POLICY WATCH – December 2013

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All of us at North Bay Leadership Council wish you the happiest of holidays and a healthy and prosperous New Year. We celebrate the recovering economy and the growing collaboration to address North Bay challenges. This issue looks at philanthropy and how strategic investments that are aligned for collective impact can make positive differences. NBLC's members look forward to working with other leaders to ensure that our employees, families and neighbors prosper and strengthen our North Bay communities.

Best,

Cynthia Munay

Cynthia

NBLC's Members Are Leading the Way in Collective Impact and Philanthropy

One of the things that NBLC's members practice as leaders is giving back to the community. NBLC's members have given millions of dollars in donations to disaster relief, education, sustainability, community causes and many other worthy nonprofits and initiatives. NBLC's members also have donated millions of dollars of in kind services and equipment to local schools and nonprofits. And it is part of the ethos of NBLC's members to also excel in volunteerism.



Countless causes and organizations have been the beneficiaries of our members' employees volunteering in things like beach clean-ups, Schools of Hope, food banks and more. In addition, NBLC members and their employees serve on numerous boards and commissions donating their time and treasure to making the North Bay the best it can be.

In the report, Giving in Numbers – 2013 Edition, author Michael Stroik says that "an analysis of 2012 trends shows that the majority of companies (59%) are giving more than they were before the recession. Companies reacted to the recession by refining giving programs to address specific needs. Since the economy began to recover in 2009, companies have become more strategic in their support of community partners. Many companies describe their grantmaking programs as community or societal *investments*, indicating an expectation of both societal and business returns. For example, companies often cite the education-workforce pipeline as a reason for focusing on grants to schools. In 2012, Education was the top program area supported by businesses for the first time since Giving in Numbers was first released in 2006." Stroik says 40% of companies expect to increase their giving in 2013.



NBLC's members aren't alone in being committed to helping others to ensure the prosperity and health of our communities. They are joined by a multitude of other caring people and organizations who collectively work to improve our region. In the past year, much has been done to further the ability of business, nonprofits, government and educational institutions to increase their positive impact by working collectively and collaboratively.

NBLC's members are excited to be a part of the collective impact collaborative because it so closely aligns with our motto, "We can do more by working together." Giving back to the community and aligning that investment with community priorities will increase the likelihood that community challenges can be addressed and the benefits of collaboration multiplied.

Collective impact seeks to treat the cause of the problem or issue not just the symptom. For the partners in this collaboration, it creates shared value in achieving agreed upon goals. According to Michael E. Porter and Mark R. Kramer in <u>Creating Shared Value</u> (*Harvard Business Review*, January-February 2011) for businesses, "the concept of shared value can be defined as policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates. Shared value creation focuses on identifying and expanding the connections between societal and economic progress."

This shared value increases the business' interest in participating in finding solutions. The same authors in The Competitive Advantage of Corporate Philanthropy (Harvard Business Review, December 2002) found that "Increasingly, philanthropy is used as a form of public relations or advertising, promoting a company's image through high-profile sponsorships. But there is a more truly strategic way to think about philanthropy. Corporations can use their charitable efforts to improve their competitive context-the quality of the business environment in the locations where they operate. Using philanthropy to enhance competitive context aligns social and economic goals and improves a company's long-term business prospects. Addressing context enables a company not only to give money but also leverage its capabilities and relationships in support of charitable causes. Taking this new direction requires fundamental changes in the way companies approach their contribution programs. Adopting a context-focused approach requires a far more disciplined approach than is prevalent today. But it can make a company's philanthropic activities far more effective."

In <u>Collective Impact</u> by John Kania & Mark Kramer (62 | <u>Winter 2011</u> Stanford Social Innovation Magazine) the authors described the five conditions of collective success. They say, "Our research shows that successful collective impact initiatives typically have five conditions that together produce true alignment and lead to powerful results: a common agenda, shared measurement systems, mutually reinforcing activities, continuous communication, and backbone support organizations."

The more that business, civic and nonprofit leaders can align their efforts, the more effective their efforts will be. What NBLC's members have learned is that their philanthropy and other means of giving back, not only helps an organization be more competitive, but also improves the bottom line. In Corporate philanthropy: good for the soul — and your bottom line by Sid Espinosa,

Microsoft's director of corporate citizenship, Silicon Valley (Venturebeat Business Blog, May 13, 2013 2:00 PM), Espinosa shares that, "A recent study from the Reputation Institute shows that increasing local community engagement is one of the most effective means by which a company can improve its overall reputation and, ultimately, bottom line. For those of us in the field of corporate philanthropy this research comes as no surprise. We see a myriad of examples of how companies do well by doing good. It is high time for people to stop thinking of these values (philanthropy versus profit) as competing or mutually exclusive. In fact, they are often symbiotic."



Espinosa continues, "According to the Reputation Institute study, positive perception of philanthropy and corporate citizenship initiatives is directly correlated with overall business value. A ten percent improvement in perceived corporate citizenship, the study showed, can translate to an 11 percent improvement in overall reputation, and up to a 14 percent improvement in a company's market value." Making an important clarification, Espinosa says, "all companies should work to address their community's social problems because the companies are, in fact, important and

influential members of that community. A company's employees, customers, services and products impact that community in both positive and negative ways. Solving social issues in any community is done best through cross-sector partnerships and companies should strive to be part of the solution. The fact that these engagements can lead to positive business growth is great, but it should not be the driving factor."

NBLC's members agree. There is great pride in our membership about their philanthropy and the ability to play a strong role in improving our local communities. NBLC's members are committed to being good citizens of the North Bay. And to do that, they follow what Espinosa outlines as best practices:

- Create programs that are aligned with your business.
- Focus your corporate social responsibility (CSR) efforts both inside and outside of your company.
- Engage and leverage your employees, customers and partners in your CSR efforts.
- Establish deep and meaningful partnerships with causes.
- Do something different. Be innovative. Have fun.

Brad Bollinger New Chair; Patty Garbarino, Vice Chair of NBLC's Board of Directors

Brad Bollinger was elected board chair of NBLC. Bollinger is the publisher of the *North Bay Business Journal*. Mr. Bollinger joined the Business Journal as editor in 2005 when it was purchased by the New York Times Co. The *Business Journal* focuses its coverage on the North Bay counties of Sonoma, Napa and Marin, but also reaches into Solano, Lake and Mendocino counties. In addition to the weekly newspaper and annual *Book of Lists*, the *Journal* has a robust suite of about two dozen industry and awards events a year, such as its signature Wine Industry Conference and Best Places to Work.



Prior to working at the *Business Journal*, Mr. Bollinger was business editor at the Santa Rosa *Press Democrat* for 15 years. During his tenure, the daily newspaper won numerous awards for its business coverage, including the prestigious Polk Award in 2004 for *Global Shift*, a multiday series on the local impacts of globalization.

Mr. Bollinger is active in the community having served on several nonprofit boards. In addition to chairing NBLC, he also serves on boards of directors of the Santa Rosa Chamber of Commerce, Sonoma County Alliance and Empire College and is a trustee on the Ernest L. and Ruth W. Finley Foundation in Santa Rosa.



Patty Garbarino was elected Vice Chair of NBLC's Board. Since 2000, she is President of Marin Sanitary Service, Marin Recycling Center and Marin Resource Recovery Center. Her background in the education field has been a major benefit to Marin Sanitary Service's Public Education Program. In fact, Patty worked closely with her father, Joe, in establishing the Company's Environmental Classroom and its ongoing outreach to environmental organizations and public and private schools in Marin County with more than 3,200 student visits per year.

Patty is responsible for policy development and implementation and the overall management and oversight of the operations of the Company. In addition to her administrative and management responsibilities, Patty remains directly involved in all aspects of the Company's governmental and community relations as well as the Public Education Program.

Patty has spoken at several national conferences regarding waste and recycling issues and was the first woman President of the California Refuse & Removal Council. She was inducted into the Marin Women's Hall of Fame in 1999 and has been the chair of 6 local school bond measures and parcel tax campaigns, benefiting the San Rafael Public Schools.

Marin Sanitary Service, Marin Recycling Center and Marin Resource Recovery Center have been lauded by the California Integrated Waste Management Board as having the highest recycling rate in California since 2002 and the Marin County Board of Supervisors awarded Marin Sanitary Service Business of the Year in 2006.

Community involvement includes:

- Marin Women's Hall of Fame Inductee, 1999
- MARC (Marin Association of Retarded Citizens) Board Member, 1984 to present, serving twice as Board Chair
- Marin Conservation League Board Member, 1990 1997
- 2007 Women in Business Award Winner for Environmental Service (North Bay Business Journal)
- Citizen of the Year for the City of San Rafael, April 2008

Congratulations to Brad and Patty – NBLC looks forward to a banner year in 2014!

Carol Spindler O'Hara Receives Spirit of Sonoma Award

Carol Spindler O'Hara, managing Shareholder of Burr Pilger Mayer's (BPM) North Bay offices, and Treasurer of NBLC, received the Spirit of Sonoma County Award. She has been a crucial asset in the leadership of NBLC and in assisting us in achieving our goals. O'Hara has shown that she is truly dedicated to Sonoma County through her unwavering spirit and commitment to all she is involved in. During her four years at BPM, O'Hara has helped contribute to the economic vitality of Sonoma County



by providing visionary, proactive services to local and developing businesses. She primarily focuses on vineyards and wineries, consumer products, and assurance in the areas of agriculture, nonprofits, financial services, and consumer/retail. She embodies the capabilities and knowledge of a Big Four accounting firm with the commitment and personalization of a local business.

O'Hara has been active in many business, professional, and community organizations in the North Bay. In addition to serving as Treasurer and Boardmember of NBLC, she serves on the Executive Committee and Board of Directors of the Santa Rosa Symphony, and as a member of the Sonoma County Alliance. She is heavily involved with the Summerfield Waldorf School and Farm in Santa Rosa where she actively volunteers and served on the Board of Directors. In 2011, her accomplishments were recognized with the North Bay Business Journal's Women in Business award, which honors leaders, innovators, and visionaries in organizations across the North Bay.

Members in the News

Medtronic to Give \$450,000 in Health Care Grants

Medtronic operations in Santa Rosa recently selected the Redwood Community Health Coalition, Santa Rosa Community Health Centers, Jewish Community Free Clinic and Operation Access to receive a total of \$450,000 in Health Access Grants from Medtronic Philanthropy over the next two years.

Sausalito-Based Glassdoor to Receive \$50 million in Capital

Glassdoor, the Sausalito-based job-search site that offers the workforce a forum to grade their employers, is receiving \$50 million from investors to expand its global reach — and in the process, add jobs in Marin County.

PG&E Grants \$250,000 in Support to Local Economic Vitality and Job Creation

PG&E has provided \$25,000 grants to 10 organizations in Northern and Central California that encourage job training and development.

North Bay Leadership Council Congratulates the 2013 Spirit of Sonoma Honorees

North Bay Leadership Council wants to congratulate all of the Honorees for the 2013 Spirit of Sonoma Awards. We would like to give special congratulations to our four North Bay Leadership Council members were honored.

American AgCredit Names New CEO

American AgCredit's board of directors has named Byron Enix as its incoming president and CEO, a position he will assume after retirement of current president and CEO Ron Carli on Jan. 31, 2014.

Congratulations Sutter Health for Being Awarded the Santa Rosa Chamber of Commerce's Excellence in Business & Citizen of the Year Award Winners

Each year, the Santa Rosa Chamber of Commerce recognizes member companies, organizations and individuals who have made a significant, positive impact on the well-being of our community and economy.

Dominican University Professor Lighting Path Toward Next Generation of Anti-Malaria Drugs

AT 11 A.M. ON the day before Thanksgiving, a sleepy Roland Cooper sits at his desk at Dominican University of California in San Rafael after an early morning flight from New Mexico.

Buck Institute Partners With USC on 'Aging' Ph.D

The Buck Institute for Research on Aging and the University of Southern California's Davis School of Gerontology announced a joint Ph.D program in the "biology of aging" in an effort to tackle the rising prevalence of age-related diseases.

Sonoma Raceway Distributes More Than 7,300 Pounds of Food to Area Food Banks

Sonoma Raceway is at full speed this holiday season, distributing more than 7,000 pounds of non-perishable food to Friends in Sonoma Helping (FISH) and the Napa Valley Food Bank following the raceway's 13th annual Thanksgiving Food Drive.

Autodesk in San Rafael Donates \$51.4 Million in Software to Cornell University

Autodesk has donated \$51.4 million-worth of 3D design, engineering and entertainment software to Cornell University in an effort to familiarize students with the tools they will use in their professional jobs.

Read more online at www.northbayleadership.org/news



Who We Are

Over twenty years ago, business leaders founded the North Bay Leadership Council on a simple premise: We can accomplish more by working together. Today, the Council includes 44 leading employers in the North Bay. Our members represent a wide variety of businesses, non-profits and educational institutions, with a workforce in excess of 25,000. As business and civic leaders, our goal is to promote sound public policy, innovation and sustainability to make our region a better place to live and work. For more information: Call 707.283.0028 / E-mail info@northbayleadership.org

www.northbayleadership.org