

LEADERSHIP & SOCIAL RESPONSIBILITY



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T-Mobile: Ramping up Impact with WinWin, Tri-Sector Strategies

Kim Solem oversees Corporate Responsibility at T-Mobile, and is developing a CSR strategy that has large-scale community impact while also advancing business goals. The Signature Cause campaign that she developed has a mission to, "Leverage T-Mobile's brand, technology and people to empower the next generation with inspiration, skills and opportunity." There are three major initiatives associated with this youth-focused campaign:

Career Readiness – Generation T – Inspire youth career ambition through on-site mentoring with employees and an inside look at careers in business.

Next-Generation Changemakers – Challenge and empower the next generation to launch ventures that change the world for good.

Mobile Empowerment – Build digital literacy skills by giving youth the tools and access to help close the "homework gap."

The Brand

As America's Un-carrier, T-Mobile has built a vibrant, well-differentiated brand and a strong reputation as an industry rebel and change-maker, shaking up the status quo by listening to customers and responding with disruptive moves that change wireless for good. CEO John Legere's brash, colorful personality and highly visible presence in the press and social media have further helped build the Un-carrier's edgy, distinctive brand in a very competitive mobile marketplace.

The Stakeholders

T-Mobile is the third largest wireless carrier in the US, with 71.5 million customers as of the end of 2016. The Company's advanced nationwide 4G LTE network delivers outstanding wireless experiences to customers who are unwilling to compromise on quality and value. Based in Bellevue, Washington, T-Mobile provides services through its subsidiaries and operates its flagship brands, T-Mobile and MetroPCS. More information can be found at www.t-mobile.com.

T-Mobile employs approximately 50,000 people throughout the US, with the majority of the employees being <u>millennials</u>. T-Mobile has over 4,000 retail locations, and 17 call centers that help them achieve <u>superior customer service and "best place to work" rankings</u>.

Organizational Values

'How We Play' is how T-Mobile collectively refers to its company values. These principles define the company's culture and how they go about

fulfilling the promise of the Un-carrier and its vision for US wireless. They include:

- Frontline first, because customers are first.
 - We value our frontline teams because they take care of our customers.
- Results matter. Count on me to deliver.
 - We are wired to perform. We take ownership for doing our part.
- Be bold. Think big. Make a difference.
 - We have a fearless mindset. We are here to change the industry. We take the right risks.
- Play to WIN and have fun.
 - We are here to win and have some fun along the way.
- Do it the right way.
 - We earn the trust of our teammates, customers and shareholders every day.

Ramping up Impact

Kim met Jens Molbak, the founder of Coinstar, at a conference where she heard him talk about developing entrepreneurial approaches to public sector problems and opportunities through a new initiative he founded <u>called WinWin</u>. WinWin is creating a tri-sector (private, public and social) ecosystem that unlocks innovation by re-purposing existing assets in all three sectors and re-aligning them in market-shifting ways to create economic and social progress. Jens talked about how his development of Coinstar created a profitable company that contributed millions to the nonprofit sector and solved a government problem (minting coins), saving the government billions in manufacturing and distributions costs.

T-Mobile's Signature Cause strategy is focused on leveraging the company's assets for societal benefit. Kim is wondering if this tri-sector, WinWin impact lens applied to T-Mobile's strategy could create the synergy necessary to drive impact at a scale that couldn't be achieved by any single sector. WinWin believes that profitability and growth, as well as societal benefit, can be created by leveraging tri-sector assets in innovative ways resulting in a self-sustaining mechanism for social and economic progress.

What opportunities exist that could bring together T-Mobile, the nonprofit sector, and government interests to truly scale the impact of T-Mobile's youth-focused Signature Cause initiatives? (What % of youth have cell phones? Who is not served? What can be done with cell phones to improve lives?)

Kim has asked your team to study the WinWin philosophy/model and think about how applying this innovative cross-sector thinking to T-Mobile's Signature Cause campaign could identify additional opportunities for impact. You have the information on existing community nonprofit partners. What three sector partnerships affecting youth could T-Mobile impact? What would the benefits be for each sector?

Kim has provided you with the following WinWin company example wherein tri-sector strategies improve the core business model and create social value: <u>Propel:</u> 45 million Americans use food stamps (SNAP) and spend \$80 billion annually. Propel's WinWin business model:

- private: improves the lives of SNAP users with better service, more spending power, and easier access to social and public sector services via the Propel app.
- social: Propel partners with non-profits to enhance their ability to deliver needed services and gains valuable distribution support.
- public: Propel leverages the Department of Agriculture program assets and improves its effectiveness. Propel has the potential to save the federal government up to \$10 billion annually.



Consider the risks, rewards, and implications for stakeholder constituencies involved in your recommendations as well as the potential impact on the T-Mobile brand and market share.

You have the next 72 hours to develop your presentation for the panel of judges who will represent the leadership of T-Mobile. You will have 15 minutes to make your presentation and to convince the panel that your team's recommendations represent the best course of action at this time. The judges will then have 10 minutes to ask you questions about your recommendations. Be prepared to defend your position in a professional manner. You may use any <u>publicly available</u> information about T-Mobile, WinWin, CSR strategy, and trends in corporate social responsibility, community relations and philanthropy. You may not contact any organizations for additional information nor consult anyone outside your team.

This case provides you an opportunity to use your knowledge and research skills to explore the issues related to corporate social responsibility, brand strategy, stakeholder engagement and multiple other related topics.

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