

Ramona Schindelheim, WorkingNation editor-in-chief:

You are listening to Work in Progress. I'm Ramona Schindelheim, editor-in-chief of WorkingNation. Work in Progress explores the rapidly changing workplace through conversations with innovators, educators and decision makers, people with solutions to today's workforce challenges. I'm here at Aspen Ideas Festival with Sarah Keh, vice president of corporate social responsibility for Prudential Financial. Sarah, welcome to the podcast.

Sarah Keh, Prudential Financial, VP of Corporate Social Responsibility:

Thank you so much for having me. I'm excited to be here.

Ramona Schindelheim, WorkingNation editor-in-chief:

Well, I'm very excited to talk to you because we know Prudential Financial as, of course, a big financial group, but you run the philanthropic arm. So I'd love to hear about what your philosophy is around the philanthropy that Prudential is doing.

Sarah Keh, Prudential Financial, VP of Corporate Social Responsibility:

Yeah, well, I'd love to first start with telling the founding story of the company. So we were founded 149 years ago in Newark, New Jersey, and we're still headquartered there. Our founder, John Dryden, he started the company because he saw a big societal need out there. He saw that working class families didn't have the financial means to bury their loved ones. So our first product was burial insurance, and it cost as little as three to five cents a week. So he really disrupted a marketplace that didn't always trust that working class families would continue to pay their premiums, and provided a product that allowed working class families to bury their loved ones with dignity.

That stays in the ethos of the company of looking at what are some of the societal challenges, where can we bring our products and solutions to bear to help solve some of these challenges. But then really looking at also our philanthropic side of making sure that we're constantly giving back to the community. So for our philosophy, we have a couple of values around our philanthropy, which is, one, we know it takes a long time to do this work. So patient capital is one of our value, really staying dedicated to organizations for the long term. We don't make short-term one-time grants. This is really looking at how are we going to look at solving the problem over a period of time. We also look at our philanthropic dollars as risk capital. Can nonprofits try to test and try new ideas without fear of failure, without getting punitive around, if it doesn't work, it doesn't work, but we do think that nonprofit organizations in philanthropy have a role in trying to test ideas that could ultimately scale to the mainstream.

We also think about our work as catalytic capital and seeding new ideas and hoping that it will flourish into grander scale, but really looking at how do you provide that initial capital to seed new ideas and innovative solutions. So we take that approach with everything that we do. In addition to the fact that we are place-based in Newark, New Jersey.

Ramona Schindelheim, WorkingNation editor-in-chief:

What kind of issues are you focused on right now and is there a certain group maybe that you're really attracted to trying to help?

Sarah Keh, Prudential Financial, VP of Corporate Social Responsibility:

We're focused on a couple of different issues in our philanthropic work. First is our place-based work in Newark, New Jersey, and we look at all aspects of what does it mean to create an inclusive and equitable economy for Newark residents. So that's looking at how to improve public education, public safety, how to build a strong and small business ecosystem, affordable housing options, arts and cultures. Really looking at how do you create a thriving and vibrant community in Newark.

Then we have a portfolio of work that's most closely aligned with our own business products and solutions, which is our work and wealth portfolio. That's really looking at how do we make sure that people have the right training and credentials and the skill sets to actually obtain a good job? How do we make sure that job is actually of quality, providing family sustaining wages, benefits and working schedules that work for these families? At the same time, looking at the flip side of that, making sure that they have the income streams, but then they also have access to tools and resources to build their assets and wealth. We really want to think about this as intergenerational wealth transfer of how do we make sure individuals have the income and the benefits and the access to ownership pathways to actually help build their wealth.

Ramona Schindelheim, WorkingNation editor-in-chief:

As part of that, your philanthropy committed \$180 million to opportunity youth. Give us a definition, first, of opportunity youth here in the United States, then we'll talk about how you went about making this all possible.

Sarah Keh, Prudential Financial, VP of Corporate Social Responsibility:

Yeah, we're so excited to talk about this commitment to opportunity youth. As far as we know, this is the largest corporate commitment to opportunity youth. These are young people in the United States between the ages of 16 and 24 who are not in formal education or training or employment. There are almost 6 million opportunity youth in this country. Unfortunately, it has increased post the COVID pandemic when so many things have been shut down in this country.

Opportunity youth are young people that previously people called disconnected, at risk. But during the Obama administration, there was a coalition of people that said, let's think about these young people differently. Let's think about them, about what the potential is if they had access to the right resources and different pathways. So we're really focused on this population because we believe these are our future leaders of nonprofits, of businesses, of government, and they just need access to the right resources and tools to provide them the good skill.

Ramona Schindelheim, WorkingNation editor-in-chief:

Before we go on to more about what you're doing with that money and how it's being used, these are young people who maybe have or have not a high school degree, and they are probably working at low paying jobs, if they're working at all, correct?

Sarah Keh, Prudential Financial, VP of Corporate Social Responsibility:

Correct. These are people, and the reason why they have come into the situation that there are, it's either because of family situations, where they were born, violence that may happen. It's not because they don't have the will or the desire, it's oftentimes they are born into a situation that doesn't provide them the access to the opportunities that you and I may have had in our upbringing.

Ramona Schindelheim, WorkingNation editor-in-chief:

Well, opportunities are the big part of it, but it's also awareness. I think there's a lot of lack of awareness to some of those opportunities. I know that we have spoken before and we talked about the groups that you're working with are helping make that possible too. So tell me a little bit about the companies or the organizations that you're working with.

Sarah Keh, Prudential Financial, VP of Corporate Social Responsibility:

Yeah, exactly. If we think about when we started our careers, I didn't know half the jobs that existed out there. So especially for young people who don't have those kinds of networks of people of knowing what's out there, these nonprofit organizations are so incredibly important. So we support a couple of different organizations, well, not a couple, many organizations in this space.

But a couple that I will mention is, for example, Year Up, and I know Gerald has participated in your podcast before, but that's an organization that's really focused on giving real hard skills. It's almost an apprenticeship program where they train them for six months and then they place them at a corporate internship for six months. We have hired many interns now who have been converted to full-time hires. We have a young lady, Chanel Ford, who is our first intern that converted into a full-time hire. She consistently talks about how when she was converted to a full-time hire, she had access to healthcare benefits, to a daycare backup center. That's completely transformed her life because she is a single mother.

Another organization that we support is called YouthBuild. They are an organization that was started almost over 50 years ago in helping opportunity youth first in the construction trades, and now they branch out into technology, hospitality and a whole different other set of services. But they really focus on those young people who don't have a high school degree, who have dropped out of high school, get them back into either high school or getting a GED and training them in these types of different industries to get them into the pipeline of jobs. Then the other one, since we're here at Aspen, is the Aspen Institute. We've been supporting their Opportunity Youth Forum for a number of years now, and they started it over a decade ago also during President Obama's administration with the social innovation funds.

But now they've grown to 40 plus communities. They're from urban, rural, tribal communities, and these are citywide coalitions that's looking at every aspect of how do we make sure these young people have access to these employment pathways? So looking at everything from K through 12, higher education, workforce development organizations, to also policies and how do we make sure social services are providing the supports that these young people need.

Ramona Schindelheim, WorkingNation editor-in-chief:

So your goal was to invest this \$180 million, and correct me if I'm wrong, but I think you said by 2025? Where are you at on that goal?

Sarah Keh, Prudential Financial, VP of Corporate Social Responsibility:

I'm really happy to say that we have actually achieved our goal a year in advance. We said \$180 million by 2025, and we actually accomplished that goal a year in advance. We've invested in over 20 different organizations globally that have impacted hundreds and thousands of young people. We know even just last year through our impact data that over 500,000 opportunity youth were connected to training opportunities, employment opportunities.

The other factor, the flip side of what we're also supporting, is really making sure that they're accessing financial capability tools as well too. So we're supporting organizations that are working with the

training providers to make sure the young people are building their credit, they're starting to save, they're looking at budgeting and financing. So that when they do get their full-time job, they're able to really think about financial security as well.

Ramona Schindelheim, WorkingNation editor-in-chief:

What have you learned from involvement with these groups? You mentioned Year Up and YouthBuild, and I know there's many others, but what have you learned about how important this is in a community and to the people that they're helping?

Sarah Keh, Prudential Financial, VP of Corporate Social Responsibility:

Yeah, it's incredibly important to focus on this population because, as I mentioned, these are future leaders of our communities, of our family households, and just what they're going to contribute to the economy.

The few things that I've learned is that there's so much misconception about who these young people are. People still think of them in a negative light, that they don't have the will to do something or they just chose to drop out, and that no other factors impacted that decision. So we're still combating that narrative, which is why we call them opportunity youth, to really think about them in the positive light. So there's still a lot of misconceptions of who these young people are. We're trying to create this opportunity youth movement globally, because globally they talk about these young people as NEETs, which are not in education or employment training. So really negative lights.

We also understand that communities don't necessarily understand what all the support services that these young people need. It's not just about getting them into a training program, but sometimes these are single parents or they don't have a support system behind them, really making sure that they have access to transportation costs, childcare needs. It really takes a holistic approach. It can't just be one organization that's working on this population for the city, but that you need to bring in social services, you need to bring government agencies and really think about the holistic combination of it all.

We also learned that at times we try to pair up organizations to work together, and sometimes it worked and sometimes it didn't. We understand that. This is in all cases, but particularly because we had this bigger initiative, was really understanding how organizations considered who their partners were, making sure that it was structured correctly from the very beginning. That's been a learning lesson for us as well too, to make sure that we have the right partners and we've had to shift and tweak the way that we're working on things.

Then I will say we have this portfolio called Work and Wealth because we really want to combine these two aspects of it. I would say some of the training providers on the opportunity youth side were not quite as aware of these financial capability, resources and tools. Since we made this commitment, we've seen so many of our partners now embed financial education, literacy, tools and resources into their program.

Ramona Schindelheim, WorkingNation editor-in-chief:

I think that's an important issue too, the idea that economic mobility comes out of this exposure and the opportunity for the opportunity youth and for other people. When we talk totally about job workforce development. So this idea that you've got the opportunity to create economic mobility, but this idea of understanding financial literacy and knowing what to do with the money once you get it, is an important issue to you.

Sarah Keh, Prudential Financial, VP of Corporate Social Responsibility:

Exactly. So there's an organization that we support called MYPATH that's specifically focused on this population of opportunity youth and helping them increase their savings or building up, or I shouldn't even say building up, oftentimes it's rebuilding their credit because we know many of these young people, unfortunately, family members sometimes take advantage of the fact these young people have good credit in the very beginning and often use their names. Then when they realize when they're trying to open up a bank account that they have really poor credit scores. So what MYPATH does is work with our workforce development organizations like a YouthBuild and Per Scholas and others, and really thinking about how can we embed the financial literacy and education, but also combining it with tools and resources because we know financial education is really important, but financial education alone is not going to move the needle. They also need to be able to actively change behaviors and utilize tools around that.

Ramona Schindelheim, WorkingNation editor-in-chief:

Helping individuals achieve both job opportunities, career pathways, and this wealth transfer, this wealth building, it has a bigger impact on a community and on our society as a whole. How do you see that? What is your thought around that?

Sarah Keh, Prudential Financial, VP of Corporate Social Responsibility:

We think it's incredibly important. I think what the pandemic showed us is that having a job in and of itself is not going to create the financial security that we need. We saw millions of people on food lines lining up for benefits that had jobs and that were impacted. So that connection between work and wealth is so incredibly important to building financial stability, resiliency, and ultimately what we hope is prosperity because we want young people to build up that assets and this wealth to be able to transfer it down to their children and thereafter. We know that once that happens, once they feel that sense of financial stability, they can start giving back to the community as well, helping to build up whether they want to be an entrepreneur or work at a corporation or small business, they're giving back to society and just improving the economy overall. So all of these points have all these different connections.

Ramona Schindelheim, WorkingNation editor-in-chief:

So you're headquartered in Newark. Newark has been your home from the beginning. What are you doing locally? You're a giant global corporation now, but there is that local commitment. So what are you doing?

Sarah Keh, Prudential Financial, VP of Corporate Social Responsibility:

Yeah, we're really excited to be celebrating our 150th anniversary in Newark next year. I think it's pretty rare that a global financial services company like ours is headquartered still in a community like Newark. We like to say that we've redefined what an anchor institution is, and we consider ourselves a leading anchor institution in Newark. Actually maybe about seven years ago, in 2016, we actually led the development of a Newark anchor collaborative. That includes education, higher education institutions, performing arts centers, hospitals, but also corporations like ours, Audible, and others that are headquartered in Newark.

We're really looking at how do we make sure that we're procuring more locally? How do we make sure that Newark residents are getting the right skills and credentials to be working in the city, working at each of our institutions, and how do we make sure that we're building a middle class? That means that

we're deeply embedded in all citywide initiatives, whether we took the proactive or approach to actually develop it, or we're a participant.

We're on, a great example is the Newark Public Safety Collaborative. That's a collaborative that we worked on in partnership with the mayor's office and Rutgers University Newark. That's a stakeholder group that includes the police force, the mayor's office at Global Security officers from our company and other corporations and nonprofit leaders and residents. They're looking at a data-driven community safety approach of let's look at a different hotspot of why there are certain of... One example is there was one quarter where there were a lot of car thefts, and they said, let's take a look at the data. Why is that happening? At what hour? Turns out they were all happening at night. Turns out all the street lamps had gone out on that street. So they said, why don't we make sure that are [inaudible 00:15:20]. Yeah, some simple solutions like that.

But right now we're looking at where does domestic violence occur a lot? We're looking at the data, sharing that data transparently with community residents, and they're developing the solutions and testing and trying to then scale to the rest of the city. That's the approach that we take with our work in Newark to make sure that Newark residents are at the table in creating solutions, really making sure that they see us as a partner just to this global financial service company that's headquartered here, but we want to make sure that we're sharing the prosperity that we're experiencing and that we're building an inclusive economy in Newark.

Ramona Schindelheim, WorkingNation editor-in-chief:

I want to ask you one more thing about the company itself. We discussed this, you have emergency childcare for your employees. For a working parent, male or female, that's an important part because you mentioned it earlier that transportation can be an issue, childcare can be an issue for the opportunity youth in the program that you're dealing with. It can be an issue for your own employees.

Sarah Keh, Prudential Financial, VP of Corporate Social Responsibility:

100%. Prudential, we are a benefits provider with life insurance and disability insurance, annuities and others. So we want to make sure that our own employees have access to the benefits that's going to create a holistic wellness for our employee. One of those key benefits is making sure that we have full-time backup daycare. So our employees, when their childcare situation or their school is closed, can utilize the backup daycare center that is in-House in Newark, or they can actually utilize the services to have somebody come to their home as well too to watch their child in their home.

So we really want to make sure that it's not just about thinking about actual benefits of retirement or health insurance, but really thinking about all the different aspects of physical and mental health. So we have access to resources around making sure the best doctors are available. You can call a service to get the best doctors to look at certain diagnoses and provide different recommendations. We have access to counselors and therapists if people are having mental health issues. So there's a whole variety of benefits that we're providing our employees.

Ramona Schindelheim, WorkingNation editor-in-chief:

It goes back to that idea of a good job, and a good job's not just about good pay, it's good benefits and good support from your employer, I think.

Sarah Keh, Prudential Financial, VP of Corporate Social Responsibility:

100%. Also added to that is the career advancement part and making sure that our employees have access to skills training that's upskilling and re-skilling, and we have this whole talent marketplace where employees can go if they want to increase their PowerPoint skills, or thinking about how do you better influence or negotiate, but then also thinking about data and AI and all those analytics and those kinds of coding skills that employees can also participate in.

Ramona Schindelheim, WorkingNation editor-in-chief:

What's ahead for your group?

Sarah Keh, Prudential Financial, VP of Corporate Social Responsibility:

We're super excited about we are fulfilling the commitments, where we have fulfilled the commitment \$180 million. We want to celebrate the fact that these young people are changing the narrative of who these young people are, making sure the federal government consistently provides funding every year for not only nonprofit organizations, but looking at policy improvements. We remain committed to this population. We're really looking at the connection between work and wealth and really making sure financial capabilities embedded into these workforce training programs.

Ramona Schindelheim, WorkingNation editor-in-chief:

Thank you, Sarah, for being on the Work in Progress podcast.

Sarah Keh, Prudential Financial, VP of Corporate Social Responsibility:

Thank you so much for having me.

Ramona Schindelheim, WorkingNation editor-in-chief:

I've been speaking with Sarah Keh, vice president of corporate social responsibility for Prudential Financial. I'm Ramona Schindelheim, editor-in-chief of WorkingNation. Thank you for listening.