



SUMMIT ON VOLUNTEERISM

A Response to
Economic Crisis

Paul Bueker, General Electric

I feel like I'm really out of place here. I'm the corporate villain. I have to tell you that I'm really humbled by the amount of service and dedication in this room. For most of my career, for 28 years I was just another accountant at GE, one of those financial kind of guys. In the last couple years, I made the leap into the dot-org world and became the chief volunteer for GE. So it's been fun. I've done a lot of volunteering, but never really got into it as a business and as I find out just like any other endeavor, or any other profession, there's a profession to it and there's a business to it.

Today what I want to do is give you the context as to what we do and why we do volunteerism at GE. I mean why would a company like GE whose focus -- if you listen to Milton Friedman from Chicago in those old books, you'd say, well, your job is to make money. It's to do nothing else. That's not the way we see it. Corporate citizenship, like integrity at GE, is an integral part of our culture. It's a part of our values. And it's a very broad concept, which I won't take the time to go into, but the three things on which citizenship at GE are built are number one, make money. If you don't make money as a company -- we've all seen examples of what happens to communities when companies fold and don't make money. When they make bad business decisions, companies go away and the funding for all of our efforts goes away. So number one, you've got to make money. Secondly, you have to make it ethically. And third, you need to make a difference.

And I'll give you a couple examples broadly of how GE makes a difference around the world. One of our two, what we'd call premiere programs, is called Developing Futures. In six school districts in the United States, GE cities, you might imagine -- places like Erie, Louisville, Cincinnati, Atlanta, New York City itself, and Stamford, Connecticut -- we have programs that total \$30 million a year over five years, and it isn't just about giving money to school districts, it's about involving our executives and making fundamental changes and systemic changes in the way school districts operate. In addition to that, we have people from our businesses who jump in and help out with pro bono work as needed. We have facilities guys who have gone into Cincinnati schools and saved them a million dollars a year. We had a team of IT people in Erie who rebuilt the whole infrastructure for the Erie School District IT systems. So that's one example.

The other is developing health globally. You've got to remember that more than half of our people in GE are nationals that reside outside the US. So when we go to recruit new people, we recruit at Fudan University in Shanghai, we recruit at EM Lyon in France. We are a multinational company. So we're improving health globally with -- in places that have really rural poor health delivery systems. We're bringing medical equipment that we make. We're bringing water treatment equipment that we make, power systems equipment and our engineers to do the systems work, as well as training. We're actually in 10 sub-Saharan African countries, Honduras, and Cambodia, where we've already delivered clinics and hospital improvements. And we also follow that up with mentoring from US employees from a distance, to make sure the equipment is continuing to be used.

So those kind of things are a part of what we do. Now let's get to volunteering. A third element, or a third major program, is something called community building. Now community building is not just the payroll we bring, the training we bring, and the leadership we develop in a given community. Each year GE employees and retirees deliver \$70 million -- not quite the same as the Knights deliver worldwide -- I'm very impressed with those numbers, by the way -- and a million volunteer hours a year in their communities where they live and work. So they have a stake in it. We have 150 volunteer councils in 42 countries. And I can say that I've volunteered in Shanghai and Tokyo, in Munich, and just about everywhere else in the world. It's been a great opportunity. We have about



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100,000 people that volunteer a year. Last year we did about 2,500 volunteer-organized projects. About 60% of those were in the US, 20% in Asia, 15 in Europe, the Middle East and Africa, and then the last 5% in Latin America and Canada.

In addition to the volunteering piece, we also have a program called Matching Gifts. We actually provide about \$35 million in matching gifts a year. Last year we registered 86,000 gifts by 26,000 employees, and this is only in the US – Matching Gifts is only for the US – and then we gave that money to 9,600 not-for-profits. Now that includes schools, education, higher learning education and also nonprofits around the country.

Now how about today's economic crisis? It was very interesting. I'm on the board of the GE Foundation, because I happen to be the Secretary and the Controller, and it was very interesting how quickly GE people thought about that crisis and responded to it. At the end of last year, we set up a separate matching gifts program to double the match to organizations whose primary objective was emergency shelter and food. We also increased our giving to United Way. We're a very strong supporter of the United Way and we made sure that they were willing to target that to specifically food and shelter type programs.

We can't also forget outside the US. Now donating to and working through not-for-profits and NGOs outside the US is a lot more difficult than inside the US. So one of the things I have to do when I get home this afternoon is start looking at not-for-profits through whom we can deliver those kinds of services outside the US, in countries where we have a population of employees over 5,000 employees.

Today we don't have more money to give. So we redirected money, we found ways to save money, and we did what we had to do to come up with a program that's worth about \$20 million in total. In addition, our volunteers are pitching in. We in headquarters are really trying to influence these volunteer councils to make sure that when they do their global community days projects, they include feeding and shelter type projects and are responsive. And we're trying to lead by example locally where we've already contacted food and shelter programs in Bridgeport and in Shelton, so that we can put our money where our mouths are.

We also have set aside a month's worth of funding for a GE Volunteers Foundation that supports volunteering operations, and to focus only on applications for feeding and shelter-type projects. So again, it's a matter of focus, it's a matter of resources, and it's a matter of directing people and creating the opportunities for them to volunteer.