. With this program, you’ve flipped things on their side and you’re getting an older population learning technology. Not only that, you’re also taking these kids who would be doing who-knows-what and instead they’re taking on the responsibility of teaching the elderly. Kids are developing different media, whether it’s on the internet, video projects, or a newsletter. There, experienced adults in the area are taking their time to mentor children. Another program took a dark alley (located in a drug-infested area) where bad things were happening. They solicited artists to paint creative graffiti murals. The vibrant colors helped to create an open creative play space for children. And these are just some of the ways that this incredible NGO is making Sao Paulo a better place.”

Benefits to the Company

Kristina explained how IBM as a business entity benefited from this project.

“It made the fourteen of us walk away from the experience as much, much more global citizens and employees. We were fully immersed in Brazilian culture. Working and living with people from eight different countries, we really got to have an appreciation for the cultural differences. IBM itself gains a footprint in the developing country’s market. If you can create credibility before you say ‘I think you should buy from me,’ you foster respect. People in São Paulo knew of our existence for over 100 years, but now we’ve created new, altered impressions of IBM.”

This project gave the team a chance to meet with the U.S. ambassador who talked about the United States’ work in social responsibility.

“So many companies want to expand internationally, but they can’t just go in and ‘capitalize on an opportunity’, they have to go in and do some good. IBM’s on the leading edge of that. It’s not just donating money; it’s putting feet on the ground and helping out.”