

ICI VIEWPOINTS

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## Luncheon with Keynote Speaker Howard Schultz

By Andrew Gillies

“What is the role and responsibility of business leaders, corporations, CEOs, when you know that the path that the country is going down is not the right path, and people are being left behind?” That was the question posed to ICI’s 54<sup>th</sup> General Membership Meeting by Starbucks Chairman, President, and CEO Howard Schultz during his lunchtime keynote address.

Schultz provided his answer to the question in urging community action informed by values that extend beyond profit motive. “We can’t wait for Washington, and we have to recognize that we have a responsibility to the country, to the communities we serve,” he said. “Shareholder value is not only based on making a profit.”

Schultz illuminated the proposition with a look at the recent history of Starbucks, the company that he has led since 1987.

In 2008, Schultz said, Starbucks’ business was reeling from effects of economic downturn and from what he perceived as “a sense of entitlement” that arose from the company’s astonishing growth during the 1990s and early 2000s. At a meeting in 2008, company managers gathered for a frank business discussion and an opportunity to do community service in neighborhoods still recovering from Hurricane Katrina in 2005. The meeting was pivotal, Schultz recalled, because it “rekindled, reminded people of the values and humanity of the company.”

Schultz also described Starbucks’ more recent efforts around the issue of unemployment and what he perceived as an insufficient response from policymakers. Notably, Starbucks has funded an initiative, the [Opportunity Finance Network](#), which provides low-cost credit to small business and to which 740,000 people have contributed.

“If we embrace a collective pursuit that matters beyond the money,” Schultz concluded, “more profits will be made, because we will be giving back to people who need it the most.”

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