



Giving Back:

The Responsibility of Every Entrepreneur

By Kelli Richards

Growing companies have a responsibility to give back. Giving back can come in many different forms – here are a few suggestions for getting started.

With the wild success of tech companies in Silicon Valley, philanthropy is on the rise. What's the point of making so much money if we aren't using it to help others in need?

I'm one of those rare individuals with my roots buried deep in the soil of Silicon Valley. My hometown is Cupertino, California, which later became the home of Apple, and I grew up cutting apricots for drying as a summer job in the orchards that stood on the very land where I later worked in an Apple building.

Steve Jobs also grew up in Cupertino, near the Los Altos border; he was an early and long-term mentor of mine, which shaped not only my career at Apple, but also my whole world view.

We had a mantra at Apple: "Changing the world one person at a time." To me, it wasn't just a marketing slogan. It was clear to me that companies and individuals who had done well financially were honor-bound to look around and philanthropically offer a helping hand to those who weren't as fortunate -- to honor the greater good.

While I've seen this dynamic at work with many wonderful entrepreneurs and families, I would like to see it more often. Bill and Melinda Gates are, of course, famous for their foundation, and Mark Zuckerberg is a relatively low-key but rapidly budding philanthropist himself.

I once had the good fortune of working with Abby Sobrato on a fundraiser. As a family, the Sobratos have been synonymous with philanthropy in Silicon Valley for generations. Working with Abby was a wonderful opportunity to see authentic philanthropy in action.

Giving back can come in many different forms, but here are a few things I recommend all new entrepreneurs do to incorporate philanthropy and social consciousness into their business.

1. First, do no harm.

First and foremost, don't make things worse. Ensure your company is operating with socially conscious principles: eco-friendly packaging, products that are biodegradable and won't harm the environment, and safe and humane conditions for factory workers in other parts of the world.

At home, cut down on unnecessary waste by making it a company effort to reduce consumption of office supplies and furniture. According to the U.S. Environmental Protection Agency, tracking how much waste your office produces and making tangible goals to reduce it is a good start.

2. Use philanthropy as compensation.

In lieu of rewards or bonuses, make donations to worthwhile causes of an employee's choice. Encourage them to take sabbaticals that allow them to support philanthropic causes that call to them as part of your corporate culture.

It might not always seem like a lot, but everything adds up. Silicon Valley powerhouse Salesforce gives employees seven paid days of volunteer time off (VTO) every year. By pledging just 1 percent of its product, time, and resources to help others through its 1-1-1 Philanthropic Model, the company has contributed more than 2 million volunteer hours, donated products to 32,000 companies, and generated \$168 million in grants.

3. Lead by example.

Participating in community philanthropic ventures, matching employee donations, and donating a portion of leadership salaries are just a few ways a company can lead by example. You don't have to do them all -- just focus on implementing one or two.

Patagonia took this idea very seriously when its leadership decided to switch to using only organic cotton. It took time to train farmers to grow organically, which caused a 20 percent drop in sales. But the company stuck with it, knowing it was the right choice. Despite downturns such as this, the company's eco-friendliness eventually paid off, as its customer base generally wants to buy from morally and ethically sound companies.

In recent years, several other foundations spearheaded by individuals in powerful positions within the Silicon Valley region -- such as eBay co-founder Pierre Omidyar's Omidyar Network and Jeff Skoll with the Skoll Foundation -- have served as role models for other founders by going above and beyond. Their initiatives pave the way for the next wave of philanthropy.

Growing companies have a responsibility to follow suit and give back. To ride that wave, think about sustainable ways to go about doing business that make sense for your particular industry and customers. Take every opportunity to spread the wealth whenever possible.

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