

THE HITACHI FOUNDATION



Hitachi Community Action Partnership 2009

“It is with great pride that our Community Action Committee can represent the people of this area in so many positive ways. . . . 2009 was tough on morale, but the CAC allowed us an avenue as a group to make a difference in our community. We realize that our future . . . is dependent on sound community strength.”

—Member, Community Action Committee, Hitachi Automotive Products, Harrodsburg, KY

Hitachi Community Action Partnership 2009

2009 CHALLENGED US ALL.

The economy remained in a deep recession; unemployment in the United States pushed toward 10 percent; foreclosures hit record levels. Directly or indirectly, all of us were affected by the economic crisis.

It was a difficult year to be a good corporate citizen. However, the majority of companies stayed committed. According to *Weathering the Storm: the State of Corporate Citizenship 2009*, a longitudinal survey jointly sponsored by The Hitachi Foundation and the Boston College Center for Corporate Citizenship, most companies maintained their corporate citizenship practices. Doing so, though, in this year of economic upheaval, required a very thoughtful approach.

For Hitachi companies in North America, the Hitachi Community Action Partnership (HCAP) is the opportunity for developing this approach, and ensuring that, even during a year as tough as 2009, community

engagement remains a core element of Hitachi’s corporate culture. It provides Hitachi North American group companies and their employees a structure to strategically and systematically engage in community service. The goal of HCAP is to improve the quality of life in communities where employees live and work. Employee-led Community Action Committees (CACs) are charged with assessing the needs and assets in their communities and developing strategies to respond. It also helps Hitachi’s group companies build upon shared values of service and good corporate citizenship.

The *Mastering Community Action* approach (MCA), launched three years ago, helps CACs to be deliberate and thoughtful as they develop and continuously improve the community engagement strategies for their company. Using the MCA helps gauge effectiveness against a set of defined indicators. It’s

Continued on page 2

these indicators that offer CACs a map to community engagement in both good and difficult times. The MCA guides CACs through a number of levels, similar to a professional development certification—from Basic CAC to Professional CAC to Master CAC. It's a leading example of how clear standards of excellence and milestones for corporate practice can help shape the kind of neighbor a company can be.

2009 required an added degree of commitment and attention to the details that support community engagement. For HCAP, this meant creating tools and policies that help sharpen two aspects of the MCA approach—community assessment and volunteerism. In this way, we were able to help CACs respond to community needs even during a year of economic uncertainty.

“Our fundraisers and activities bring the employees opportunities to be engaged with other employees from other divisions. This adds to better communication, better morale in the office, and a sense of purpose outside of our normal job descriptions.”

—Member, Community Action Committee, Hitachi High Technologies America, Inc., Schaumburg, IL

A Tool to Understand Community

TO HAVE REAL IMPACT AS A CORPORATE CITIZEN, a company has to understand what is needed in the community and how its own assets—employees, products, and services—match those needs. The MCA approach helps CACs to develop a strategy for making these calculations. A company's community engagement effort is strongest when a CAC builds a strategy based upon an understanding of how company and employee interests connect with community needs and opportunities. Creating this strategic picture of a community can be complicated, however, which is why we

developed the *Hitachi Community Action Partnership Community Engagement Tool*.

The tool puts it clearly: “The Company Philosophy, Employee Interests, and Community Needs require clear definition to contribute to a deliberate, proactive, and impactful Funding and Engagement Strategy.”

This tool enables CACs, in a simple step-by-step approach, to identify and understand:

HITACHI COMMUNITY ACTION PARTNERSHIP COMMUNITY ENGAGEMENT TOOL



- **The Company:** What is the company's core business? What does the company stand for?
- **The Community:** What are the most important needs in the community? Where are employees' efforts most needed?
- **The Employees:** What are the employees at the company interested in? What skills do they have that can help the community?

Resources, including an online survey for employees, help CACs understand where they and their company can focus to have the greatest impact. It also helps them align the company's and employees' products, skills, services, and interests to support this focus.

Maximizing the Impact of Volunteering

VOLUNTEERING HAS LONG BEEN A HALLMARK of Hitachi employees. The Hitachi Foundation provides a financial match to local organizations where CAC members volunteer. In a year like 2009, volunteering holds even more importance. When the business climate is so dire, it can be the most meaningful way a company can contribute to the community.

This year, we updated the *Hitachi Community Action Partnership Volunteer Policy and Procedures* to help CACs understand how the time and talent of employees can advance the strategic vision of a corporation. Through the MCA, CACs identify their objectives. The *Volunteer Policy* helps CACs connect a volunteerism strategy to these objectives. It ties the type of volunteer activity to the three MCA levels: Basic, Professional, and Master. For example, ongoing volunteer activities, like a mentoring program or quarterly park cleanups, help a CAC move to the Professional level. And for the first time, the Foundation will provide additional matching dollars to the community organization if the volunteer activity is aligned with the defined CAC strategy, engages executives, and involves release-time from work.

The *Volunteer Policy and Procedures* also introduces a new volunteer category—Targeted Partnerships. These are deeper relationships that tap the special talents of employees to help a community organization address a particular challenge. A Targeted Partnership is linked to

the company's strategic focus area, as developed by the CAC. For example, a CAC may determine that the best match between what a community needs and the assets the company can offer is to work, on an ongoing basis, to improve the quality of the local environment. The CAC crafts, on behalf of the company, an approach with numerous components, including:

- a company executive joins a “green” steering committee and hosts committee meetings;
- a communications specialist helps a local advocacy organization develop a brochure to increase public awareness;
- an accountant from the company puts in place a transparent accounting system for the new “green” initiative; and
- a group of employees commits to volunteer at a local school, involving students in projects throughout the school year that teach about the environment.

A Targeted Partnership will move a CAC to the Master level in the volunteerism component of the MCA.

2009 was a year that demanded reserves of ingenuity to stay meaningfully engaged in communities. The Hitachi group in North America met the challenge.

“We are promoting the company to individuals who have never heard of Hitachi. . . . it is an opportunity to explain the Hitachi brand and promote the company in a positive manner.”

—Member, Southern CA Regional CAC, Los Angeles/Orange Counties, CA

2009 Program Profile (April 1, 2009–March 31, 2010)

MASTERING COMMUNITY ACTION: CACs ACHIEVING MCA LEVELS, FY 2006–2009

	CAC	Professional	Master	Total
FY 2006	15	10	0	25
FY 2007	18	8	3	29
FY 2008	19	10	4	33
FY 2009	13	18	2	33

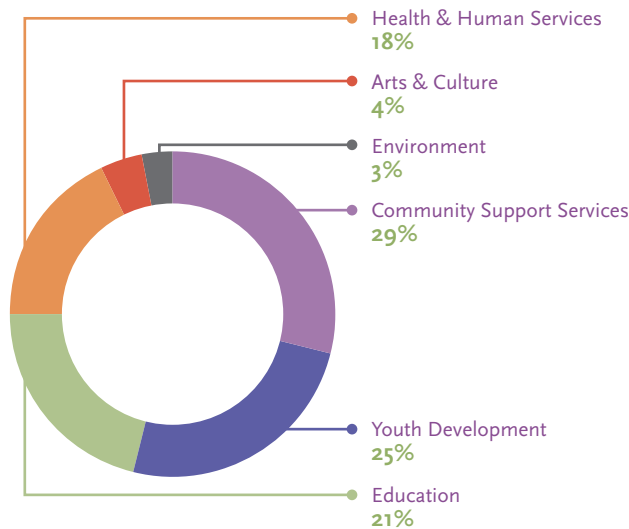
NUMBER OF GRANTS

CAC grants in FY 2009	259
CAC grants since program's inception	4,814

AMOUNT OF CASH GRANTS

CAC/Foundation funding in FY 2009	\$698,462
Foundation funding	\$356,481
CAC funding	\$341,981
CAC/Foundation funding since program's inception	\$12,715,419

FY 2009 CAC FUNDING BY GRANT CATEGORY



Fifty-four percent of these total grant funds are dedicated to serving low-income individuals.

VALUE OF IN-KIND CONTRIBUTIONS

In-kind contributions in FY 2009	\$47,217.10
Value of in-kind contributions since program's inception	\$333,724.10
Number of active CACs	33
Number of participating facilities	40
Number of CAC members	281
Number of volunteers (includes both CAC members and non-CAC employees and family members)	1,467
Number of hours donated by volunteers (includes both CAC members and non-CAC employees and family members)	6,124
Number of community organizations with whom CACs worked	300

2009 HITACHI NORTH AMERICA FOOD DRIVE

Forty-nine teams representing 55 Hitachi locations collected 26,855 pounds of food and \$58,968 in cash that was donated to local community-based organizations.

TYPES OF VOLUNTEER SUPPORT AND THE NUMBER OF CACs INVOLVED

One-time events (e.g., walk-a-thons, serve-a-thons)	25
Ongoing direct services (e.g., mentoring, tutoring, soup kitchens)	13
School partnership	8
Construction	8
Board partnership	6
Professional/managerial (e.g., financial management, fundraising, publicity, boards)	3

REGIONAL AND NATIONAL CAUSES WITH CAC SUPPORT

American Cancer Society Events	March of Dimes WalkAmerica
Blood Drives (Red Cross or other)	Multiple Sclerosis Events
Disaster Relief (Red Cross or other)	Muscular Dystrophy Association Events
Habitat for Humanity	Reading/Literacy
Hitachi North America Food Drive	Relay for Life
Holiday Activities	United Way
Juvenile Diabetes Research Foundation	YMCA