Doing Good to Do Well

*Corporate Employees Help and Scope Out Opportunities in Developing Countries*

By ANNE TERGENSEN

Last fall, Laura Benetti spent four weeks in rural India, helping women examine stitchery and figure out prices for garments to be sold in local markets.

After working nine-hour days, she and nine colleagues would sleep in a lodge frequented by locals that had spotty access to hot water and electricity. Ms. Benetti, a 27-year-old customs and international trade coordinator for Dow Corning Corp., considered it a plum assignment.

Dow Corning is among a growing number of large corporations—including PepsiCo Inc., FedEx Corp., Intel Corp. and Pfizer Inc.—that are sending small teams of employees to developing countries such as India, Ghana, Brazil and Nigeria to provide free consulting services to nonprofits and other organizations. A major goal: to scope out business opportunities in hot emerging markets.

Despite the promise of long workdays in less-than-cushy surroundings, many employees consider the stints prize postings. There are usually many more applicants than spaces: Intel, for example, says about 5% of its applicants win spots in its Education Service Corps.

Education Service Corps.

Though referred to as “volunteer” posts, employees usually continue to receive their regular salaries during the stints, which typically last two to four weeks. They appeal to employees looking to develop new skills and donate time and expertise to those in need—or simply take a break from their routines.

"It gives more meaning to your career," Ms. Benetti says.

At least 27 Fortune 500 companies currently operate such programs, up from 21 in April and six in 2006, according to a survey by CDC Development Solutions, a Washington, D.C., nonprofit that designs and manages these programs.

At a cost of $5,000 to over $20,000 per employee, the programs require a significant investment. It costs International Business Machines Corp., which has the largest such corporate volunteer operation, roughly $5 million a year.

IBM has sent 1,400 employees abroad with its Corporate Service Corps since 2008. Its projects have produced plans to reform Kenya's postal system and develop an eco-tourism industry in Tanzania.

http://online.wsj.com/article/SB10001424052970204331304577143212573... 1/12/2012
IBM credits its program with generating about $5 million in new business so far, including a contract, awarded in April 2010, to manage two public service programs for Nigeria's Cross River State, says Stan Litow, vice president for corporate citizenship.

Silicone supplier Dow Corning plans to evaluate 15 new business-related ideas generated by the 20 employees it has sent to India since September 2010, says Laura Asiala, director of corporate citizenship. Ms. Asiala declined to discuss specifics, but says the company has "identified opportunities" in affordable housing, energy and other sectors, thanks to volunteers' observations.

The programs drum up good public relations, both internally and externally, via positive media coverage and blogs many participants write from the field.

Companies "gain local name recognition" in the markets they wish to break into, says Deirdre White, president and CEO of CDC Development Solutions.

Company officials also say the popular programs can help them recruit in-demand talent and retain valued employees.

Dow Corning accepted about 10% of the approximately 200 prospective volunteers who applied online for the trips it sponsored in 2010 and 2011. The company says it selects those with strong performance evaluations, and seeks a diverse mix of participants with varying tenure.

The overseas assignments can act as a training ground for future leaders. Caroline Roan, vice president of corporate responsibility and president of the Pfizer Foundation, says some of the 270 people the pharmaceutical giant has sent abroad describe the experience "as a mini-M.B.A."

"They build skills, in part because they are sometimes thrust into situations outside of their comfort zone, which tends to make people more creative," she says.

Chris Marquis, an associate professor at Harvard Business School, was hired by IBM in 2009 to survey its volunteers. His subsequent research shows that alumni of the program remain on the job longer than peers with similar performance and tenure.

"These are the stars at IBM," he says. "If by offering something like this they can retain these people for longer, it is a very smart investment."

Write to Anne Tergesen at anne.tergesen@wsj.com