

TECHONOMY NYC

The New Corporate Stance on Public Issues: Fearless

Speakers:

Kim Rubey, Global Head of Social Impact and Philanthropy, Airbnb

Edward Skyler, Executive Vice President, Global Public Affairs, Citi

Moderator:

Susan McPherson, Founder & CEO, McPherson Strategies

(Transcription by [RA Fisher Ink](#))

Kirkpatrick: Susan McPherson, the great social business activist and thinker will moderate our next session on those very issues.

McPherson: Thank you. Good morning, everyone, and thank you, David. Fascinating times we are living in—one might say a little bit too fascinating. But, one interesting stat to hear. Fifteen percent of Americans today trust government and faith-based institutions to hold the moral high ground. What this tells me is it leaves a major wide gap for the private sector to step in and perhaps do the right thing, whatever that means.

So today, for the next twenty minutes or so, we're going to be talking to two companies who are pushing the needle with regards to some pretty significant social issues of our time. One being gun violence and the other would be the support of refugees. So, I am thrilled to introduce Kim Rubey, who heads social impact and philanthropy for Airbnb and Ed Skyler who heads public affairs at Citibank.

So, we're going to dive right in—not take any punches here—and Ed, can you tell us what transpired behind the scenes to lead Citi to take a stance on what has been traditionally been a very kind of disruptive issue?

Skyler: I think, probably a lot of us would agree that something changed after Parkland. And while there'd been other atrocities in the past, there was a different conversation and we've been asked at various points, what are your policies on firearms? And the reality was, we didn't really have a clear policy, unlike other issues that carried reputational risk. We just didn't have one. We had a policy of escalation, which is just kicking things upstairs.

So, our CEO came and said, "I don't think this is sustainable anymore. Show me some ideas." And what we did is we tried to balance respect for law-abiding gun owners and respect for the Second Amendment—we have a footprint across the country in almost every state—and that

was important to us to really try to focus on keeping firearms out of the wrong hands. And you know, I worked for Michael Bloomberg and he used to say, "In God we trust. Everybody else bring data."

[LAUGHTER]

We looked at some of the commonalities between mass shootings and we'd send out a policy around a couple best practices that a lot of our clients actually followed. So, when you look at background checks, background checks have prevented three million illegal firearms sales or sales to people that weren't qualified to own them. When you look at the age restrictions we put on, between 18 and 21, that segment of society is four times more likely than those over 21 to commit a gun homicide. And bump stocks and high capacity magazines are just making already lethal weapons even more lethal, so we decided that we would work with clients that followed these practices in their sales policies and we'd work with our manufacturers to look at their supply chain.

And it was not something that we took on lightly, but it felt in keeping with the mission of our company and our general quest to contribute to society, we don't know whether it's too much or too little, but the sense was that nothing was really changing in our society and there was that heartbreaking quote after Sandy Hook, somebody said that, "When we decided that killing children in school was bearable, we sort of lost the urge to try to regulate firearms." My company doesn't think it's bearable. I don't think our country thinks it's bearable, so we're trying to do our part.

McPherson: Thank you very much.

So, I serve on the board of USA for UNHCR and when I joined the board four years ago, there was a huge proponent or population of the American public that didn't know the difference between a refugee, a migrant, and an immigrant. Obviously, refugees were not top of mind. Question: How did Airbnb take this on as an issue to focus on? And take us behind the scenes.

Rubey: Sure. Well, I think when the horrific images started surfacing, we're a global platform driven by global community, and we realized if housing was a core thing that could help address the immediacy of what was happening, we could play a big role in that. So, we worked with organizations like UNHCR and others to devise some pilot programs. And then fast-forward to the implementation of the travel ban last year and we all sat around, were talking amongst ourselves. We're fundamentally a travel company. Travel bans are bad for business, so—

[LAUGHTER]

McPherson: Yeah!

Rubey: Obviously, we want to speak out, but there's so much more we can do and that's when we realized we, by taking a big commitment and making a big pledge to house 100,000 displaced people over the course of the next five years, we would could both walk the walk and

talk the talk. And I think, what you were alluding to right at the beginning is it's such an interesting time right now. We hear from a lot of NGO partners about political solutions failing, diplomatic solutions failing, and really, they're relying on that private sector to lead the way in speaking out, adapting policy changes, and really pushing change forward in a way that just isn't working in the other arenas like in the way that it used to.

McPherson: Yes, well, it's interesting I heard somebody once say that Airbnb, some senior person in Airbnb said, "If you invite someone into your home, you're much less likely to kill them."

[LAUGHTER]

So, hopefully that's the truth. What role—and this is for both of you—what role did employees play? And the reason I ask because I recently saw Jim Cramer on MSNBC actually talking about corporate responsibility which, I was shocked, right? That's so mainstream to be on television talking about it. But, I'd be curious from both of your perspectives, was it positive feedback, was there any backlash from support of either one of these causes?

Skyler: Yes. Employees played a huge role for us. Out of respect for their privacy, I don't want to get into too many details. We had—

McPherson: No names?

Skyler: No, totally not. We had employees that were personally affected by Parkland. They got a lot of support from the company, but they also asked the question, they said, "Well? Where are we on this?" And nobody had an answer. And so, one of the reasons we did what we did is we wanted our people to have an answer and know where we stood. I think on this issue—on [the] Paris agreement, and climate change, immigration—I think employees are more and more vocal about where they work and the values they want to see their company support.

McPherson: Yes.

Rubey: Yes. The workforce has a huge impact and I think at a place like Airbnb, which is inherently mission driven, they're signing up to work somewhere where they think they're going to be able to impact positive change. And they're always eager to do more and experiment and push the envelope and it is really inspiring to see. I think you can see that across the board. You know, it feels like ancient history, but Tracy Chou, the Pinterest engineer who called for greater disclosure, it really helped shape the debate about and the need for driving greater diversity in tech and other industries. You know, someone writing a Medium post about their experiences can completely change—

McPherson: —the trajectory.

Rubey: Absolutely, and so I think it's really interesting times and I think employees in a certain sense are just so well equipped to push companies to go even further than they might be initially contemplating.

McPherson: Sure. And because we're at a tech conference, I have to ask—how did the role of social and technology play in both of you taking on these specific issues and maybe not other issues? It would be great to hear.

Skyler: I don't—for us, I think social is another channel where we're getting feedback from people and it hasn't displaced the traditional channels. And I'll tell you we just had our annual meeting in Chicago a couple weeks ago and you're prepared for people to come and either protest or say whatever is on their mind. And we still get handwritten letters and questions from all quarters. So, I don't think it's—it's just another channel but I think the danger sometimes is that you can assume.

You can allow the loudest voices on social to push you and I think you sort of have to keep things in perspective, especially with some of the manipulation that goes on, that there might be other forces at work, so I think you have to take a little bit with a grain of salt with some of what you see on social and have social listening and have your ears open, your eyes open, but don't assume that those are necessarily majority voices just because they're the loudest.

McPherson: That's great advice. Noted. How about you, Kim?

Rubey: Very similar to the extent that people disagree with positions or stances we've taken. The way they express themselves can be really antagonistic and kind of rattling in some regards. But on the flip side of that is they know exactly where we stand and you know, for all intents and purposes, if they don't believe in the ethos of our form of travel, our form of hospitality, they're probably not going to be a great guest or great host—

McPherson: Makes sense.

Rubey: —for them to make other choices when they travel is absolutely fine with us.

McPherson: Sure. It's interesting about taking the "it's a grain of salt" on the social structure. My sister is the chief curator of the Guggenheim globally and some of you may recall when the White House asked for a van Gogh, she responded with a 24-carat gold toilet to the White House, and for two weeks she was vilified. I mean, to the point where it was rather scary, and thankfully she lives here in New York where people are little more accepting of that point of view. But, you know, the Guggenheim was watching carefully of what the feedback was. But it came out about 60 percent pro and 40 percent con. So—measurement. Typically, corporations don't take on any major initiative without trying to get a sense of "Is this moving the needle? Is it bringing on more customers?" Can you address that?

Skyler: Yes, I think it's also important to remember that, especially the issues on firearms regulation, is there are a lot of people that are on the other side of it.

McPherson: Yes.

Skylar: So, it's not as if you roll out this policy and everybody slaps you on the back.

McPherson: It's like, "yeah!"

Skylar: And I think you can see that as other banks try to figure out what they're going to do. There are a lot of strong voices on the other side and we're getting criticism that we're experiencing as well. It goes back to why we tried to ground our policy the way we did and not make it about gun control but try to keep it about keeping firearms out of the wrong hands.

But, when we measure things—and we do external, we do brand tracking—you know, the stuff is built up over time. I'm proud of our reputation as a leader in corporate sustainability. We started that effort 20 years ago. So, when we announce our \$100 million commitment to clean energy and sustainable finance, it was coming off a \$50 million commitment from a few years before. So, I don't think you're going to see quarter to quarter huge swings.

You can fall off a cliff if you have a problem. We've been in that boat and some of our competitors have dealt with it as well and other companies outside of finance, it sort of comes in on the camel and goes out on the leopard, or whatever the cliché is.

[LAUGHTER]

You can take a dip pretty quickly but having sustained growth in your brand, attributes, and values is really, a little bit of a slog.

McPherson: Well, your finding taking these stands also helps attract the best employees, retain your work force? Yes? No?

Skylar: Listen, we have a huge site in South Dakota. We're one of the largest employers there. I can tell you for a fact that this policy gets a different response in New York City, in Chicago, in San Francisco, than it does with our people in South Dakota.

McPherson: —in South Dakota, yes.

Skylar: And it's just they have a different experience with the gun issue and it's not a negative one. It's part of their family history, it's part of how they enjoy themselves, it's a sporting thing. So, I hope it all balances out and it's a net positive, but I don't think we can assume that's the case.

McPherson: No. Good point.

Rubey: And for us, we're at large—this is the one area where we're not focused on measurement and we're not so metrics obsessed.

[LAUGHTER]

I think for us it's a whole bucket of things where it's the right thing to do and that drives the decision-making. In one area that is a real standout though is employees consistently say that our work to help those in need and the stances we take on policy issues is their number one reason they choose to work at Airbnb. In our annual engagement surveys, it's always in the eighties to ninety percent range.

McPherson: Wow. That's above the average for sure.

Rubey: Yes.

McPherson: We have about five minutes for questions if anybody—and I think that there's a mike. Why don't we take this lovely person here who was quick to jump?

[LAUGHTER]

McKeown: I was making a note! Oh, hi! Kate McKeown—this is my second and not-to-be-last Techonomy. My question to you guys is about trust and slippery slopes. The gun issue. My brother and I voted for different people. We both think the government is corrupt—we just worry about who is the more dangerous. With regard to the gun issue, my brother would say we have a crazy government and citizenry desperately trying to disarm itself. How crazy is this? I would say other things. Here's my question: everybody's scared to death of the slippery slope. We don't trust each other.

Things like Airbnb that foster trust, because basically the slippery slope is, if you let somebody abort a child, which is conceived by rape and all kinds of bad things, it is a slippery slope. Immediately we're going to abort everybody.

Same with guns. If you start to regulate even a little bit, it's a slippery slope. And everybody trying to stay of the slippery slope and we don't trust each other so nobody compromises. That's a comment and question to you.

McPherson: I think that's what Citi is saying. You're really trying to let it—

Skyler: Yes. There is a—I think everybody knows who they are. There is a gun rights organization in this country that has taken this approach. They do not want to compromise on anything because they do believe it is a slippery slope. That argument has an appeal with some people. What we've tried to do is not fall into the traditional gun control traps and fall into the allegation we're trying to take people's guns away, but try to really center on best practices that work, some of them that are adopted by states and some of them that have wide public support of the practices we supported.

Ninety-seven percent of people in this country support universal background checks. Ninety-seven percent of gun owners support universal background checks. Sixty percent of Republicans—excuse me, seventy percent of our country think we should have stronger gun regulation—the majority of Republicans and the majority of gun owners. So, there are

actually—there is a slippery slope voice which is a loud voice and a strong voice—but when you talk to people from across the spectrum, there is a lot more consensus and desire for reasonable regulation than some voices would allow you to think. And that’s why we tried to center our policy in those areas.

McPherson: And business does tremendous amount of customer research before they take on these issues. Certainly in LGBTQ advocacy, in climate change advocacy—it follows how public opinion is going. One more question.

Kaneene: : Hi. Kange Kaneene working for SAP based in New York. Kim, for you—can you just please elaborate more on what you mean when you say Airbnb is supporting refugees? I’m just not clear exactly on what you’re providing.

Rubey: Oh, sure. Thank you. I should have touched on that at the beginning. We, in the aftermath of the travel band, we committed to housing anyone that was stranded in the weeks surrounding the decision and then decided to take it a step further to work with our hosts to provide housing for 100,000 people through 2022.

Kaneene: And you’re paying for their housing?

Rubey: Our hosts are offering it for free, so we’re working on tools to allow hosts to work with their friends, to welcome families into their communities, to offer their listings for free, and so on. And the stories are amazing. We have a host in Dallas who welcomed an Iraqi family. He’d been—the father had been serving as an interpreter during the war for the U.S. military. She got her temple so involved that they ended up raising \$30,000 dollars for the family to buy a car, made sure they got into all the good schools and the great afterschool programs. So, it’s amazing to see what people with just a few key tools can accomplish.

McPherson: Airbnb has also funded IRC, UNHCR, and other major organizations. So, it’s both grassroots and also philanthropy. All right. Thank you very much. Enjoy the rest of your day, and thanks Kim and Ed!

[APPLAUSE]