

Living Charity

An Interview with Alan Hassenfeld, Hassenfeld Family Initiatives

EDITORS' NOTE Alan Hassenfeld is also currently the Chairman of the Executive Committee of Hasbro, Inc., where he began his career in 1970. He was appointed Vice President of Marketing and Sales in 1978, became the President of the company in 1984, and received the titles of Chairman and Chief Executive Officer in 1989. He passed on the responsibilities of CEO in May 2003 in order to fully concentrate on his position as Chairman. He is the former Chairman of the Right Now! Coalition and Admiral of Rhode



Alan Hassenfeld

Island Commodores. Hassenfeld is the recipient of Honorary Doctorates from Bryant University, Rhode Island College, Salve Regina University, Johnson & Wales University, Roger Williams University, and the Waterford Institute of Technology.

ORGANIZATION BRIEF Hassenfeld Family Initiatives is a philanthropy whose goals are to globalize safety and human rights within the area of children's products, empower women in developing countries, and undertake initiatives to improve the economy, education, and business opportunities in Rhode Island.

Philanthropy is such a passion for you. Was this instilled in you early on and to what do you attribute this passion?

Giving back was something that my parents imbued in our family from a very early age. Over dinner, they would discuss with us some of the different causes they were supporting and why they were doing it. When my father passed away, he left a letter for us concerning his thoughts on charity. It read something like this:

"You will be surprised to see that I have not left anything to charity. The reason for this is that your mother and I have instilled in you the reason for giving back. I believe in living philanthropy. Living philanthropy allows you to see and be involved in helping others less fortunate. By being involved in giving to things you care about and watching as you make a difference, a special warmth and smile will always be with you. Lastly, remember some of the things that I have been involved with; in the future, they will change, and maybe those changes I would not be willing to support. Therefore, believe in living charity and have fun doing it."

With these words etched on my mind, we embarked on our philanthropic adventures.

Would you highlight the areas that you are involved with and how you decide on causes to support?

There is some rhyme and reason to what we give to. We support the community, children, and women the world over as they are the center of the family – hopefully, they will be the catalyst that will break the cycle of violence. We also contribute to univer-

sities or schools we have ties with and to support social entrepreneurship. There are so many choices, but whether it is a thousand dollar grant or a million dollar grant, we need to work with people of passion, for those people are the change agents. We try to be a catalyst for positive change. We are risk takers in that we enjoy funding start-ups that have the chance of being replicated in other places. For larger grants, we ask a myriad of questions to make sure the recipients will provide deliverable metrics. Lastly, we do not, in most cases, give to endowment. The first day of the future is today and we want to be a part of that future. A charity that I worked with had to say no to children who were starving because they had reached the limit on their yearly draw, even though there was money in the endowment. This is unacceptable, and so we remain a family that believes in living charity.

Do you focus on a small number of causes where you can make the most impact or on a broad range of issues?

We focus, but we want to be a catalyst for change so sometimes we reach out. Training future leaders and empowering children, family, and community are just a few areas of focus for us. We work with organizations including the Kennedy School of Government, Hasbro Children's Hospital, the Jerusalem Foundation, ICTI CARE, Barefoot Entrepreneur, Women's Resource Centers, and Operation Smile – these are all tangential, living charities.

What are the most important characteristics you look for when deciding whether to support an organization?

We focus on the need, the passion of the players, and the scalability of the project. Most importantly, we want to understand the role of the board of an organization both in its oversight and in its giving.

What are the key ingredients to making philanthropic work?

Another one of our beliefs both at the family foundation and at Hasbro is the concept of tangential philanthropy. Whether it be family or company, we believe in supporting the communities we live and work in. We also focus on those groups that have been a part of our success. For us, it is easier than most, for our success has been because of families and children the world over. Therefore, our major commitment is to better the lives of children on a global basis.

How critical is it to have metrics in place to track the impact of your philanthropic work?

There should be metrics to judge whether a grantee is delivering on what they had promised. It also lets a grantor see what might be needed to scale up and what impact is being made. I do not believe in giving carte blanche because even in the not-for-profit world, there are some bad actors.

Is it becoming more common for companies to focus their philanthropic efforts on issues that align with their businesses?

Yes, companies like Hasbro should align giving to their overall mission and purpose, but they can never forget their own communities. Corporate philanthropy has another purpose as well: to help create for its people a community of good health, education, and quality of life, which allows a company to keep its people. Hasbro was also one of the early adapters of what I call the triple threat: volunteerism, where we give our people four hours paid per month to volunteer in the community; gift-in-kind – giving to children who would otherwise go without toys during the holiday season; and philanthropy. If a company wants to achieve greatness, it must recognize that its greatest resource are its people. A company with a heart has high morale and retains its people.

Over the years, you have had quite an impact on many causes. What are you most proud of?

I am most proud of where we have brought sunshine when there has been darkness; where we have brought a smile when there were tears. I am indebted to so many of those we have worked with for their passion, creativity, can-do attitude, and the sacrifices they make to improve the lives of so many less fortunate. ●