# "Share the Model"

An Interview with Marc Benioff, Chairman and Chief Executive Officer, salesforce.com

**EDITORS' NOTE** Regarded as the leader of what he has termed "The End of Software", Marc Benioff has been recognized with honors such as being named a Young Global *Leader by the members of the World* Economic Forum and the 2007 Ernst & Young Entrepreneur of the Year award. He was appointed by President George W. Bush as the Co-Chairman of the President's Information Technology Advisory Committee, serving from 2003 to Marc Benioff 2005. Prior to launching salesforce.

SHAPING THE FUTURE

com in 1999, Benioff spent 13 years at Oracle Corporation from 1986 to 1999. In 1984, he worked as an assembly language programmer in Apple Computer's Macintosh Division. *He founded entertainment software company Liberty Software in 1979 when he was 15 years* old. Benioff is the author of The Business of Changing the World, Compassionate Capitalism, and Behind the Cloud. He received a Bachelor of Science in Business Administration from the University of Southern California in 1986.

**COMPANY BRIEF** A publicly traded company, salesforce.com is the enterprise cloud computing company that is leading the shift to the social enterprise. Social enterprises leverage social, mobile and cloud technologies to put customers at the heart of their business. Salesforce.com has more than 100,000 customers including Burberry, Dell, Japan Post, NBC Universal, Kelly Services, and SunTrust Banks.

## Would you provide an overview of the 1/1/1integrated corporate philanthropy model?

Soon after we incorporated salesforce.com, we also created the Salesforce.com Foundation as a public charity.

We pioneered the 1/1/1 integrated philanthropy model by which we give one percent of our time, one percent of our equity, and one percent of our profits in the form of product donation back to the community. The idea was for the foundation to be integrated into the company from the beginning and to grow as the company grew. It worked and has allowed us to donate \$30 million in grants, deliver our service to 13,000 nonprofits at no charge, and give more than 300,000 hours of community service.

If adopted on a large scale, this model could change corporate philanthropy as we know it. Modern philanthropy isn't only about big gifts, but also about participation - our "share the model" practice has helped extend this idea. To date, hundreds of companies from different industries have viewed our sharethemodel.com site for best practices, and companies like Google have adopted parts of the model to build philanthropy into their day-to-day operations.

#### How does salesforce.com evaluate and measure the success of **CSR efforts?**

service. In fact, the first application we built on the Force.com platform measures everything related to our foundation. It tracks volunteer hours and breaks out the percent of volunteerism by department. It also measures product donation so that we know the number of users, log-in rates, how they are using the service, and what other applications they need. We even use it to track grant outcomes with our youth programs, including the number of students placed in internships, number of years, promotions, and scholarships as well as years in college, grades, graduation rates, and job placements. This application has been so effective at helping us evaluate and achieve our goals that we've also made it available for other companies to use.

# How do you engage employees in these philanthropic efforts?

All new hires participate in a volunteer activity at orientation. No matter what the task, participating sends the signal from day one that integrated corporate philanthropy is a core value for us. The effect of those first few hours of volunteering stays with most employees for a long time and they often continue their volunteer activities throughout their careers at saleforce.com.

Fostering continuous engagement is critical to the foundation's success. We let our employees choose where they want to focus their volunteer efforts, which generates a sense of ownership. To further spur involvement, we have employee-led foundation councils that serve as independent advisory groups to each of our one percent efforts (product, time, equity). In addition, every year we honor Volunteers of the Year with a grant of \$500 made to an organization of their choosing. We listen to employees and we let the foundation change as we evolve as a company.

People at salesforce.com have found their passions and introduced us to nonprofit organizations they wanted to support. But it's not just employees; it's our business partners and customers as well.

I've seen the rewards of giving back through tens of thousands of children educated through Room to Read, more than half a million entrepreneurs funded through Kiva, and human rights violations brought to light through WITNESS.

I evangelize integrated philanthropy at every opportunity. The foundation has become our culture. This year, we provided an opportunity for the over 40,000 participants of our annual users conference, Dreamforce, to volunteer on site as part of their experience. Attendees assembled more than 6,000 amenity kits for the families of patients at the UCSF Benioff Children's Hospital and built more than 65 bicycles for students of local elementary schools. We have also raised a total of \$8 million dollars for UCSF from participants at the past two Dreamforce events.

## How have you focused your own personal philanthropic efforts?

I've been personally involved in philanthropy for the past two decades. We've gone fairly wide with our personal giving, investing in areas such as education, health care, and human rights. But two years ago, we transformed our approach and decided to concentrate on just one effort. In June 2010, we announced our most significant philanthropic gift ever: \$100 million to UCSF Benioff Children's Hospital. This investment aligned with our own interests in terms of advancing health care and children's well-being and it's where we believe we can make the biggest difference.

We've endowed four research chairs at UCSF and my wife has been on the board since 2008. Our initial gift will help fund the construction of the children's hospital's new home.

Researchers and physicians at UCSF Benioff Children's Hospital discovered the cause of respiratory distress syndrome - the number one killer of premature babies - and developed therapies now used around the world to save thousands of lives every year; they performed the first fetal surgical procedures; and helped prevent the spread of HIV/AIDS from mother to baby. They just made a pivotal discovery about malaria parasites that gives hope for a vaccine. Imagine a world without malaria, which kills one million people – mostly kids – a year? What's happening is phenomenal.



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