FSG Webinar: From Global Goals to Local Impact: How Corporations Can Drive Place-based Change
November 6, 2025

Lakshmi Iyer: OK. We'll get started. Welcome to the webinar, from Global Goals to Local Impact: How Corporations Can Drive Place-Based Change. This will be a timely conversation about how companies are redefining their role as local change agents through strategic place-based approaches that really go beyond traditional philanthropy. Thank you for joining us virtually today. Hopefully you can get comfortable with your cup of coffee or your lunch and just dive in. My name is Lakshmi Iyer. I'm a managing director here at FSG and I lead a lot of our corporate work. I'm joined today by my friend and colleague, Erin Sullivan, who's also managing director at FSG leading a lot of our corporate and place-based work. For those who may not be familiar, FSG is a global nonprofit dedicated to advancing strategies for equitable systems change. We have staff here in the U.S. and in Asia and together we deliver on our mission alongside our clients and partners through customized consulting that we do with companies, foundations, and nonprofits. We do programmatic initiatives and have communities of practice and also by sharing our learnings and insights with the field like the webinar today. Before we dive into the content, just a few housekeeping items. First of all, we want to hear from you. We have time reserved at the end of this session for an audience Q&A. Please use the Q&A box for questions and we'll get to as many questions as we can. You can start entering them anytime. We are recording today's session and we'll be sharing the recording and slides on fsg.org. To turn on live captions today, you can go to Live Transcript at the bottom of your screen and select Show Captions. If you have any technical difficulties or need help with anything please email the address that is on the screen, info@fsg.org. Before I go any further, I want to take a moment and introduce our lineup of speakers. As I said today, I have my colleague, Erin Sullivan, who's a manager at FSG, and together we are so excited, so excited to gather and be in conversation with two amazing leaders who are deeply engaged in responding to place-based work. Sarah Keh from Prudential Financial and Michael Stroik from 3M. Unfortunately, Michelle Liberatore from Verizon cannot join us today but we will still have a rich conversation. We'll do proper introductions for Sarah and Michael a little later when we bring them into the conversation. So, I want to share, I want to spend some time sharing a little bit about our research and perspective and then dive into the conversation. So FSG has been working with companies for over 25 years and in our work, we're seeing more and companies drive social impact and create business value and credibility and trust by focusing on place-based efforts, whether it is in their headquarters or their manufacturing locations or any location of strategic significance. Further, in a time of overlapping crises and low trust, place-based strategies often offer a way to show up authentically and create tangible shared outcomes. So earlier this year, Erin, myself, and a few other colleagues at FSG, we sought to understand what are the patterns in place-based works that companies are leading. We tried to understand how do they go beyond, how are companies going beyond philanthropic dollars to drive meaningful impact? How are companies building authentic trust with communities? How are companies clarifying the business value of investing in community prosperity to their business leaders? And so that research culminated in the publication of this report, How Corporations Can Be Place-Based Change Agents, and you can see the QR code on the screen in case you want to download it. So, over the course of our research we spoke with many corporate leaders across many different industries who are doing this work and we identified four distinct ways or archetypes that companies are positioning themselves as place-based agents. So before we walk through the four archetypes, I want to emphasize that these aren't mutually exclusive. You can totally blend elements of multiple archetypes and companies are doing that depending on their context, depending on their goals, depending on the resources that are available, and there may be other models too out there. But we want to talk today about these four archetypes. So first, is the anchor institution. So typically, when you think of anchor institution you imagine a university or a hospital that fuels the local economy. In this context we're talking about a company that plays that same role, investing, hiring, buying, and giving locally to strengthen its home community. So in the report we talk about Prudential, how Prudential has really taken on this role in its hometown of Newark, investing over 1.2 billion in affordable housing, small business growth, arts initiatives that help the local economy thrive. And you'll hear more from Sarah about this work a little later in the conversation. The second archetype is the collaborator. So typically, companies can tend to act alone sometimes establishing their own program or funding a particular nonprofit, but in this archetype, which is the collaborator, the company really wants to do place-based change and it takes on the role of a convener or participates in existing convenings, really partnering with government, with philanthropy, nonprofits, and maybe even other companies to define a shared problem and tackle the shared problem together. So Verizon plays this role in Houston through the Economic Growth Collaborative and we talk more about that in the report. It has over 20 partners to expand economic opportunities in the area. The third archetype is the specialist. So usually you think of, you know, a company or a CSR leader who's trying to address so many different issues in one region, but in this archetype of a specialist the company goes deeper. In one locally relevant challenge that they have identified and leverages all of its assets, right. Its core expertise, its talent, its capital, philanthropic capital, and business capital, and really uses all of that to move the needle on the social issue. So we talk about how Microsoft has done this in the Seattle region committing to over $750,000,000 to address affordable housing, shortages near its headquarters. And finally, the community-directed donor. So often, companies, we do some needs assessment and determine what are the community needs and design programs from the top down. In this archetype, this is a company that really flips that script, right. It puts community voices in the driver's seat to shape where and how investments are made. 3M has embraced this approach in St. Paul letting its residents guide how its $50,000,000 local investment is used, which led to prioritizing issues such as child care, housing, which the community really cared about, and you'll be hearing more about how 3M has leaned into this approach a little later from Michael. So those are the four archetypes. Before we jump into the conversation with our speakers, which I'm really excited about, we would love to understand the role of you all, the audience please, and place-based change by answering this question. So the question is, how would you describe your organization's primary role in place-based change today? So you can choose one of the four archetypes. You may be doing a little bit of everything. Feel free to choose the one that's most primary. It's just to get a sense of where the audience is today and then we'll get a sense for that and move forward. OK, OK. I don't know if you all can see the results. I can. So it looks like we have almost 59, 60 percent of the audience saying they are involved in sort of playing the collaborator role, which is really powerful. Seventeen percent of them saying they're sort of playing the role of an anchor institution or are involved in one of those, and then the remaining is split between specialist and community-directed donor. Super interesting. Not surprising also in my mind. I think collaborations can take on so many different forms and shapes but also be really powerful. So excited to dive in. Now, I'd love to invite my colleague, Erin, to join me and start the conversations with our speakers.

Erin Sullivan: Great. Thank you so much, Lakshmi. Hi, everyone, as Lakshmi mentioned, I'm Erin Sullivan. I'm also managing director at FSG and I'm so excited to be joining Lakshmi and our panelists in this conversation today. So I'd like to welcome, officially welcome our speakers. You've heard about them already. Sarah Keh, who is the vice president of inclusive solutions at Prudential, and Michael Stroik, who is the vice president of 3M community impact at 3M. So first, thank you both so much for joining us in this conversation today. We've already learned so much from you as we were putting that paper together, and we're thrilled to be able to further highlight your leadership and your insights and have you share all of the lessons you've learned along the way because I know we have some shiny examples but there's a lot that went into that that you're able to share with us. So with that, I'd love to dive in and learn more about your work. So Sarah, I'd love to start with you. Prudential is headquartered in Newark, and over the past decade the company has invested, as Lakshmi mentioned, 1.2 billion dollars in the city. So, what drove Prudential's decision to invest so heavily in Newark and in such a sustained way?

Sarah Keh: Great. Well, it's wonderful to be with you all and appreciate everyone joining this webinar today. So as Erin and Lakshmi said, Prudential was founded and still headquartered in Newark, New Jersey, 150 years ago. So this year is our 150th anniversary. So the work is based in our legacy and the purpose of why this business was started. A hundred and fifty years ago, our founder, John Dryden, saw a societal need out there that working class families didn't have the financial means to bury their loved ones, and so our first product was burial insurance that cost as little as three cents a week that allowed families to bury their loved ones with dignity. And so looking at that intersection of society and business was at the starting of our company and it still remains in the DNA today. You know, there have been many times in the 150 years where the company could have made a decision to leave Newark and move to whether it's New York City or another area, and we've only doubled and tripled down our commitment to stay in this place. And so we are deeply embedded in this community. There's a few values that we had that's looking at patient capital, authentic engagement, really enduring long-term solutions. And we've been with the city through all of the good and bad. A lot of companies did leave Newark after the civil unrest of 1967. We chose to stay and when we look through our phases of how we've looked at our support, after the civil unrest, it was really about rebuilding the social sector, making sure our nonprofit organizations were capable of meeting the needs. Then it was about how do we pilot things, looking at development projects that are really reenergizing the city, and then we looked at how do you scale them and really look at systems change. Unfortunately, that is when COVID hit and so we've had to kind of go back through some of the cycles of really helping to revitalize the city. But it's taking that comprehensive view that this is not just a good thing to do because we are headquartered here, but it's about how do you embed it in the corporate strategy so it doesn't matter who the CEO is, whoever the leadership team is, and that they understand the reason why the founding story of us here in Newark, but also looking at our role as a large employer, as somebody who can invest dollars, not only philanthropically, but on the impact investment sides looking at all of the different resources that we have available to create that shared prosperity. Our mission statement is still the same about how do you make sure that everyone has access to financial security and it's making sure that Newark as well as the company's doing well and looking at that from all different perspectives.

Erin Sullivan: Great, thank you, Sarah. I'm hearing a lot in what you shared around what has enabled this commitment, why you stuck around. Is there anything else you would say that have been important conditions that has allowed this commitment to persist throughout transitions both at the company and in Newark?

Sarah Keh: Yeah, I would say a hundred percent one of those values is authentic engagement. So this can't be something that, you know, we are, we definitely, a third of our funding stays in Newark, but we are still a national and global funder as well too. So, it's that commitment of having people on the ground from the company be engaged in meaningful relationships, partnerships with city hall, whoever's in the mayor's office, with all of the local nonprofit organizations, but also making sure that it's not just our team that's managing those relationships, but those relationships also exist at the top of the house as well too. So that there's this constant connection and dialogue and you know, there have been definitely times where we're not always all on the same page but we have a commitment that we all want to create shared prosperity in this city and so even though we can disagree on the approaches or what kind of new pilot should be scaled, it's that meaningful engagement. You know, we have 6,000 employees that are tagged to this headquarter city, so we want to make sure that they feel like they're part of the revitalization and any other transformative initiatives that are happening, and so really making sure that each person from our most entry level employees to our C-suite members have that understanding and that engagement. So communication is a really big part of that as well too in making sure our employees understand what we're doing in the city.

Erin Sullivan: So Michael, we'd love to hear a little bit more from you about the 3M community coalition. So you asked community members to provide direct input into how you're investing $50,000,000 in your hometown of St. Paul. What led you to shared decision making with community members in this way?

Michael Stroik: Well, thanks for the opportunity to share and for including 3M in the writeup and the work. I'd start by saying this was really place-based and focused specifically in St. Paul. Sarah, the way you talked about Newark, just ditto everything you said in terms of how we feel at 3M about our local headquarters, community, and how we show up there. And we were impacted by the pandemic as well. The community coalition work launched in 2020, which to me kind of, that timeframe feels like a dream, like kind of like a nightmare, but it was a time, obviously, that was so distinct with the pandemic taking out the way we worked and we worked together changed really dramatically how everything works. And it was kind of the worst of times in terms of, you know, the health crisis that we had but also here in our headquarters market, George Floyd was murdered. The civil unrest that came from that and everything that came from that was such a moment in our community. And I know that was felt all around the world, but right in our headquarters community we really felt that really strongly. I think the one thing that's positive that came out of that for us was that the light bulb did come on. There was a lot more discussion out of these tragedies to say and force kind of companies to say, are we going about this in the right way? To really ask that question. And I think it's with that question for us that we landed on the fact that, you know, it was pretty obvious that building a more collaborative approach with our giving, with our commitment, with our engagement was going to help us get more buy-in from the community, engage in a better way and in a closer way in the community overall and have a bigger impact in the long run. So that's where the mindset came from for the community coalition and then how that got started. I'd also just shout out you all at FSG. We worked closely with you all. We worked with Nikhil's team specifically on understanding a little bit better this focus on systems change. Lakshmi, you talked about it in the opening and the focus that you guys have had on there. And we worked with you all to help build, just as a development standpoint within our team, the muscle on systems change. No questions about systems change. I built the muscle a little but I don't feel like an expert yet, but it did influence how we show up in these, in the strategy development way, how we're going to show up and engage communities. I would say that like, you know, that influence, that work has influenced not only how we built the community coalition right up front, but how community-directed, community engagement, and community-directed giving, more broadly, has continued since then as well. I also just like kind of call out as well that like companies have been skewered for the commitments that they made in 2020 and not delivering on them. So I do want to just say that we're really proud. We delivered on that. We finished out the full $50,000.00 incremental pledge we made at the end of 2024. We still continue to give and that's influenced now how do we work with partners to build a more community-directed and community-engaged mindset for our giving, not only here in St. Paul but in our communities around the country and around the world as well.

Erin Sullivan: Michael, you mentioned some of the influence of this model and the community members are also influencing what you do. Were there certain things that really surprised you when you sort of gave up control in this way?

Michael Stroik: Well, one, like the biggest surprise to me right up front, was just how clearly, when we started with community leaders and we went out and said, hey, we want you to join this coalition to help us think about being more community directed and build this strategy for this new incremental investment that we're going to make. How quickly those hands went up, and they volunteered and did not hesitate one bit to say, yeah, we want to join you in this, right. And they saw we were putting our money where our mouth was for lack of a better term to go out and say, hey, we're going to be making investments. But the mayor of St. Paul, right, the superintendent of St. Paul Public Schools, leaders from our community organizations, like Acooa Ellis that was that Greater Twin Cities United Way, just how quickly they stepped up and said, hey, we want to build this with you. I'd say the other part of this is how surprised, other groups wanted to get involved. Soon we had Ramsey County, which is our county right here of our headquarters, actively involved, with commissioners asking to be involved, nonprofit leaders, other companies. And so like the takeaway that I had on that is that like the appetite's there for collaboration and thinking differently about how we can give back and engage in communities. And to me, it just kind of taught me like get out and do it, don't be lazy, get off your butt, go out and engage. And there is an appetite to do this work and to build that out. We had to rely on a lot of partners so as this extended down even from the community coalition to direct community citizens within St. Paul directing our funding, we had to take partnerships like with St. Paul and Minnesota Community Foundation as an example, to help curate some of those conversations, and so it formed a new approach to partnerships that was really exciting, but I don't think like when we brought the coalition together for the first time we thought this is where it's going to exactly go, but it's kind of cool to look back and see that that's where it went.

Erin Sullivan: I really appreciate both of your comments and I think there's some really important themes that I'm hearing across. The biggest one is I think the clarity on the why you were doing this work in your hometowns really informed of how you showed up and how you were able to show up authentically and consistently. Because if you don't have that why it's sometimes easy to say, well, we're not going to do this anymore, because there's not sort of that shared ownership and commitment. Also just hearing so much about how important partnership is, both internal and external partnership and how you might have to think about partnership a little different when you were doing deeply-rooted place-based work. So I want to dig a little more into what you all experienced in your work including what has gone well but also what you've learned along the way. What are things that maybe you thought going in that you found out were not true, where you had to think about it differently. So I have some specific questions for each of you based on what you shared but really want this to be a dialogue so feel free to jump in, add additional perspectives or comments, or say, actually I think about that in a different way, really sort of want to hear from everyone. Sarah, I'm going to go back to you first. So something Prudential have been really intentional about it in Newark and you shared in your opening comments is really leveraging resources across business units. So, yes, your philanthropic capital is one piece of it but that's a much bigger puzzle. So we'd love to, if you could share a specific example of how you were leveraging resources from across the company in Newark and what that partnership looks like internally to collaborate in that way to make sure you're coordinated.

Sarah Keh: Yeah, I can give you a lots of examples but a couple of them, we work very closely with our facilities and our global security team for public safety issues so we have a Newark Public Safety Collaborative that we started in partnership with the mayor's office here where we have city leaders, the police department, the mayor's department, the global security officer from our company and other anchor institutions around this community coming together on a monthly basis to talk about public safety issues and community-driven solutions. And so we work very closely hand in hand with them, facilities. We are a landowner in the city of Newark and downtown Newark, so how do we recruit and retain small businesses and make sure that they have the need, the capital, the technical assistance to continue to thrive. We also have our financial resources that includes our philanthropic capital but also our impact investments and investing in affordable housing, making sure that our small businesses have lines of capital that they can access to continue to grow. We work closely with our products team as well too, so even in Newark and some of the other cities across the country we have consumer advisory boards because they let us know depending on what are our products that are meeting certain needs, whether it's on our very first product like burial insurance all the way to life insurance and retirement. How do we make sure that people in our communities are thinking about the savings and how to lead to building wealth in the communities like Newark. And then we have our entire employee base so we deploy our employees as much as possible whether they're on large-scale volunteer activities or very specific pro bono projects. We call them Pru bono, but that's really looking at whether a small business or a nonprofit organization needs a new marketing website, needs a new HR handbook, and we specifically put a team together that has those skill sets. So it's really looking across the board—oh, I can't not mention procurement. We've done a ton of work with our procurement team on increasing the local spend and the local supplier base from Newark. That was a citywide initiative as well too so we have our procurement officer in conversations with other anchor institutions and small businesses to talk about how do you increase the procurement spend in Newark. So there's multiple avenues in looking at what are the resources, what are the components available in your company that can add to what's happening in the city.

Erin Sullivan: Michael, is there anything you would share on the 3M side about how you've thought about resources both including and beyond philanthropic dollars?

Michael Stroik: Yeah, I mean I just can't stop thinking about the Pru bono. That's so awesome. I love that name. You've got to like trademark that. For me, you know, one of the ways that I was thinking about as Sarah's responding is like we try to use a show-me-the-money mindset so we actually go out and we try to lean on that philanthropy that we're providing for specific issues and leverage that as we think about how we get internal buy-in and engagement with different business units. I think for us it's always about understanding like how can we be intentional about what business units bring to a social issue and how we engage specifically with it and then finding that win-win. So like SkillsUSA, we have a lot of local partnerships in St. Paul where we have things like national signing day so it's like when athletes sign with a school, we do this around the trades where they sign with a technical college and we have this big celebration and this engagement, and for us, we can sponsor that financially. We can mobilize volunteers and engage but our safety and industrial business group, I mean these are their future customers, right? And so they are building products that make the trades more safe, more efficient, independent, all of these things and so for us they are able to bring their products, they're able to bring their know-how. The way that they can engage with these young people to help develop career journeys is really important, and so we try to create that win-win when we engage with business units and other functions to be able to say you can actually meet this future customer at scale through partnerships like this but we want to see how you're putting up and engaging on it too. So that's kind of the mindset that we bring to internal partnerships.

Erin Sullivan: We were just talking a lot about some of the partnerships that you have internally but we also know that a partnership that you have externally are incredibly important in how you're sort of driving this work. So, you know, foundations, seed organizations, other local partners are often asking us, one of the biggest questions we heard when people are signing up for this webinar asking how do we effectively engage corporations in place-based work? Corporations have a lot of access, resources, expertise that might be able to complement ours so, Michael, would love to hear if you have any perspectives on what approaches or mindsets or ways of working are particularly effective in bringing companies authentically into this work.

Michael Stroik: Yeah, well, I loved the write-up on the archetypes. I think, Lakshmi, you were talking about it at the front and the examples from the different companies because I do think and it's obviously been informed now by this article but that the companies that are doing place-based work well really are looking at the different unique archetypes and you can actually pivot across them. You're going to show up in different ways based on social issues, community context. I think part of being place-based is really recognizing the unique local needs of the community and stepping up in different ways, and so for example, us at 3M, the fastest growing area for us of hyperlocal investment is around skill building for advanced manufacturing. So we work in plant communities where we're growing and we actually go in and we take a hyperlocal approach to it in that we have different interventions that we know we can do very well as a company that has 198 plants and distribution centers across the world. As we design factories of the future, we're inherently building sort of jobs of the future in terms of what those look like, and so we tap into suppliers to actually buy the technologies and bring them to technical colleges, support curriculum development, engage in supporting local students, and so on. So when we engaged our community coalition, we talked a lot about that and said, hey, here's how we want to show up. We think that's us doing our part, and the community coalition was very direct of saying, yeah, you should. The majority of what you do should be centered on that but you have to recognize that there's local needs in our local communities that if they aren't addressed, you're not going to achieve any of the STEM goals or the manufacturing training goals that we have that we were trying to build out specifically in this. So that pushed us from the specialist archetype into a specialist archetype in some cases in terms of how we show up and provide that support but being community directed we felt like was going to get us further overall, particularly in the St. Paul market in terms of what we were building out on that. So that's just a part of a way that we're going about looking at partnership a little bit differently like we are experts and we build jobs of the future in manufacturing and we bring a lot to bear on that but there's a lot of things we are not experts at, and that's where if you really want to maximize your impact, you need to have grace and respect for that and the humility to understand that, and show up and say, hey, you should be leveraging partners in different ways. I mentioned St. Paul Foundation as an example. They are a community foundation based here in St. Paul. We have a great collaboration with them about sort of recognizing how do we bring together community stakeholders, citizens within our community, to provide feedback on our approach but also help direct some of the funds that are going towards hunger initiatives, help child care assistance support agencies and initiatives that are culturally specific, and so for me it always comes back to quality. Hey, this is the best way we can bring quality to our investment and to our partnerships with local communities. We need those partners who bring in expertise that we don't, and that's sort of how we've looked at it.

Lakshmi Iyer: Yeah, I love that, Michael, and just jumping in, you know, I think, so we know that this type of authentic collaboration, especially with community members, with nonprofits, with companies is challenging and yet we're seeing more and more companies embrace that versus going at it on their own. I'm curious and I'm looking at audience Q&A as well. I'm wondering if both of you actually could talk a little bit about when you're working in partnership or trying to do something in collaboration with the community, what part of it felt the hardest, particularly as you think about what was hard in terms of control and in terms of divisions, right? Because you may not—how do you actually make a decision and move forward or control what outcome you want to achieve? Can you speak a little bit about that, how you all are thinking about it?

Sarah Keh: Sure, I can start and turn it to you, Michael. I mean one, because you have to create a shared North Star, and that ultimately it means shared accountability and you have to be in a position to co-design. You're not going to always be able to dictate how it all happens and then, you know, you'll be able to dictate the North Star together but like some of the results are going sometimes be something that surprises you, that you never anticipated, that might actually be contrary to what you originally were trying to do but you have to work through all of those pieces. I think going to kind if your question too, Erin, on like what does it take if you want to engage corporations in a place-based strategy, you could work one on one like if it's a workforce training program and making sure that the companies at the table telling you like what are the job skills that they're going to need and what's the talent pipeline but for a company to engage in a holistic way as Michael talked about and some of the ways that we talked about as well too, you need an organizing body that will create a citywide plan, whether it's on specifically one issue area but that brings multiple people to the table. We have played that role in Newark because of, you know, just our long history but we've also tasked other organizations to build up that capacity, to bring people together to the table to have that conversation, to agree on that North Star, to agree on creating those partnerships, and it takes a lot of trust. It takes time, and that's the other thing that I would just emphasize with all of this which is that to do place-based work because I recognize Prudential has this unique history. We've been in Newark for 150 years but with any place that a company wants to invest in, you have to stick through all of the ups and downs. It can't just be we're going to try this and if something goes a little friction, creates a lot of friction or you disagree on things and decide, OK, we can't do that anymore, but it really takes that long view of making sure that you are sticking it through and creating that trust and accountability with each other.

Lakshmi Iyer: I love the long view but I also love the some sort of a centralized entity to kind of hold those pieces together. Otherwise, it's hard to kind of figure out how things are moving. Michael, do you want to add something? Otherwise, I have one more question from the Q&A.

Michael Stroik: I think you nailed it. I think from my standpoint it's like going in and making sure as you solicit and you build a place-based approach and you're getting feedback, being willing to change as well. For us it was we built an investment strategy and we were all in on this advanced manufacturing, workforce training. We think that these are skills of the future that are doing to lead to jobs, and we got a lot of feedback about that, and we did shift and change our approach overall. I think to me that built trust because they see us too. We've been a company for 125 years, and so they see, OK, hey, they're actually really willing to go do and try something different. I think going in with that mindset and being ready to make those changes was really important as well.

Lakshmi Iyer: I like that. There's a chat and looking at the questions that are coming up, it's a tactical question, and you all can take it around what are some actual practical tools to gather community responses or community perspectives, especially from marginalized or Indigenous communities. There are quite a few, two or three people, who have asked this. I'm just combining it and curious because you're a big company and there's a power dynamic and there is a distance there so how do you practically get started?

Sarah Keh: I think by building those trusting relationships with the nonprofit organizations that residents already trust because even though we've been around here for 150 years doesn't mean that the residents are going to fully trust Prudential on all of these things so you have to build the relationships with the organizations that already have the trust with the residents, and that they can solicit the feedback. A lot of our nonprofit organizations are the ones that are creating focus groups or getting direct feedback on an ongoing basis because they're providing the direct services. Residents and community organizations have to feel like they're at the table in designing the solutions because it's not being done to them but with them. We know that the people who are closest to these challenges are going to have the most innovative and bold solutions as well too, and so I think tactically it's building those relationships, and then helping to build the capacity of these organizations to solicit that kind of feedback whether it's quantitatively or qualitatively, and building that trust that they would give that to you honestly because there's definitely a power dynamic where everything could seem very rosy but we want to know, what are some of the challenges with the feedback that they have on us is the way that we operate as well in the community.

Michael Stroik: We leaned a lot into partnerships on that too. I mentioned St. Paul and Minnesota Community Foundation. They built the table, and this is like in-person table to provide feedback that we were engaged with, that we were funding, that we were supporting but relying on them and their relationships in some of the communities we were seeking to serve, and then us trying to play a role saying, hey, we're not going to always be the leader but we're going to show up, we're going to be a part of the conversation, and we're going to learn and grow as a part of it. We did a full scan of looking at who's best suited to deliver on this work and how can we do that with them versus us always playing the leadership role.

Lakshmi Iyer: Yeah, so I'm hearing a little bit of the are we thinking what your role is and being willing to put that ego aside but also thinking of who already has that trust and credibility and who can you then develop that trust and credibility with. I love that.

Erin Sullivan: One thing I also wanted to add. So FSG obviously is not a company ourselves but does a lot of work with companies on this and I really appreciate the points you made, Sarah and Michael, on what enables trust, credibility, and true partnership, and particularly the comments you made on how you sustain commitment and adaptability. So you can't go in and say, this is my agenda and I'm partnering with you but honestly this is my agenda. It's really being sort of authentically open to shifting and thinking about how what you do aligns with what others are doing and how you're being responsive to those with lived expertise and what they're saying are the true challenges that need to be addressed. I think on adaptability, it's also important. Place-based work is inherently very close to the ground. It is immediate. Is it about people's real immediate lives and what is happening can change, particularly when we're thinking about these long-term commitments, and so adaptability is also about we might have an idea, we might have thought things were going to go in a certain way, and we might have to be open to those things changing. So, an example, you could say I have a place-based economic mobility strategy and our big focus is workforce right now but what if all of a sudden, a large number of people in the communities you're working with don't have access to foundational needs. They might be wondering how they're going to get food on the table. Those workforce strategies might not be as helpful in the near term so to really be responsive and working closely with communities, you have to be able to say, and I'm willing to adapt. So I really love this thread on adaptability and how you live into that, not just at the onset but throughout the course of your work.

Sarah Keh: Erin, can I just add to what you just said on that last point because I do think that's really important because you could have a specific focus on, let's say, let's just stick with job training, but if you really want to do this effectively in place, you do have to think about all of the different components that allow for that. So if they don't have child care access, if transportation is an issue in getting to that job training program, all of those things are critically important because we fund at both the local and national level, we talk about this constantly. What's the difference in what we're doing nationally versus locally, and nationally we will fund large-scale workforce training programs, right? And then we assume that they are dealing with those issues at hand but when we say we're going to be very specific in place, we have to then support all of those issues around that.

Lakshmi Iyer: Sarah, just picking up on the national versus local and how you're seeing that differently, one other piece that comes up a lot in our conversations with companies is really how they balance the local and global priorities, right? If they're a global company, you have global reach and have operations in multiple locations across the world, very different context. You cannot be hyper—it's really hard to do hyperlocal place-based stuff in multiple geographies at the same time and so how do you kind of align those hyperlocal approaches let's say in your headquarters and a few manufacturing locations and then versus your global strategies. We found different ways to support companies to think about it. It could be, you know, what is the priority of your company? What does the company value and ethos, and what does the CEO say versus where do you have your biggest employee footprint or, you know, which market are you trying to go into, so we've looked at different criteria for thinking about it but I'm curious if that conversation comes up, and I know earlier you said that one-third of your funding goes to Newark, the rest is sort of national, global, but how are you thinking about it and, Michael, both of you, how are you all sort of balancing that internal conversation within the company?

Sarah Keh: It's constantly a balancing act. We are very committed that a third of our funding will always stay in Newark, and we're very conscious because you know our headquarters are here so the team is out on the streets of Newark on an everyday basis. They have, you know, mayor's office phone numbers on their cellphones ready at the will to call and connect with any of them. That doesn't exist in a lot of our other cities that we have locations in but we always talk about is Newark is our laboratory for testing ideas, piloting and scaling, looking at innovation, and seeing how then we could take those approaches and those values to other cities. So, for example, we started a reinsurance business in Bermuda, and so what we have done is taking the approach that we have always taken in Newark and other cities and say, OK, let's come in. We're not going to parachute in or anything, learn about the community, understand what are the different interconnection points, talk to as many people as possible, build that trust and credibility before we make any grants but also making sure it's aligned with some of the things that we've already been doing in Newark and nationally. So it's just making sure that you have those same values of building deep partnerships, building trust, trying to understand the issue, and then making that connection at a much smaller scale. Bermuda is nowhere near the type of investments we're making in Newark but at a smaller scale, what can we do in place that we take from the lessons in Newark.

Michael Stroik: I love that focus on values in that group response, Sarah, and I think, you know, because ours is similar. We're a small, sort of like headquarters-based team and there is a portion of our job that's not a majority, that is grantmaking, that is building our own partnerships and local partnerships but the majority of what we do in a centralized role for a company like ours where more than half of our revenues are driven outside of the United States, let alone outside of our Twin Cities headquarters market, it's around governance and it's around oversight for local leaders like you said who have the mayor's phone number on their phones. They are the CEO in that local community and they are the face of our company, and so we have a couple leaders on our team at 3M here, Michelle Diggs, Stacey Claessens, are their names, and they bring an amazing level of care to sort of addressing issues with community stakeholders through these plant leaders and through—we have coordinated groups that are sort of like councils to bring our philanthropy to life and our employee engagement to life overall. I totally agree it starts with the values that you look at by starting by asking what's the most relevant issues in those hometowns. That's the playbook we have of going out and saying what's the most important community issue in your hometown and then working from there to understand who's informing that opinion. So these are internal conversations. What's the most important issue in your hometown but who's informing that? Where are you getting your information from? Whose voice is dictating that overall? I think what we end up finding is a lot of connectivity between social issues within our local community, and that's been an important mindset for us empowering our local leaders to go forward with a place-based mindset that is allowing us to really drive a great impact in local communities where we operate. Oh, you're on mute.

Lakshmi Iyer: I'm going to pivot our conversation a little bit and talk about just identifying and then also communicating this is value. So we know place-based work takes a long time. It's a long investment plus you're pivoting based on what your community is saying. You may need to start with things like transportation, child care, stuff where you're trying to actually eventually get to workforce stuff, and the return on investment is also something that could take time. It may not be immediately visible so I guess how do you define the value of those investments to the business? What are examples of that value? And then how do you communicate it, especially with leaders that are not so close to those initiatives, that are not sort of sitting in your world, whose day jobs look very different from your day jobs?

Sarah Keh: It's embedding it within the overall corporate strategy, right? We always talk about business growth. We want to be a company where people want to come work for this company, people want to buy products from this company, people want to trust this company, and so how do you do that is building those kind of authentic engagements in community and it has to be in those places where our business is located. It can't be this bifurcated story that Prudential is successful but a community that we are in are struggling, and so I think there is an inherent understanding that's partly due to the decades and decades of work that we've been doing in this community that the success of Newark goes hand in hand with the success of this company because these are our customers, whether they are currently or future customers. We want our employees to come live in Newark as well too but we also want our employees to have fun when they're coming into the office and coming to Newark. So they all go hand in hand when building the pipelines, ensuring there's a strong small business ecosystem not only for our procurement but also so our employees and residents have a range of amenities and services when they are on their lunch break or on the weekend so really making sure that you're talking about in those ways of market growth, innovation, looking at things that you can pilot and test in this community, leveraging the community trust to be able to give you honest feedback, whether it's on products, on distribution, but also your community engagement efforts.

Michael Stroik: Love that. I think of, Lakshmi, when you talk about building trust in the opening, that is an ROI I feel like for the company overall. When you talk about return on investment and how we're thinking about this, what we've seen is—corporate communications. Our partners in corporate communications have become our biggest cheerleader because they look at, hey, what's our reputation? What does that mean for brand? What does that mean for long-term business development and trust? It's continuing to come up as something that companies need to build overall. I tend to believe the more place-based you are, the bigger trust you're going to engage on that, and I think you guys have advocated for that well with the write-up and the article and everything around it. I'd also say like for our specific example in St. Paul that's spotlighted in the article, we spent a lot of time around building out what's our social return on investment as well and showing internally and externally what is the return on this investment that we get [unclear], we train someone around workforce, we provide child care services, we do an incremental philanthropy. We work with a group called Ecotone Analytics, not to do a commercial for them but they were extremely helpful for us, and they came through the community coalition. They had done a ton of work for Ramsey County in terms of their workforce planning and engagement solutions, and so for us making a case for future investments to show that we had for every dollar investment, a three-dollar economic return for communities through the partnerships and showing them the stories that come with that that we're investing in was really a meaningful sort of connection we were able to build for our senior leadership and our company who care about the impact that we're going to have in the long run.

Sarah Keh: Oh, you're on mute again.

Lakshmi Iyer: Sorry, I love that you were able to do the study and I don't know if there's a new one hot tip for how you were able to build that relationship with your corp com folks because oftentimes our clients are like—you know, you were talking earlier, Michael, about how sometimes it takes a while, right, to get into the mindset of like what do we actually mean when we say systems change? How do we get away from the fluff and actually understand what it actually means and looks like and feels like, and to bring other people again whose day jobs look very different from that I think can be a challenge so any tip or like how you sort of got to that point where they were almost singing the song from the same song sheet?

Michael Stroik: Yeah, I mean it's so hard to find that balance of like the complicated nature of systems change and the societal challenges that we face in the community. It's hard to not show up and people just want a simplified notion of, hey, what are you trying to do and where are you trying to go, so that balance of, OK, well, how deep can we go on this? You guys train us and come in and train us on systems change, like, wow, there's a lot going on here, and then distilling that down and simplifying it is an important thing. For corporate coms, same thing as think about other units of business and functions within our organization is it starts by listening and understanding their strategies, right, and their goals. So part of it was two years ago we went from human resources and joined public affairs so we were sitting side by side in the leadership team with the corporate communications head, and we're able to see the KPI that what do they care about, about reputation, brand, what's the awareness of our brand and things like that, and really spending the time to try to learn about that and think about how do you frame your work and the work that we're trying to charge forward in a way that's going to be relevant for advancing their KPIs and their goals. I think that helped build trust with them internally and at the very least interest in, oh, wow, hey, our community investments are something we should be leaning into and thinking about how do we tell the story and engage with this group in different ways.

Sarah Keh: If I can add to that, systems change is a very difficult word or phrase to people to understand that is not in our line of work. I'm constantly telling the team like if you can explain it to a five-year-old or your grandmother the work that we're doing, that's the type of language that we have to get to, and it was highlighted. We did a vote for impact campaign where employees as part of our 150th anniversary celebration got to vote for four organizations that received each $250,000, and we gave them a whole list of organizations, and the four organizations, all great, were direct service programs. So that highlighted again to me what resonates most with the individual even though the majority of our grantmaking is at the systems change level and how we have to bridge that language and understanding and make it very layman's terms because it is hard. Because you know direct service is like you can already see the impact in like three months or three weeks sometimes but systems change is long-term change so that's where we have to get better at the storytelling.

Lakshmi Iyer: Couldn't agree more.

Erin Sullivan: Yeah, I really appreciate that point, Sarah, and I think something we've seen a lot is when we're too up here and too theoretical and too in the clouds, we lose people, and something else I've seen a lot particularly in the collaborative work is if you're spending a lot of time planning and there's not the doing that's benefitting people immediately, there's also potential to really lose credibility so how do you say, yeah, we're pointing towards systems, shifting the systems but we are doing things that are impacting people's lives right now that they can see, feel, and directly experience, and how do you balance that in place-based work I think is incredibly important. So I know we only have about nine minutes left with you all. We've been talking a lot around this so I'd love to hear your specific thoughts. So place-based work as we talked about has the power to be so transformative but it's not easy, it's not straightforward. It can feel really messy when you're in it, the day to day, so would love to hear, maybe Sarah starting with you, what has been most surprising to you about doing this deep place-based work and what are some of the most significant lessons learned that you've had?

Sarah Keh: Yeah, I think kind of marrying the surprises and lessons learned is that none of this place-based work is relation, I mean transactional. It's all relational. It's about building trust with community members and you may think you have a great idea and community members will give you very blunt feedback that like this is not going to work or you haven't thought about X, Y, and Z, and there are going to be a lot of times where you're like, OK, you're absolutely right, we didn't see this but there are going to be times where you're actually like, no, we know that this can work or this path can move forward, and so it's like finding that middle ground where you take feedback, you like if we want to talk about it winning some or losing some like you win some battles, you lose some battles but that's the give and take of how do you create that shared accountability across the board. I think it's really thinking through about how do you invest in the infrastructure and the capacity. So you may have a lot of great ideas but if the organizations don't have the capacity to actually implement it, it will not work, and so really thinking about long-term goals but then also in the immediacy even if you want to get to those long-term goals, you've got to build the infrastructure and the capacity and organizations can't just suddenly pull money out of the air and say we'll do this. If you have a very specific focus, you've got to get the organizations to that place and just be really embedded in the community. I think that's a really important lesson, to have that listening ear that you're not the one who's always saying X, Y, Z, but you're always listening to community members and leaders in the community.

Michael Stroik: Love that. The only thing I guess I'd add is as you do that, it's important to always be open to reinventing yourself. It's one of the things, another thing I like about the archetypes is like there's different ways you can show up and you have to realize up front—I would have told myself up front that you're building this community coalition. It's these great leaders that are in these great roles. Every single one of them has turned over into a different role and doing something different in the community right now so to me we just have started having a more constant conversation even just internally that our strategy, our approach that we're building, we're writing that down and we'll write it down in pencil, not pen, and having that mindset up front that you continue to have to pivot and move and change based on different circumstances that are happening. I had a great opportunity to listen to a speech by Anne Chow who is the former CEO of AT&T. She's on our board at 3M, and she was talking about organizational changes and how you build strong performance through organizational changes. She talked about sort of like forming and storming that comes before norming and then performing and who do you get to that performing, and anytime you have an organizational change or there's like something different, a new player within the role, it doesn't just like go from performing back to norming, it goes all the way back to the start, and I think having that mindset, knowing, OK, we're going to have to reinvent, we're going to have to start from—it's a leadership commitment to knowing that that difficult work of that storming and that element of it and because there's so much that's dynamic in the world and that change is going to force it, and so to me that's a really important mindset that I think I'm going to be taking into the future.

Erin Sullivan: We are almost at time. I'm so inspired by this conversation. We're getting such great input from others who have joined so one last question for you all, something that's really striking me and something I know already but I always think about it more when I hear from philanthropic leaders is how much social impact leaders at companies are innovators, and the work that you all do can really change some of what's happening within your companies. So do you have an example of anything that's changed, whether it's policies, practices, ways of working internally as a result of this deep place-based work that you've done.

Sarah Keh: A few. I would say, you know, our work on—our partnership with HR on the talent acquisition side, we have a big focus on opportune youth, and this company didn't particularly hire people that didn't have a bachelor's degree so it took a lot of partnership in helping raise awareness about the potential and the talents or Opportunity Youth, and I'm happy to say now that we hire Opportunity Youth specifically from programs like GEAR UP and ProSchools so that's a change in the talent practice and we have a whole onboarding experience because that's the other thing. We can't just—you know, a leader of a business may say, great, but when it comes down to the hiring manager, we also need to educate them on what it means. This isn't your typical college grad who's had four or five different corporate internships and so creating that process. I would say on our procurement side, all of the strategies behind increasing local spend that was us putting them in conversations with other corporations in the city to think about what does inclusive sourcing look like, making sure that our small businesses or medium-sized businesses had the capacity to take on contracts like Prudential's so we do a lot of funding on the back end to make sure that there is applicability to our type of contracts but that took a mindset shift also within our procurement office, and so I can go on and on with big examples so, here's Michael?

Michael Stroik: Those are great examples. One that I'd add is we work with our leadership development team in thinking about how commitments in community and volunteer engagement can help not only support the community but support the development of our employees as well. I see that much more strongly connected to our work than before. It's not Pru bono but we do have the pro bono program so we work with them to go out and show up in communities and leverage the goals that we have from the leadership development standpoint. The last thing I'll say is just from a general philanthropic standpoint, we talked about the community coalition and this incremental investment, and that was really where we were place-based and community focused. I see leaders like Jackie Berry who leads our STEM grantmaking as an example, building more programs with groups like Youthprise where they're bringing in students who are informing, hey, what is our STEM grantmaking look like? Whereas we feel like we're a science-based company, we're an expert in there, we're going down to the source and working directly with students who we're trying to support and engage in allowing them opportunities to inform our strategy but also guide some of that giving to groups like Youthprise which is based here in St. Paul as well.

Sarah Keh: Can I just add one more thing because based on, Michael, what you said, on our leaders. So we work very closely with HR. We have an emerging leaders program where it's going to be our next business leaders, C-suite leaders. It's an 18-month program and we match them with a local leader in Newark so they're in like kind of a coaching each other. It's not just a one way, and we always have leaders being like, well, I run an international business, what am I going to do with an arts organization in Newark but it's the same type of leadership challenges that's always the most effective part that we always get a lot of great feedback, and then it's embedding what we do in these next leaders' mindsets.

Erin Sullivan: We are right at the hour. I just want to thank you both so, so much for not just your time but the generosity of your insights. Really appreciate how specific and candid you were today so just some last steps before we jump. So as Lakshmi mentioned, you can download our corporate place-based brief on FSG.org. We hope it's useful for folks as you continue your work and also let us know what you thought of today's conversation. We can use your input to continue to develop relevant and actionable content so we'll be sending out a short survey that will pop up when the session ends, and we really appreciate if folks can fill that out and let us know what was useful and how else we can continue to be putting out content that affects so many innovators in the field.

Lakshmi Iyer: Thanks, Erin.

Erin Sullivan: And thank you all.

Lakshmi Iyer: The audience, too. Thanks for all the questions.