



SUSTAINABLE BRANDS CASE STUDY

Matter to a Million: How HP Structured and Executed its Partnership with Kiva for Instant Overnight Success

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Executive Summary

In February 2014 HP launched Matter to a Million, a five-year global partnership with non-profit micro-lending platform Kiva. In the first stage of this novel collaboration, HP provided a \$25 credit for every one of its employees to lend to borrowers on Kiva, connecting HP employees with entrepreneurs in a number of countries. By strategically engaging leadership teams throughout the company and relying on friendly competition among employees, Matter to a Million has had phenomenal success in its first six months – more than 115,000 HP employees are already lending over \$4.2 million, and counting. The program is clearly striking a chord with HP's global employee base by providing an easy, entertaining and rewarding way to invest in intriguing entrepreneurs from a variety of backgrounds. In addition, due to the innovative spirit of the campaign, the remarkable adoption rate to date, as well as the positive buzz generated among key stakeholders, both HP and Kiva are reaping an additional layer of brand value associated with being pioneers in a new type of win-win employee engagement.

This case study explores HP's internal motivation behind the partnership, how the program was implemented and popularized among HP employees, and the success metrics HP has chosen to focus on to date. Ultimately, the broader goal of this case study is to tease out lessons that can be applied by other companies that might want to launch similar initiatives.

Context

The Matter to a Million partnership between HP (more specifically, the HP Company Foundation) and non-profit Kiva was borne out of a broader context of corporate citizenship and sustainability initiatives within HP, collectively referred to as Living Progress. HP Living Progress is not just a campaign or program; rather, it is intended to be the way the company does business by bringing people and technology together to tackle society's most pressing challenges. Living Progress provides a fully integrated approach for driving HP decision-making from both a societal and business perspective: it incorporates social, economic and environmental impacts into the company's decision-making as it develops new products, manages its operations, and interacts with its employees and customers.ⁱ

It is within this Living Progress framework that the company established its partnership with Kiva and created the Matter to a Million campaign. The name Matter to a Million originated from management's desire to convey that this partnership is not simply a one-time opportunity, but part of a wholly integrated approach with the company's other philanthropic and corporate-citizenship-driven activities. Matter to a Million presents a two-fold employee engagement opportunity, since employees get to learn about the company's overall Living Progress strategy while actively participating in the process themselves.ⁱⁱ

Initiative Design

Funded by the HP Company Foundation, Matter to a Million provides every HP employee with a \$25 credit to make a loan through the Kiva website with the goal of supporting entrepreneurs and small business owners in high-need communities around the world. Kiva handles the administration and repayment of the loan, and Matter to a Million allows HP employees to engage in the program in a quick, intuitive and user-friendly way. Following a simple announcement from HP executives launching the program in February 2014, employees received a link taking them directly to the Kiva website. Once on the Kiva website, employees have the \$25 credit already pre-populated in their baskets, allowing them to immediately choose an entrepreneur and make a loan.ⁱⁱⁱ HP employees are then able to receive emails from the website informing them of the progress of their entrepreneur of

choice. Through the website, employees are also able to track their loan and see how it is doing in the context of other loans on the platform, showing HP's collective impact.

Traditionally, when a loan through Kiva is repaid, an individual's money is returned to them, allowing them to make another loan. Since the HP Company Foundation is the donor responsible for all funds in this case, the system is set up so that the money is returned to a donor-advised fund at Kiva. On average, funds are repaid on a 14-month timeline, and once the HP loans have been repaid, the donor-advised fund redistributes money back out to HP employees. Given this setup, HP's initial goal is to provide each employee with two opportunities to make a loan. Because not all employees have made loans on the platform yet, HP has ensured that first-time participants are given a priority.^{iv}

Implementation

A powerful component of the implementation and success of the Matter to a Million program has been the creation of leadership opportunities for employees within the program. In the process of structuring their partnership, HP and Kiva created the notion of "Lending Leaders" – HP employees whose role is to rally their colleagues, get them excited, raise awareness about the program, share success stories, and provide feedback on what is working and how people are reacting to the program. Although they are volunteer positions, the role of a Lending Leader has its own job description and time expectation. While Living Progress management made sure to equip Lending Leaders with the necessary ideas, key documents and marketing tools, Lending Leaders have quickly taken ownership of the program, coming up with engaging ways to talk about it with their colleagues. Overall, Lending Leaders have been instrumental in enabling successful participation from employees across the company and implementing Matter to a Million globally.^v Over 400 Lending Leaders from 50 countries have signed up to participate to date.

Obstacles

In establishing the partnership, HP and Kiva had to tackle obstacles in three key areas.

Putting the Right IT Infrastructure in Place



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HP and Kiva had to overcome hurdles in creating a seamless online experience for employees – from clicking a link in their email, to being directed to the Kiva website, to being automatically authenticated as an HP employee with a \$25 credit already waiting to be used. HP made an early decision to invest in building necessarily-complex IT infrastructure, as the company made it a priority to make sure that any employee sitting at their desk would not have to track down a code, a card, or any additional information in order to redeem their \$25 credit. Employees had to be able to make their donation simply by the click of a button. Although this took several months to build, the investment in IT infrastructure is seen as crucial in facilitating impressively high engagement and participation by its employees.^{vi}

HP and Kiva had to work hard pre-launch to verify that Kiva had the necessary additional supply of entrepreneurs on its site, seeing as there was \$2.5 million about to be made available for lending all at once. The partners had to work closely in order to ensure that the site was able to handle such an unusual big load of additional activity.^{vii}

HP also had to address questions of privacy and legality around sharing employee information and registration details on the Kiva website. HR, Legal, IT, and Privacy teams all had to be involved to tackle these questions. Not only were these teams integral to the process of developing Matter to a Million, but they also helped it take root within the company. From their points of views, the program was not just a Living Progress or CSR initiative; rather, it was a company-wide initiative entailing some ownership for everyone involved.^{viii}

Engaging a Large, Geographically Diverse Employee Population

Since HP has 275,000 employees located in over 100 countries, the company was faced with the challenge of determining how to effectively engage everyone and how to make a program resonate with a diverse group of backgrounds and interests. The resulting intention was to create a program that was global in nature, yet straightforward and intuitive. In the first six months, HP hosted friendly competitions between different country offices to increase participation and relied heavily on Lending Leaders to boost support and engagement.

Crafting Clear and Concise Messaging

Not only was HP introducing a brand new program to employees, but many of them were also unfamiliar with how microfinancing was supposed to work in general. Frequently asked questions included ones about expected interest rates, the distinction between a donation and a loan, and the potential involvement of employees' personal funds. Matter to a Million, therefore, required HP to be clear and concise when laying out the details of the program – it was essential for employees to recognize that they were being provided with a free credit and that they were not being asked to make the loan from their own funds. Although the company is still refining its messaging, it was clear from the very beginning that what was needed was a message as tight as possible without losing key details in translation.^{ix}

Decision Support

Before it embarked on this journey, the HP Company Foundation did not really know it would end up partnering with Kiva. The core intention was to create a partnership and an engagement that activated as many of the 275,000 employees as possible, yet there were few non-profits or readily available programs that could support that kind of scale. Kiva was not only capable of pulling it off, but it was also open to co-creating a new program for HP, thus allowing an experience unique to HP. Kiva smartly provided a package of several valuable features: the ability to create social impact, clear metrics, the option to activate HP employees regardless of their location, as well as a clear and simple interface. That combination was something that would resonate with employees, HP decision-makers reasoned, and so it was worth the multi-year investment.^x

As soon as Kiva was confirmed as a partner, it had the support and buy-in of HP's executive leadership, including the Chief of Marketing and Communications Office, the CFO, and the Head of Human Resources. The HP Company Foundation Board not only approved the partnership, but has since then enthusiastically pushed the Living Progress team to stretch the programs goals around participation. Although CEO Meg Whitman does not sit on the HP Company Foundation Board, she was familiar with Kiva, supported the partnership, and felt passionate about the program.^{xi}

In informing the program's success and determining its development moving forward, HP tracks certain core metrics focused on the external facing social impact that the company is creating. Because Matter to a Million is an HP Company Foundation initiative, the funds invested by the Foundation cannot be directly correlated back to benefits to the company. Matter to a Million's metrics are therefore externally facing: the program measures the number of supported entrepreneurs, the number of loans made on the platform, and the repayment rates of those loans. While there has been a clearly-visible halo effect, or added brand value thanks to positive feedback and energized buzz, the company considers it too early at this stage, six months in, to estimate the total impact on employees. HP does, however, plan to issue an end-of-the-year survey that will include questions about employees' participation in Matter to a Million, in order to get an understanding of their own sense of engagement and increased pride in the company as a result.^{xii}

Results

Since the launch of Matter to a Million in February 2014, HP employees have made loans worth over \$4 million, with almost 43% of HP employees participating to date. As of the writing of this case study, Matter to a Million has also seen almost three-quarters of a million dollars repaid back to the donor-advised fund. That master fund has already been redistributed back out to employees to make additional loans.

Before it launched the program, HP set certain initial 2-month stretch goals, all of which were exceeded as follows:

- **Participation**

Pre-launch goal: 25% employee participation by March 31, 2014

Actual: Hit 25% participation by March 27, and was above 42% as of August 2014

- **Lending: Short-term**

Pre-launch: \$2.5M in lending by March 31, 2014

Actual: Hit \$2.5M by March 27, and was above \$4.2M as of August 2014

- **Lending: Long-term**

Pre-launch: \$6.7M in lending by February 24, 2015

Actual: As of August 2014, already at 63% of the way toward the goal^{xiii}

In the short span of six months between February and August 2014, Matter to a Million has already become a way for HP employees to embody and feel key to the company's Living Progress framework. Anecdotal employee sentiment and satisfaction have been outstanding, reportedly expanding even beyond the walls of the company into people's personal lives.^{xiv} As one HP employee remarked, "Before making my choice, I sat with my children going over all different cases – my children are so proud that I work for HP – and will be going to school to 'brag' that mummy's company helps people all over the world!"^{xv} Matter to a Million has also inspired some HP employees to contribute their own money in addition to the \$25 credit provided by HP.^{xvi}

Communications

Matter to a Million was first communicated through an email sent from HP leadership, the goal of which was to be as clear and concise as possible. In addition to making it a seamless process for employees to lend their \$25 credit, HP also incentivized participation by offering employees an additional \$25 Kiva card if they made a loan within the first 48 hours of the program's launch. This initiative had a redemption rate of just below 70%.^{xvii} Lending Leaders had been equipped to popularize the program from the ground up. Finally, HP held launch events at different sites in the company's offices around the globe. Launch events featured posters, table tents, and information kiosks that helped get the word out and educate employees about the program. Lending Leaders in a certain country would be honored through special 'country days' with the intention to encourage local employees to make their loan that day.

Key Lessons

All in all, having received high participation and positive anecdotal feedback in its first six months, the partnership highlights a successful public-private initiative involving a quick, easy and rewarding process for employees to follow. Beyond the intelligent IT design, Lending Leaders and country days are considered most crucial to creating strong initial engagement and sustained momentum for the program.

Additional key takeaways include:

Information sharing: Key to the success of the partnership to date has been constant communication, engagement, and open dialogue between HP and Kiva. Teams from the two organizations stay in touch on a daily basis and share impact statistics and other updates. This information-sharing enables HP to see which business units within the company are participating and at what levels. The company provides reports of these metrics to company units, fostering a friendly sense of competition.

Metrics: Intuitive goals and metrics, and the ability to report key data back to employees, have also been critical components behind the success of Matter to a Million. While it's too early for final total-impact-of-the-program metrics, HP has clearly used available data to date wisely in engaging employees further, as demonstrated by the upward trends on all key aspects of the program. Thanks to the availability of constantly-updated participation data by business unit, business units are incentivized to compete.

Leadership support: Support from HP's executive leadership, including CEO Meg Whitman, has helped boost and support friendly competition between different HP business units. This support has also strengthened the partnership with Kiva and signaled to employees that Matter to a Million is a valued, company-wide initiative.

Co-creation: The trusting, co-creative spirit with which HP and Kiva approached the project has been important to nurturing healthy collaboration. This enabled HP and Kiva to pivot and make necessary changes, as the program matured. Both parties report that, in the absence of ongoing communication and a strong, friendly relationship between the two organizations, Matter to a Million would not have been able to grow, adapt and mature as a smart respect-worthy program. In addition, Kiva would not have been able to receive feedback on the types of entrepreneurs that appealed most to HP employees.

Shared values: It has been critical for the program to be aligned with, and directly connected back to, core HP company values, while partnering with a nonprofit that held similar values. HP insisted that the program be simple and easily replicable, so that other companies could implement it, too.

Future Plans

As a five-year commitment, Matter to a Million is providing an ongoing opportunity for HP employees to remain engaged in all the ways described above. Moving forward, HP anticipates that employee engagement through Matter to a Million will help the company build on this experience and grow it in new directions through other close interactions between the Living Progress team and the rest of the company. HP is currently exploring potential additional activities to feature within its Living Progress portfolio – especially activities that employees would not know, or give much thought to, in the normal course of their work lives.^{xviii}

ⁱ Gabi Zedlmayer, “What is HP Living Progress?” April 3, 2014: <http://www8.hp.com/hpnext/posts/what-is-hp-living-progress#.U-pudVbgA8M>

ⁱⁱ Marlon Evans and Karen Little. “Matter to a Million: Engaging HP’s Global Workforce for Social Good,” Sustainable Brands Webinar. August 5, 2014: http://www.sustainablebrands.com/digital_learning/slideshow/leadership/matter_million_engaging_hps_global_workforce_social_good

iii Ibid.

iv Ibid.

v Ibid.

vi Ibid.

vii Ibid.

viii Ibid.

ix Ibid.

x Ibid.

xi Ibid.

xii Ibid.

xiii Ibid.

xiv Jennifer Elks. "HP's 'Matter to a Million' Partnership with Kiva Loans Over \$2.5M in First Two Months," April 11, 2014:
http://www.sustainablebrands.com/news_and_views/organizational_change/jennifer_elks/hps_matter_million_partnership_kiva_loans_over_25

xv Marlon Evans and Karen Little. "Matter to a Million: Engaging HP's Global Workforce for Social Good," Sustainable Brands Webinar. August 5, 2014:
http://www.sustainablebrands.com/digital_learning/slideshow/leadership/matter_million_engaging_hps_global_workforce_social_good

xvi Marlon Evans, "HP's 'Matter to a Million' Partnership with Kiva Gains Momentum," April 8, 2014:
http://www8.hp.com/hpnext/posts/hp-s-matter-million-partnership-kiva-gains-momentum#.U_LBu1bgA8P

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xviii Webinar