

Interview

Business and Philanthropy

An Interview with Carl A. Anderson,
Chief Executive Officer and Chairman of the Board, Knights of Columbus

EDITORS' NOTE After a distinguished career in government and education, Carl Anderson became the Chief Executive Officer and Chairman of the Board of Directors for the Knights of Columbus in 2000. From 1983 to 1987, he served in various White House positions, including Special Assistant to the President of the United States and acting Director of the White House Office of Public Liaison, and served for nearly a decade as a member of the U.S. Commission on Civil Rights. Since 1988, he has been Vice President of the John Paul II Institute for Studies on Marriage and Family in Washington, D.C. He serves on a number of advisory bodies at the Vatican, including the Pontifical Council for the Laity, the Pontifical Council for the Family, and the Pontifical Council for Justice and Peace. He holds degrees in philosophy from Seattle University and in law from the University of Denver. He is author of last year's New York Times bestselling book *A Civilization of Love*.



Carl A. Anderson

ORGANIZATION BRIEF Founded in 1882 as a fraternal benefit society to assist widows and orphans, the Knights of Columbus (www.kofc.org) has grown to become the world's largest Catholic lay organization, with 1.75 million members in the United States, Canada, Mexico, Poland, the Philippines, and the Caribbean. As an insurance company for members and their families, the Knights has consistently received the highest ratings from Standard & Poor's, A.M. Best, and the Insurance Marketplace Standards Association (IMSA). The Knights of Columbus has more than \$70 billion of life insurance in force covering its members and their families. Throughout its history, the order has focused on charity to neighbors and communities, and last year, members of the order donated nearly \$145 million and 69 million volunteer hours to worthy causes, helping the neediest in many countries.

Can you give a brief overview of the Knights of Columbus and how you define the key mission for the organization?

The Knights of Columbus was organized in 1882 around the principles of charity, unity, and

fraternity. From our beginning, this included a death benefit for widows of members that today has grown into a highly rated fraternal insurance company. Adhering to our principles, we ask all of our members and councils to be active in five areas: community, church, family, youth, and within their council. It's about implementing the idea of charity and unity. It's a Catholic organization, but we do many projects outside of the Catholic community. That kind of solidarity and ability to not only give dollars, but give something of your time and yourself in helping your neighbor, is in the best tradition of the United States.

Is the focus primarily the U.S., or is there a global reach?

We're strongest in the United States, but we've been active in Canada for more than 110 years, and in Mexico and the Philippines for nearly 105 years, and more recently in Poland.

How did the Knights of Columbus National Volunteer Summit evolve?

We ask all of our councils and our members to keep track of their volunteer hours and dollars for charity. Last year, close to \$145 million went directly to charity, and 69 million hours were donated to volunteer service. Estimates place a price tag on volunteer work at around \$19 or \$20 an hour. So the impact is enormous. We don't expect people to devote hundreds of hours, but if people can devote some time, the cumulative effect can be great. As we were moving into the deepening economic crisis last year, it became apparent there would be fewer dollars for charitable work. But there are still 24 hours in a day, and so we realized that greater volunteer efforts could be part of a solution. We also think that fundamentally, there is a values issue involved in the economic crisis. We need to reestablish a sense of solidarity, and a sense of commitment to each other as neighbors. Volunteerism is a good way of reintroducing those values into society, especially where they may have been forgotten. This is the primary reason we have launched a campaign to create a culture of volunteerism, of neighbors helping neighbors, and we recently held a summit in New York City of more than 110 organizations to discuss what we could do together to increase our volunteer activity as a remedy for the economic crisis in our nation. The outcome of the summit was very inspiring and as we move forward, we are beginning to spread this template of neighbor helping neighbor across America.

Are there specific focuses for your charitable work, or is it driven by what's of interest to the members?

We have a creative combination of the two. We promote several national programs – like Special Olympics, the Wheelchair Foundation, and Habitat for Humanity – but we also encourage our councils to take initiative locally, focusing on what's pressing in their communities. We think we've found a good balance.

You have fiscal and human resources to contribute to causes, but expertise often comes from partnering with organizations that specialize in certain areas. Has that been a key to your success?

We don't consider this a zero-sum game. We think that by partnering, by sharing information, by working with other groups, the sum is greater than the parts, and everyone wins if we keep focused on the mission.

In this difficult economic climate, corporations are talking about having to cut their giving. How challenging is it during these times to maintain the levels of commitment?

It's a very strong test of the character and commitment of a company. Our belief is that works of charity or helping our neighbor is a fundamental responsibility. I would hope other corporate leaders would see that what is at stake is not just a peripheral issue, but something that goes to the very center of corporate culture and identity, and that is a commitment to the public good.

There are so many needs out there, but one can't possibly meet them all. How challenging is it to find, and then to keep your focus on, only those areas where you can really have the most impact?

We focus on our core mission, what we think we can do well or perhaps a little better than somebody else can do, and where we think we can create the most positive impact. You have to have a certain amount of flexibility. In this economic situation, food banks are tremendously strained, and there's need that wasn't there a year or two ago. So we look at the urgent needs now, and if we can reset some priorities, we reset them.

Corporate leaders run results-oriented businesses, with clear metrics to measure impact. How critical is it to have metrics to track the results of the efforts you have made, and are you able to evaluate impact and understand the results?

It's always a big challenge, but our men on the ground see the results. One of the things that is most successful about our organization is that our members really want to see a result, especially when they commit their own time and finances. They have a good sense of whether their efforts are worthwhile. Sometimes, it's hard to know what metrics to put in place. For example, what measure do you place on picking up a crippled child and putting her in a wheelchair so she no longer has to drag herself around her house? It's not always easy to quantify that, but the smile on her face is one great metric.

Tell us about the poll you recently undertook with the Marist College Institute for Public Opinion?

It was part of our Moral Compass Project, which we've undertaken to put the spotlight on ethical and moral behavior in America after a previous poll revealed that almost three-quarters of Americans believe our country's moral compass is pointed in the wrong direction. The results of this most recent survey were eye-opening and very troubling.

How so?

A majority of Americans assign corporate America a grade of D or F for its honesty and ethical conduct. A majority of Americans rate business leadership as poor during this time of crisis. Americans believe personal and corporate gain drives the business decisions of executives. Few think that concern for employees or the public good factor into corporate decisions.

What can build greater trust?

The American people – and executives, too – agree on the answer. First, ethical standards in business should be the same as those in daily life. Second, and this may surprise some people, the survey indicated that both the public and executives believe religion provides a good ethical formula for doing business. Nearly two-thirds of Americans believe that religious beliefs should influence business decisions, and more than two-thirds of executives agree.

Is there a general awareness of how large an organization you are and the type of impact you're having, and are you happy with the recognition?

Any organization would like to have greater recognition and to be known better for the good things they do, so for us, it's always a challenge. Within the Catholic community we're quite well known. But we're reaching out, and this is a time when more things need to be done, so we're ready to step up and do more.

You've written several books, including the best-seller, *A Civilization of Love*. Are the ideas for your books inspired by experiences from your work? How do these themes develop?

The book was a combination of the encouragement and example of so many members of the Knights of Columbus. One of the examples documented in the book is of a Canadian who was reading a UN report that indicated that millions of people die every year from unclean water. So this fellow talked it over with his wife, mortgaged their house to buy well-drilling equipment, hooked it to the back of the car, and then drove to Central America and started digging wells. I'm sure they've saved thousands of lives. To me, that's inspiring.

With regard to the idea of a civilization of love in the Christian tradition, the two great commandments: Love the Lord, and Love your Neighbor, are the foundation of *A Civilization of Love*. It's about having respect and concern for our neighbors, and for whoever is in need. We're called to build a society in which people treat each other like neighbors and not as simply abstract objects. If we do that, and especially if we do that at the corporate level, we engender the kind of confidence and loyalty that, over time, makes a business or a corporation a success. If you look at the record of American corporations that have, over generations, proved to be very successful, they're corporations that have, in some sense, put that philosophy into practice and made it as important, or perhaps even more important, than profit.

So for corporate leaders, is there anything wrong with doing good work also being a good business decision and affecting the bottom line?

The two go hand in hand. There can be a problem when they get out of balance. What we're going to learn from the present economic crisis is that the American public perceives that. They may not always articulate it, but they perceive it. They want people in business and government to act ethically. They want corporations to treat them fairly and to have a sense of public responsibility. They're very willing to admit that corporations have a right to a profit, but it's not the only right and not the only responsibility.

Has the organization been involved in the Muslim/Christian dialogue, and are you optimistic about how that dialogue is progressing?

It's not central to our mission, but we've been supporting this for a number of years. We believe that Christianity, Judaism, and Islam all have much in common, and we've established a *Pacem in Terris* (Peace on Earth) fund to support that idea in the Middle East. The Vatican recently held a precedent-setting meeting between Catholic and Muslim scholars on the idea of love of neighbor. If we can begin to have that kind of a discussion from the standpoint of spiritual values and human values, there is great potential. That's one of the reasons I chose a civilization of love, which was a theme of John Paul II, as the topic of my book. His idea refers to how all of us learn the concept of love and relationship within the family. So if we can begin with the idea that people have commonality based on this universal value, perhaps we can progress together.

You recently returned from the World Economic Forum. Were some of these issues being addressed at this event?

There was significant discussion of these concerns at the last World Economic Forum. There were important sessions on philanthropy, and there were individuals attending the forum who are very committed and interested in this. Attention to the public good and to corporate responsibility is an important aspect of the forum. I hope it's an aspect that will continue to grow, because the world needs it and millions of people expect it. It would be a mistake to look at the economic crisis we're going through and conclude it can be solved simply by technical adjustments, whether by markets or governments. Commitments to the public good and to ethical behavior are important parts of a solution to the present economic crisis. I see that as an important focus of the World Economic Forum.

Were you drawn to this type of work early on? How did you end up in this area?

Like other Knights of Columbus, I got active at the local level, worked my way up, and found this was a wonderful way of making a contribution. Other people find different avenues, but for me, this was a terrific way, and now, heading up the organization, I find it to be a marvelous combination of business, philanthropy, and volunteer service. It combines the best of these varied worlds.

What are the key priorities for you in the next two to three years to ensure the continuation of your growth and impact?

We will continue focusing on our fundamental principles – charity, unity, and fraternity – and bring them more effectively into society. And as we look forward, it's very important to our future that the United States, Mexico, and Canada work more closely together economically, politically, socially, and culturally. At the same time, we're fortunate because we have a strong development beginning in Poland and we have over 200,000 members in the Philippines. The more global we become, the more the Knights of Columbus can add value to that process of globalization in terms of our ethical commitment, in the way we do business, and our commitment to charity and solidarity.

Summit Report

“A Nation of Neighbors Helping Neighbors: Volunteerism as a Response to the Economic Crisis”

Representatives of many of the nation’s largest volunteer-promoting organizations gathered February 27 in New York City to plan an unprecedented volunteer response to the economic crisis.

In a speech on January 23 at Fairfield University, Carl Anderson, Supreme Knight of the Knights of Columbus – one of the nation’s most active volunteer organizations – invited the nation’s top charitable and volunteer organizations to attend the summit.

More than 185 participants from more than 100 charitable, religious, corporate, government, media, and educational institutions attended the summit entitled “A Nation of Neighbors Helping Neighbors: Volunteerism as a Response to the Economic Crisis.”

Attending organizations included affiliates of Habitat for Humanity, the United Way, the Salvation Army, Catholic Charities, the Lion’s Club, Campus Compact, the National Fraternal Congress of America, the New York City Coalition Against Hunger, General Electric, the FoodBank of Greater New Jersey, Connecticut Public Broadcasting, Goldman Sachs, Volunteers of America, Yale University, the Corporation for National and Community Service, United Jewish Appeal Federation of New York, and the University of Notre Dame.

The summit was sponsored by the Knights of Columbus and Fairfield University’s Center for Faith and Public Life.

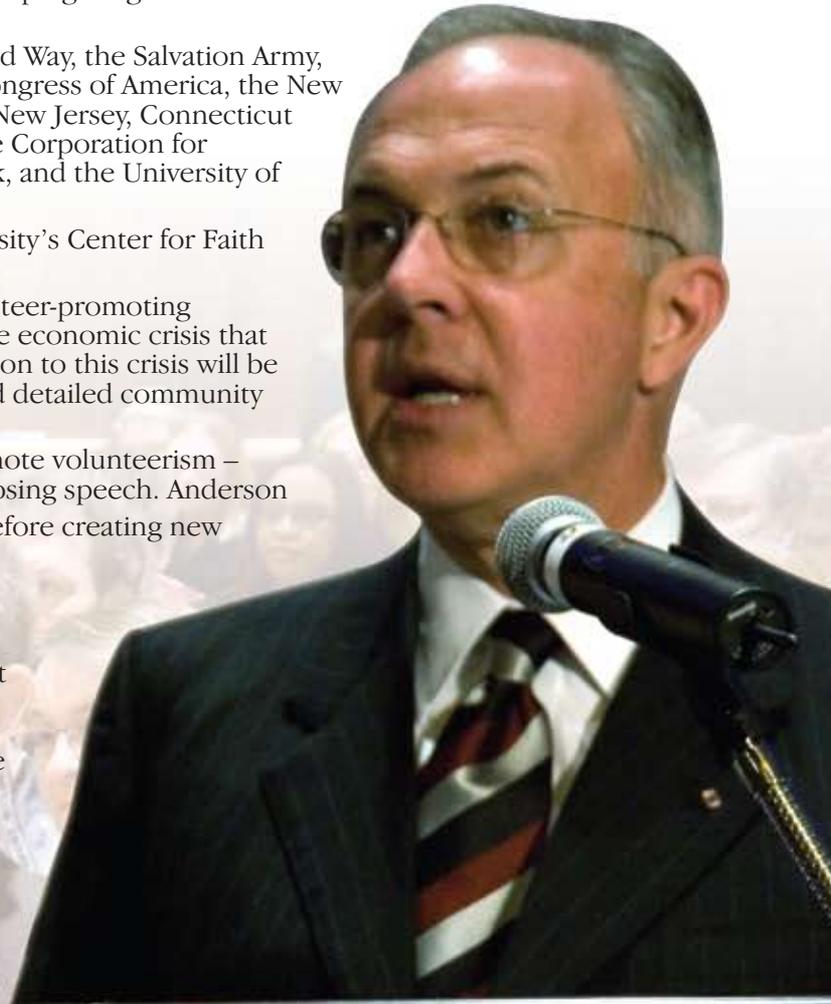
“The response – on such short notice – by so many of our nation’s top volunteer-promoting organizations shows just how much need there is for a personal response to the economic crisis that has hurt neighbors in each of our communities,” said Carl Anderson. “No solution to this crisis will be complete if it does not include the invaluable person to person component and detailed community knowledge that the organizations assembled today bring to the table.”

Anderson issued calls to leaders of the sectors in the United States that promote volunteerism – government, nonprofit, corporate, media, educational, and religious – in his closing speech. Anderson

- called on the government to consult with existing volunteer organizations before creating new volunteer programs.
- called on business to create and expand corporate volunteer programs.
- called on educational institutions to promote volunteerism among college students.
- called on places of worship to reach out to their congregations directly about volunteer opportunities.
- called on nonprofits to work better together.
- called on the media to conduct telethons for volunteers, and to devote space in print media to volunteer opportunities.

“This crisis is unprecedented in our lifetimes,” said Anderson, “and our response must be as well.”

The summit’s speeches and panel discussions can be viewed on the web at www.kofc.org. A schedule is available at www.kofc.org/summit. ●



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