

# Aligning Values and Giving

An Interview with Marilyn Carlson Nelson, Chairman, Carlson

**EDITORS' NOTE** Marilyn Carlson Nelson currently serves on the boards of Exxon Mobil, the Committee Encouraging Corporate Philanthropy, The Kennedy Center for the Performing Arts, and is Chair of the Mayo Clinic Board of Trustees. She is past Chair of the U.S. Travel and Tourism Board and co-chaired the World Economic Forum in Davos. Nelson graduated with honors from Smith College with a degree



Marilyn Carlson Nelson

in International Economics and attended the Institute des Hautes Etudes Economiques et Politiques in Geneva. Nelson teaches corporate social responsibility at the Carlson School of Management at the University of Minnesota and is the author of the best-selling book, *How We Lead Matters: Reflections on a Life of Leadership*.

**COMPANY BRIEF** Headquartered in Minneapolis, Minnesota, Carlson is a privately held, global hospitality and travel company encompassing more than 1,085 hotels, including Radisson®, Country Inns & Suites By CarlsonSM, Park Inn®, and Park Plaza®; more than 900 T.G.I. Friday's® restaurants; and Carlson Wagonlit Travel®, the global leader in business travel management. Carlson ([www.carlson.com](http://www.carlson.com)) operates in 150 countries and its brands employ more than 150,000 people.

**When you look at all the need out there, how did you determine where to focus your efforts?**

The need is indeed great and corporate philanthropy has gone through a major transformation over the past couple of decades, in part due to this vast number of options in which companies can engage. As was true in many companies, when I joined Carlson in the late '80s, philanthropy was primarily directed by the interests of the CEO in the headquarters community. For the most part, it was unrelated – or only marginally related – to corporate strategy.

Today, a corporation's giving priorities are increasingly intertwined with its corporate strategy – especially where there are opportunities to create shared value for both the corporation and society. To accomplish

this mutuality, companies need to know when and how to engage in societal needs. The results are most impactful when the issue is well aligned with the organization's core competencies. As an example, supporting efforts to fight malaria might be a better fit for a pharmaceutical company than a service company. Another major change has been in the concept of "community," particularly for a global company. Today, "community" can also be defined as the markets in which the product is manufactured, where it is sold, and where its employees work.

At Carlson, we have taken a dual approach to philanthropy. The first is that we have a funded foundation, overseen by the family, the second is that a portion of the foundation's annual contributions is directed by the corporation. The efforts to align and select areas of interest, therefore, emerge from both the family's sense of priorities and the corporation's, though in many cases, they are one and the same, because it's a family owned business.

We have agreed that one-third of our annual contributions will go to education. These funds have been primarily directed to the University of Minnesota's Carlson School of Management. That is a fit for both our family foundation philosophy and our corporate philosophy, because we draw on the talent that is developed there for our employee and executive base. We are jointly sponsoring next generation thinking on leadership through the Center for Integrative Leadership, which is committed to the research and teaching of cross-sector collaborations among business, policy makers, and NGOs to solve the most pressing problems of our time

We've also been involved with the Harvard Kennedy School and the Harvard Business School, and we have helped to fund the Young Global Leaders from the World Economic Forum who are being trained there.

One of our primary focus areas as a multigenerational family business, is the protection of children's rights. In 1999, with Her Majesty Queen Silvia of Sweden and a few other major corporations, we co-founded the World Childhood Foundation with the objective of helping street children acquire

skills and education, have access to proper nutrition and health care, and to live in safe settings. Through this association, we discovered that street children are particularly vulnerable to being trafficked, some for sexual purposes and some for labor, and that this exploitation has been growing as a result of the Internet and the ease of travel. It has become the second largest criminal activity in the world next to drugs and the fastest growing.

In 2004, Carlson was asked by the U.S. State Department to sign what is known as the Code of Conduct for the travel industry, which asks its signatories to educate its employees about the issue of child sex tourism and how to report suspicious activity to authorities. We were the first major American travel company to sign. We have been actively encouraging other travel and hospitality companies to sign the Code.

Our foundation sponsored a national symposium about the trafficking of children in collaboration with UNICEF and the State Department to increase awareness and address its causes and prevention.

We are also supporting the formation of a coalition of global businesses against trafficking.

**How critical is it to have your employees engaged and do you find young people looking for those socially responsible companies?**

Definitely. The younger generation in particular seems to share my personal belief that business is one of the greatest forces for good in the world. Business meets the needs of humankind. It's a powerful problem solver and a great unifier of people of different cultures, languages, and faiths around a common goal. And business provides the best philanthropy there is – a job.

Being good stewards of the human, economic, and environmental assets you've been entrusted with is what responsible business is all about. We want every person – all 150,000 who work under the Carlson brands – to be proud not just of what we do but how we do it. Our philosophy is summed up in what we call the Carlson Credo: "Whatever you do, do with integrity; wherever you go, go as a leader; whenever you serve, serve with caring; whenever you dream, dream with your all and never give up." ●