



COMPANIES AND COMMUNITIES WIN-WIN PARTNERS

Executives have always looked for smarter ways to stay competitive, lower overhead, and increase revenue. Today's weak economy and the demands of multiple stakeholders have increased the need for new business solutions. In this context, low-income communities, once viewed solely as beneficiaries of philanthropic resources, are now considered viable markets in which to invest core business resources. Management practices and investments that benefit both the business bottom line and the community are becoming win-win strategies.

Win-win strategies take on many forms: companies seeking to develop cost-efficient suppliers, manage physical and financial assets, recruit and retain a qualified and diverse workforce, build brand image, and identify untapped markets are finding competitive advantage in low-income communities. But they don't always find it alone. The savviest companies form strategic alliances with powerful intermediaries — community economic developers, community development financial institutions, economic development corporations, employer organizations, trade organizations, and community colleges. These are the local partners that facilitate a company's expansion into new markets. They serve as cost-effective, value-added resources that conduct research and broker relationships as well as resources, and provide market intelligence, strategic consultation, and training solutions.

The Ford Foundation launched its Corporate Involvement Initiative in 1996 to encourage new management practices in human resources, marketing, product development, and investments that benefit both business and communities. This is distinctive from corporate philanthropy. The potential impact of targeting more business resources to low-income communities can be seen in the magnitude of the numbers: In 2001, corporate philanthropy in the United States accounted for \$10 billion while minority purchasing accounted for \$50 billion. Clearly, companies have enormous power to benefit low-income communities through their everyday operating decisions. And low-income communities have equally enormous power to advance corporate success.

Win-win strategies transcend all industries — among the leaders, TJX, FleetBoston Financial, State Farm, Pfizer, and many others (for more details see www.winwinpartner.com). Even more timely, they transcend the ups and downs of the business cycle. A recent report by the Initiative for a Competitive Inner City found that inner-city markets offer two-to-six times greater buying power per square mile as surrounding metro areas. The National Association of Manufacturers *Skills Gap 2001* tells us that despite the slowing economy, eighty percent of manufacturers continue to experience a moderate to serious shortage of qualified job candidates.

It's time for companies of all sizes to engage in these win-win business strategies.

— Michele Kahane, Ford Foundation

INNOVATIVE PARTNERSHIP SOLUTIONS

Faced with an increasing shortage of skilled workers, Manpower, the staffing and employment services giant, partners with community groups and nonprofit organizations to train residents of low-income communities and neighborhoods. Manpower and its corporate clients meet their employment needs — and, importantly, underprivileged individuals gain marketable skills. It's a real win-win.

Resource Consulting Group, a Manpower subsidiary, is working with Focus Hope, a Detroit-based nonprofit that provides technical training for former welfare recipients and other low-income individuals. Many graduates become certified machinists and those who qualify can enter a four-year college engineering program. Focus Hope pays for the tuition and provides students with a stipend.

In the past two years, some 2,000 graduates have been hired by Resource Consulting Group to work for Michigan-based employer, Visteon, a large automotive systems supplier. The partnership between Resource Consulting Group, Focus Hope, and Visteon is providing solutions to staffing challenges and new opportunities to low-income individuals.

Partnerships of this sort have inspired Manpower's workforce development initiative, TechReach, which prepares low-income individuals for well-paying career opportunities in technology-related fields. Implemented with businesses and community-based partnerships in 40 different programs throughout the country, these programs provide participants with lifelong marketable skills. Graduates have gone on to work for such major corporations as IBM, SunTrust Bank, Abbott Labs, and Unisys.

Winwinpartner.com is a resource for businesses interested in strategies that benefit the bottom line and build prosperous communities. See www.winwinpartner.com or contact Laufer Green Isaac at (310) 575-9200.

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