

THE POWER OF GIVING

Told by Gregory S. Gross

Seven-year-old Van Truong Le looked over the rail. His homeland, Vietnam, was quickly disappearing from view. He and his family had fled on a boat with a hundred others, running from war, seeking peace. When Van arrived in America, he felt as if he were in a movie. There were no bombs, there was no war—just lots of big cars.

Before the war, Van's father had been a successful businessman and landowner in Vietnam, but he had lost everything and had to start over in America, as a janitor. He moved his family around the country, searching for a new place to call home. At the time, Van couldn't even dream of the life that lay before him, or of Arnold Hiatt, the man who helped make it happen.

Hiatt has helped make things happen for lots of people. As president of the Stride Rite shoe company, he wanted to do more than just make a profit. He wanted to make a difference. By serving employees, stockholders, and the community as one, he built his business on a solid foundation of reciprocal values and principles. He firmly believes in “doing unto others as we would have them do to us”—and has discovered that it's given him a great business advantage.

Hiatt never went to business school or received an MBA; he studied history and literature instead. Later he learned about the world of business at an executive training program. But when he found little civility there, he decided to start his own company. His start-up

children's footwear company prospered, despite his on-the-job training. When the Stride Rite Corporation wanted to acquire his company, and have him assume the presidency, he agreed—on his terms.

Under Hiatt's leadership, Stride Rite also set a precedent for how business could make a difference in the community. He persuaded his directors first to give 1 percent, and then 5 percent, of the company's pre-tax earnings to social initiatives in the community. By creating the nation's first on-site corporate daycare program, he helped Stride Rite workers and gave jobs to residents of downtrodden and crime-ridden Roxbury, Massachusetts. Stride Rite was also the first company to establish an intergenerational center—providing opportunities for seniors and children to be cared for together. A strong advocate for mentoring, he also encouraged Stride Rite employees to work with inner-city youth, at the company's expense, during work hours.

Stride Rite's sales increased dramatically, and for several years the company was in the ninety-ninth percentile of financial performance on the New York Stock Exchange. "People started to wonder if there was a correlation between treating people fairly and doing well," Hiatt remembers. Over the years he became one of the nation's champions for greater corporate social responsibility. He founded Business for Social Responsibility to help other companies become more responsive to their workers, their community, and the environment.

But Hiatt's favorite program, and the one that changed Van Truong's life, is the least well known. He was especially concerned that young people learn to be responsible citizens. And he believed that students would learn more about this by doing than by listening to someone in a

classroom talk about ethics and personal responsibility. So he invited his alma mater, Harvard, to become a partner in providing scholarships so that low-income students could do public-service work in the inner city. The Stride Rite scholars now reach beyond classrooms and textbooks to face tough, real-life situations; instead of flipping burgers to support themselves through school, these future leaders volunteer in homeless centers, AIDS wards, juvenile-offender programs, and shelters for abused women and children.

Van Truong, whose hard work and tenacity earned him a place at Harvard, was one of the forty students who won a Stride Rite scholarship that year. When he realized that there were housing projects near Harvard, he used his scholarship funds so he could work at one of them, Jefferson Park. He wanted to put his experience to work helping other young people overcome obstacles.

So, every summer for four years, Van Truong lived with the youngsters—right in the housing project. He started by earning their trust. “These kids live in a tough inner-city environment,” he says. “Because of my own childhood experiences, I could relate to them.” As a living example of what they could become, Van gave hope to those who had none. He tutored them and took them on field trips, opening up views of different worlds. By teaching them to write their intimate feelings and personal observations in journals, he helped them find their “voices.” Van was happy to see that “at nine or ten years old, these kids had great dreams for themselves and for their future.”

During the course of his work in the projects, Van was amazed that Hiatt, the head of a multinational corporation, would take the time to

meet with him, ask about his summer, and get to know him. Hiatt wanted to see for himself how these scholarship students were making a mark on their community. During one of his visits, Van told him about a serious problem that was undermining the program. Harvard had reduced financial aid for students receiving the Stride Rite scholarships, pulling out from under them the very ground they'd gained.

Hiatt was troubled by what he heard. He informed Harvard officials that Stride Rite funds would continue only if they were never used to displace other student aid. He challenged Harvard to match Stride Rite funds, generating additional funding for work-study grants. He also created a fellowship program for graduating students to continue their public-service work. With his strategic support, public service has become a multiplying force for change at Harvard and in the community, and the lives of many young people have improved.

Van Truong, for one, was profoundly influenced by his mentor, Hiatt, and his commitment to public service: "Arnold Hiatt showed us how to be public-spirited and not forget our community. Working closely with him strongly affected my beliefs, my values, and my career goals. He actually altered the course of my life. In the money-crazy 1980s, he was a visionary role model for us all."

Van has since decided to dedicate his life to public service. A recent law-school graduate, he is now a clerk for a Boston federal court judge. One of Van's former Jefferson Park students is aiming to go to college. Van is grateful for Hiatt's example of a life lived in pursuit of something more than material wealth. His aspirations are quieter, richer, for a life given to serving others. Van says, "Arnold Hiatt taught me the power of

giving back, one person at a time.”

Everyone can be great, because everyone can serve.

DR. MARTIN LUTHER KING JR.

Companies who want to launch or improve community-service initiatives should phone **Business for Social Responsibility (BSR)** at 415-537-0888 for information, tools, resources, and technical assistance, or visit their Web site, www.bsr.org.