



Commentary

A Facebook Story That Fell Under The Radar

Let's draw on the core competencies of Corporate America to effect societal change

Ron Shaich, 01.24.11

If it's possible a story on Facebook could fall under the radar, then last week's announcement of the company's partnership with the Department of Justice on Amber alerts qualifies. Ironically, it may be one of the more significant efforts from Facebook--one that typifies a nascent movement of great importance to society, and that, with the leadership of companies like Facebook, I hope will become the norm for Corporate America.

The company's private/public partnership with the government at its core seems to represent an effort by Facebook to give back to its communities by externalizing its core competency around distribution and connectivity. By far the most populated and active social network, Facebook is uniquely placed to spread the word on missing children to members who opt in to receive such posts. The partnership will no doubt serve to amplify the voice and reach of Amber Alert and help them become more effective than ever before.

I am currently focused on an effort to this end for Panera Bread (giving back by leveraging our core competency) and looking for soapboxes (really any box) to encourage others in Corporate America to do the same.

At its simplest, our core competency is opening restaurants--something we do one to two times every week and at a rate of success on par with any restaurant company in the country. Our belief was that the national scale of our operation provided Panera the opportunity to turn that core competency against a societal ill and uniquely make a difference toward addressing the "cause" of food insecurity.

Panera took its first step on this path in May of 2010 when we opened our first Panera Cares Café in suburban St. Louis. With last week's opening of our Portland, Ore., café, we now have three such cafés across the country, and the ultimate hope would be to open one in many of the markets we serve. We call them community cafés of shared responsibility. These cafés look like any other Panera--the same menu, the same associates, the same comfortable environment. But instead of a cash register, there is a donation box. Instead of prices, we simply suggest people leave their fair share. Everyone is on their honor and everyone is welcome, whether or not they can leave a monetary contribution. To date, these cafés are working. Neighbors are taking care of one another, and these cafés are proving sustainable. Panera provides the café, labor, product and the communities the support.

And now I'll step up on my soapbox: Corporate America must find ways to use its expertise, core competencies and scale to be true corporate citizens and address societal problems in ways that the mere donation of goods, services and cash fall short.

Imagine if more large corporations were more active in trying to address social needs. Food banks serve a vital function, but they are often disorganized and inefficient. Yet there are huge national retailers with vast experience in procuring, moving and delivering goods, including perishables. Homeless shelters and the nation's largest home builders, industrial designers and construction companies could vastly increase the humanity, efficiency and capacity of homeless shelters.

Think about key competitive advantages companies hold. What could Google do with the world's best search algorithms? Could the company play an integral role in homeland defense? How about Apple's excellence in design? UPS and Federal Express for transport?

For every vital service now being provided by a nonprofit or government entity in this country, there is almost certainly a large corporation with the skills, experience and scale to vastly improve and increase the capacities of those organizations. The Facebook announcement is a fine example.

You often hear CEOs say their first obligation is to their shareholders. I disagree. The obligation to shareholders is no more, or less, important than our obligation to the communities in which we work and the larger world in which we live. In the end, long-term shareholder value is delivered when companies walk the walk of corporate social responsibility. Call it enlightened self-interest. We need more of it.

Ron Shaich is founder of Panera Bread and currently serves as the company's executive chairman.