

There Is No Capitalism Without Character

An Interview with Duncan Niederauer, Chief Executive Officer,
and Michelle Greene, Vice President-Head of Corporate Responsibility, NYSE Euronext

EDITORS' NOTE In December 2007, Duncan Niederauer became CEO of NYSE Euronext and has led a historic transformation of the company. Prior to joining the exchange in April of that year, he was Managing Director and Co-Head of the Equities Division Execution Services for Goldman Sachs. Niederauer earned his B.A. from Colgate University and his M.B.A. from Emory University.

In addition to her corporate role, Michelle Greene also serves as the Executive Director of the NYSE Foundation. Prior to joining the Exchange in 2010, Greene served as Deputy Assistant Secretary for Financial Education and Financial Access at the U.S. Department of the Treasury, Executive Director of the President's Advisory Council on Financial Literacy, and a member of the White House Council on Women and Girls. Previously, Greene worked for McKinsey & Co., Inc. and served as the Executive Director of a human rights policy center at Harvard University. Greene received her J.D. from Harvard Law School and her A.B. from Dartmouth College.

COMPANY BRIEF NYSE Euronext (www.nyx.com) is a leading global operator of financial markets and a provider of innovative trading technologies. The company's exchanges in Europe and the United States trade equities, futures, options, fixed-income, and exchange-traded products. With more than 8,000 listed issues, NYSE Euronext's equities markets – the New York Stock Exchange, NYSE Euronext, NYSE Arca, NYSE Alternext, and NYSE Amex – represent one third of the world's equities trading. NYSE Euronext also operates NYSE Liffe, one of the leading European derivatives businesses and the world's second-largest derivatives business by value of trading. The company offers comprehensive commercial technology, connectivity, and market data products and services through NYSE Technologies. NYSE Euronext is in the S&P 500 index and is the only exchange operator in the Fortune 500.

How critical is it today for a corporation to be engaged in corporate responsibility and to make it a part of the culture of the company?

Niederauer: A company's social impact is going to determine its ability to succeed in the marketplace. Looking back 10 or 20 years, you had a good product delivered at a fair price to your customers and they were satisfied with that. Today, they expect you to do that but also be a good corporate citizen.



Duncan Niederauer



Michelle Greene

Greene: It's also a source of new opportunity for a lot of companies when you think strategically about your impact on community and on society.

Is it important today to create an alignment between charitable efforts and business strategy?

Greene: It's critical for companies to approach their charitable efforts in a serious manner and that requires alignment with their business strategies. It enhances their businesses, but also enhances what they do and their impact on a community.

For example, our getting involved in financial literacy can bring something to that area that no other company can bring. So it makes sense for us strategically, but it will also have a greater impact in terms of our philanthropic giving. We're able to partner strategically to help other nonprofits advance in ways they would not have been able to do otherwise.

Niederauer: We also think that the future for a lot of these efforts is in partnering with other like-minded companies or with those who have complementary capabilities to bring to the table. So what Michelle and I have coined in her time here is a change from CSR being looked at as corporate social responsibility to being looked at as collaborative social responsibility. The most successful and high impact corporate responsibility initiatives going forward are going to be collaborations. It's not like we're out on our own, seeing if we can do well by doing good; it will have a much higher impact if we can get other like-minded people with complementary strengths to collaborate with us.

Is it tough to put metrics around what you're doing and are you able to track impact?

Greene: There are some challenges, but it's important to have goals and to find ways to

measure those goals. Part of the challenge is that this whole field is new to the idea of things like ROI and real business metrics. So we're still struggling with developing metrics and they may differ from project to project, but it's important to hold ourselves accountable.

Is it more important to hone in on a handful of things where you can have the most impact as opposed to spreading yourself across many?

Niederauer: We remind people frequently that while the brand is universal, the depth of the pockets in our foundation aren't terribly large. Given the business we're in, we're not in a position to write some of the big grant checks that many of the larger companies can.

So instead of sprinkling a little around in a lot of different places, we tried to do two things: inside the more traditional foundation structure, we're attempting to be more targeted on areas that are adjacent to our business and on writing bigger checks to fewer operations; we've also tried to commit our own resources in the form of human capital or using our community of companies and our public venue to turbo-charge some of these efforts. We have had success on the job creation initiative, and that wasn't about getting the foundation's check-book out but about getting creative and asking how we can lead from the front in dedicating our own people to a cause we feel strongly about.

How do you promote the programs you're supporting throughout the organization and how do you engage your people?

Greene: Duncan talks about these efforts in his regular communications all the time and we also have a number of company initiatives around other topics that this gets integrated into.

Niederauer: A big part of our internal communication effort is driving home that our culture is about doing well by doing good. We tell everyone to expect the leadership of the company to lead from the front professionally and personally. Some of these volunteer programs give our employees a chance to highlight things that matter to them outside of work. They also see we're in the Dow Jones Sustainability Index, the Carbon Disclosure Project Leadership Index, and that we were the first exchange to go carbon neutral. It makes it easier to engage our employees when they realize we're walking the walk. ●