

The Business of Business is...Taking a Principled Stand

Richard J. Levin

On the surface, two recent news stories seem dissimilar: the announcement by the New England Patriots that the organization will donate up to \$1 million to the City of Houston in the wake of Hurricane Harvey, and the decision by several business executives to resign from the American Manufacturing Council and the Strategy & Policy Forum. Both events represent corporate executives flexing their muscles as community leaders.

It is likely that Federal dollars will shortly be diverted from community programs, re-shaping the economic and social ecosystem. We can presume that strong social leadership will not emerge from government leaders (except, perhaps, from the robust Massachusetts congressional team). The outcome is that business, the engine that drives America in partnership with a diverse network of not-for-profit organizations and charitable foundations, will – partly by default and partly by choice – become the leader and safety net for the country's social service infrastructure.

As the Patriots and Council/Forum stories indicate, corporate philanthropy is more than the donation of money. It includes taking a principled stand on core societal issues like racism, volunteering in local shelters, providing disaster relief, and promoting awareness of challenging health concerns. Corporate philanthropy is an essential business function that supports the communities in which businesses operate, enhances employee engagement and commitment, strengthens consumer loyalty, and enriches brand identity.

Corporate philanthropy is not an addendum; it is a core facet of business, regardless of a company's size.

My own business, which has a limited charitable footprint because of its relatively small size, expresses its corporate citizenship not only through donations but by publishing a values statement that we leverage through social media, videos, and columns like the one you are reading.

There is also an individual leadership dimension to corporate philanthropy. A significant role of a business leader is to engage people across private, public, and social sectors. From this perspective, coupled with the

recent shifting sands of government, the business leader has a noteworthy role in public policy. By believing that the private sector has a social responsibility aligned with the public and nonprofit sectors, businesses can simultaneously be pragmatic and idealistic. Bill Gates captured the essence of this concept by stating at the 2008 World Economic Forum that a “hybrid engine of self-interest and concern for others serves a much wider circle of people than can be reached by self-interest or caring alone.” There is indeed an essential role for business leaders in fostering civic engagement, as well as building business networks to address thorny societal problems.

This is a wide view of corporate philanthropy, clear in its essence that generosity and corporate citizenship go hand in hand, and committed to the fact that fundamental societal challenges can best be addressed by a collaboration among businesses, government, and nonprofits.

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