

**BITC Member Company  
Education Case Study**



## Company Details

Founded in 1812 in the US, Citi is a global financial-services company with more than 300,000 employees and some 200 million customer accounts in over 100 countries, and a turnover of \$5.27 billion in the 2005-06 financial year. Citi is organised into three major business groups: *Global Consumer, Markets and Banking*, and *Global Wealth Management*, in addition to one stand-alone business, *Citi Alternative Investments*.

Citi's *Global Consumer* business provides wide-ranging customer-product offerings including banking services, credit cards, and loans and insurance.

Through the *Markets and Banking* business, Citi provides and creates vehicles for broad capital and market access to issuers and clients.

The *Global Wealth Management* division is made up the Citi Private Bank, Smith Barney and Citi Investment Research.

Citi strongly believes that it has a responsibility to make a positive impact on the communities in which it operates by developing leading initiatives and supporting innovative approaches to critical problems affecting the community, particularly those associated with financial inclusion.

Working within its core capabilities and competencies, Citi maintains a strong focus on supporting the expansion and evolution of the microfinance industry. Through this work, the company supports sustainable livelihoods for those living in poverty. In addition, this work raises financial literacy, which is critical to people's ability to engage in the economy.

Citi delivers its CSR agenda mainly through its charitable arm the Citi Foundation, and volunteering. Where possible the Citi Foundation supports and works with non-profit organisations.

## Education Activities

The purpose of this paper is to document Citi's work on education in the UK. For many schools, financial education is not a part of the core curriculum and, as a result, students lack adequate understanding of the area. By sharing Citi's professional experience, the company fosters knowledge of market economics and improves financial literacy among young people, who may become Citi's consumers, employees and clients.

In April 2004, the Citi Foundation announced a 10-year \$200-million global financial education commitment, the formation of a new Office of Financial Education and a global initiative designed to encourage its employees around the world to volunteer to support financial education and other charitable causes. To date \$84 million has already been committed to financial education across the globe.

The Citi Foundation focuses its grants primarily in three areas: financial education, educating the next generation, and building communities and entrepreneurs. Additional information can be found at [www.citigroupfoundation.com](http://www.citigroupfoundation.com).

Two of the areas are relevant to education: *Financial Education*, and *Educating the Next Generation*, with \$25.9 million and \$23.6 million respectively contributed worldwide in 2006.

The *Financial Education* area aims to help young people, small businesses and institutions to enhance their understanding of critical financial issues to ensure a sound financial future.

The *Educating the Next Generation* area invests in education to help local communities achieve sustainable economic and social development. Within these areas, the Citi Foundation provides grants and technical expertise to organisations that help communities to prosper. The programmes are global, and tailored to address specific social issues in different localities.

## The UK Programme

All financial-education programmes supported by Citi in the UK focus on raising the skills of young people, adults and families so that they can make informed financial choices and take a more active role in the economy. The UK programme is championed by top-level members of staff, whose input Citi acknowledges as critical to the success of the programmes.

In the area of employee volunteering in the UK, Citi launched a volunteering scheme, *Citi Volunteer-UK*, in 2006. The administration of this scheme is managed by the company's Citizenship department in London, which also manages grant-giving. Organising all volunteering through one department means that the company properly co-ordinates its work with its 15 established community partners across the Greater London area, and beyond. These partnerships facilitate volunteering opportunities for employees to support charities focused on disadvantaged inner-city communities including the boroughs of Tower Hamlets, Southwark and Lewisham. Citi acknowledges that Tower Hamlets is where it focuses most of its energy: the rationale for this is that the company prefers to engage in interventions in schools or community centres that are near its local offices; and additionally that there are engaged local community brokers, including Tower Hamlets Education Business Partnership (EBP) and East London Business Alliance (ELBA), which work effectively to facilitate those relationships. This concentration on partnerships in Tower Hamlets reflects Citi's preference for working in areas where there are local volunteering opportunities for staff and community partners to facilitate the interaction. The presence of those two factors contributes towards the effectiveness of Citi's relationships with schools.

In 2004, Citi also announced the Global Volunteers Initiative, which entitles employees worldwide to a paid day off; and a volunteer incentive programme, where employees who have volunteered 50 hours in a 12-month period are eligible to apply for a \$500 grant for the project which is payable to their NGO/Charitable organisation. The partnerships also make use of Citi's business expertise and professional skills to the benefit of the community.

Each year in London, over 15 per cent of staff – approximately 1,800 employees – give their time to financial-literacy and education programmes. That is complemented by \$1 million a year in grants to charities and schools.

### “Financially Speaking”

Funded entirely through the Citi Foundation and delivered in partnership with the SpeakersBank, part of the SpeakersTrust, a charity aiming to support the development of speaking skills in the UK and Ireland, *Financially Speaking* introduces young people to finance alongside public-speaking skills.

Launched in 2004, the scheme addresses the low levels of financial capability across the UK that have been identified by the Financial Services Authority (FSA) as a major weakness. The programme also fits with the government's agenda stressing financial education as central to the wider education strategy to ensure young people are equipped with the knowledge and the skills to make financially informed decisions.

*Financially Speaking* offers a 12-hour programme that combines public speaking with developing financial skills and uses materials adapted from the globally-used Citi Financial Education Curriculum to train young people on topics including:

- Needs and Wants;
- Budgeting;
- Responsible Ways of Earning Money;
- “The Cost of Cool”; and
- The Role of Banking.

To take part in the project, schools sign up and identify candidates for participation. SpeakersBank provides the teachers with materials to help them prepare students for the programme. SpeakersBank and Citi volunteers, recruited and trained by SpeakersBank and the Citi Community Affairs department, deliver the programme.

Throughout the programme, students prepare speeches that address elements of finance and economics. Their speeches are used to demonstrate the new financial and public-speaking skills they have gained through the programme. At the end of the programme, two students selected from each school participate in a public-speaking competition. They represent a range of abilities – from those who are gifted and talented to those with special educational needs.

The winners of the regional finals participate in a final hosted by Citi and held at Citigroup Centre twice a year. The winner of the first prize receives £250 in cash. In 2007, the prize also included work placement in the finance department at Citi.

To date, close to 2,000 young people aged 13-16, from 24 schools in the boroughs of Lewisham, Tower Hamlets, and Southwark, have participated in the programme. In 2004, the programme reached 320 students in 16 schools, in 2005 480 students in 24 schools and in 2006 more than 800 students in 28 schools. The programme is financed entirely from Citi’s UK Community budget, with a commitment rising from £17,560 in 2004 to around £48,000 in 2006.

In addition to financing the programme, Citi also supports the project through in-kind gifts ranging from the provision of meeting-room space to training facilities for public-speaking trainers and volunteers equating to £6,000. Citi also contributes its expertise and skill through the input of staff at managerial and other levels in the organisation. Senior-level engagement on programme management is 35 hours a year averaging two hours a week equating to approximately £3,800 a year.

Additionally, more than 80 Citi employees give 640 hours a year in volunteer time to this programme, which equates to £8,320. Citi also provides volunteer training, which covers the current curriculum and possible questions: that helps some volunteers who have never applied their financial expertise to teaching before. *Financially Speaking* is increasingly integrated within the graduate Learning and Development portfolio.

Each academic year, Citi’s Citizenship team meets SpeakersBank to discuss the objectives of the programme. As the programme is implemented, SpeakersBank monitors the direction of the programme and is constantly fine-tuning it to meet changing local needs. In addition, the programme is monitored through the global Citi Foundation system. As part of this separate monitoring process, grant recipients need to submit a mid-year status report providing information on the number of students reached and the improvements made to the Citi Foundation.

## Teach First

Launched in 2002, Teach First is an independent charity that addresses educational disadvantage by encouraging and supporting exceptional graduates to teach in some of the most challenging urban secondary schools for their first two years after graduation, while they also receive exceptional leadership training and mentoring from some top UK companies.

Teach First originally targeted only London-based schools but more recently it has been launched in Greater Manchester and in the Midlands. Teach First teachers in 2007 taught in 90 challenging schools with more than 100,000 pupils aged 11-18.

Teach First receives funding from participating schools, the Department for Children, Schools and Families, the Training and Development Agency, and private sources including businesses and charitable foundations that make contributions in the form of one-off and sustainable grants. The Chairman is Julia Cleverdon, Chief Executive Officer of Business in the Community.

Approximately half of the charity's budget is raised from private sources. "Supporting partners", the charity's major donors, are divided into Platinum, Gold, Silver, and Bronze. Private sources also provide volunteers to act as leadership mentors and (like BITC) create invaluable internship opportunities during the summer months for participants on the programme. Through the Teach First Coaching Programme, volunteer coaches have supported 74 per cent of Teach First teachers.

Citi was one of the founding sponsors of Teach First and continues to be one of the Platinum supporting partners of the charity. In addition to its financial support for Teach First, Citi also embraces the Teach First Coaching Programme by regularly providing volunteers to act as leadership coaches. Since 2002, Teach First has worked with over 30 volunteers from Citi, with a few of these signing up for three years running. In 2006, Citi was the single largest source of coaches, with over 20 volunteers in 2006.

The company has also provided senior level support to the charity. In 2006, 12 Teach First participants spent a day on the trading floor of Lou McCrimlisk, European Head of Prime Brokerage and Fixed Income, Citi, at his invitation. In addition, Citi senior staff sit on the Teach First Advisory Board and judging panels.

## Teachnet UK

Launched in 2004, Teachnet UK is a project from the Teachers Network organisation in the UK. Teachers Network is a non-profit organisation that aims to help teachers to develop and share classroom resources. Teachnet UK involves approximately 20 teachers annually from wide-ranging schools in England who develop classroom resources to be shared with teachers across the world. These resources can be downloaded and adapted by teachers to suit their local needs.

The Citi Foundation is the sole sponsor of Teachnet UK, which acknowledges that without the generous support of the Foundation, the programme could not have been launched. For more information visit: <http://www.teachnet-uk.org.uk/>

## Young Enterprise

Citi has supported the summer Young Enterprise scheme for young people aged 13-15 for three years, from 2003 to 2006, during which 300 students have been supported by 60 volunteers. Recently, Citi repositioned itself in relation to Young Enterprise to support its work with primary school children aged 5-11. The company has made this move in order to highlight and partly address the lack of emphasis enterprise education receives in the curriculum among this age group.

The programme is expected to reach 7,000 students, at a cost of £15 per student. It is supported by a grant of around £73,000 from the Citi Foundation. By February 2007 1,728 students had completed the programme and a further 5,850 were expected to take part.

## UK Career Academy Foundation (UKCAF)

Founded by Citi in 2003, *UK Career Academy Foundation* (UKCAF) aims to raise the aspirations of middle-achieving young people aged 16-19 from disadvantaged backgrounds in London by introducing them to a career in business through “Career Academies”. The academies offer a programme that combines a specially designed business-studies curriculum, mentoring by business volunteers and a six-week paid internship during the summer months.

The curriculum is equivalent to three A-levels and is accredited in the government’s National Qualifications Framework. The business studies curriculum, initially focusing on Finance only, has evolved to include IT, Marketing and Communications, each with a generic business-studies core to widen students’ career options.

“Career Academies” are currently active in 42 schools in 15 London boroughs. In the future the Academies would like to operate in all London boroughs. UKCAF does not operate in schools lacking the capacity to engage in the programme, such as those in special measures, but prefers to work with schools that are achieving well in challenging circumstances. By 2010, around 110 Career Academies are expected to operate across the UK, benefiting around 5,000 students.

UKCAF is based on the US National Academy of Finance, which dates back to 1982. Citi’s financial and in-kind support for UKCAF has reached £1 million over four years; and in part through Citi’s leadership and management the charity has attracted commitment from 60 other companies.

The resources that Citi provides for the programme include the participation of three senior managers on the UKCAF board; more than 100 volunteers taking part in mentoring, internships, and workshop delivery; in-kind support including office space and the associated costs of the Foundation’s staff based at the Citi Centre in Canary Wharf; and employee involvement in creating the Foundation’s curriculum.

Citi also provides work-placement opportunities for young people in its offices. In summer 2007, 20 teams provided support to participants during a six-week work placement.

## School Partnerships

Citi has established individual school partnerships with three schools: Langdon Park Community School, Bygrove Primary School, and Lewisham Bridge Primary School.

*Langdon Park Community School* is a mixed secondary school with a specialism in sports for pupils aged 11-16. According to the latest Ofsted inspection carried out in 2003, the school operates in challenging circumstances. The percentage of students from overcrowded households is four times as high as the national average; and the proportion of students who are eligible for free school meals, one of the main indicators for economic deprivation, is well above the national average. The percentage of students who speak English as an additional language is also higher than the average, as is the proportion of the students with special educational needs.

*Bygrove Primary School* is a mixed comprehensive community school for pupils aged 3-11. Serving an area of very high social disadvantage, the school operates in highly challenging circumstances. The number of students from ethnic minorities that speak English as an additional language is much higher than in most schools. The school also has a high proportion of pupils with learning difficulties and disabilities, and a

high proportion of pupils joining or leaving at unusual times, partly because the school is located close to a women's refuge and temporary housing for immigrant families.

*Lewisham Bridge Primary School* is a mixed comprehensive school for pupils aged 3-11. The school serves an area of social disadvantage, with pupils joining or leaving at unusual times. A higher than average percentage of pupils from ethnic minority backgrounds attends the school and the proportion of pupils speaking English as an additional language is well above the national average. The largest group is Black African and Black Caribbean. In addition, the proportion of pupils with learning difficulties is higher than the national average.

Citi supports its partner schools through grants, in-kind donations, and volunteers. To ensure that the support provided is well suited to the local needs of its partner schools, Citi keeps in regular communication with them on their local needs and the support Citi could provide.

The company says that governors, who have very strong relationships with the partner schools, also channel information on the local schools' needs to the company. Two hundred Citi volunteers support the partner schools providing weekly mentorship and assistance in IT, mathematics, reading, chess and science.

## Roots & Wings

Established 12 years ago, Roots & Wings aims to support young people aged 13-16 to develop and grow by providing them with mentors from the business world. The emphasis of the programme is on encouraging higher academic achievement, increasing access to work-experience, and improving confidence and social skills.

Since the programme was launched, more than 1,000 pairs of mentoring relationships have been established between volunteers and young people. Citi's volunteering support represents 25 per cent of the businesspeople mentoring for Roots & Wings.

## Impact

As part of its grant application process, the Citi Foundation requires all applicants to submit a project progress report and final reports to enable the foundation to follow the progress made, and provide the foundation with information on the number of pupils and/or schools reached by the programmes as well as with testimonials from programme participants. More detailed evaluation data have been available with the projects that are independently validated.

For instance, Teach First and UK Career Academy Foundation are examples of programmes that have been independently evaluated. Teach First was evaluated by the Institute for Policy Studies in Education, under commission by the Teacher Training Agency. The evaluation was conducted between 2003 and 2005. An evaluation of the UK Career Academy Foundation was carried out by the Centre for Education and Industry at Warwick University and was completed in 2005.

## Company Benefits

Citi feels that there are industry and company benefits to be gained from its educational programmes and activities. Respondents from Citi state that addressing the Corporate Responsibility agenda enhances the company profile. The company feels it is important to maintain its reputation as a responsible business, particularly since today's graduates prefer to work for responsible businesses. A more evident benefit of the programmes is the opportunity they present for raising the skills of employees. Citi strongly believes that participation in the programmes allows

volunteers to enhance their skills and test themselves in challenging new environments.

The company also underlines that raising skills in the local communities is particularly important for their regional offices, which recruit local people. The better skilled local people are, the better skilled is the future workforce of the company. Therefore the importance of financially literate communities has a direct impact on sustainable sales and, ultimately, on profitability.

Finally, in the hyper-competitive modern business environment, where not only is the need to innovate and create important for any company to remain a player, but also the war for talent means companies must spread a wide net to ensure they get access to the best talent, increasing the employability of local young people is part of the commitment to diversity which, again, has a direct impact on the bottom line.

## **Educational Benefits**

### **Teach First**

The Teach First Programme has been shown to bring invaluable benefits for both participating graduates and participating schools. Findings of the study carried out between 2003 and 2005 by the Institute for Policy Studies in Education suggest that Teach First teachers make a difference to the participating schools in a number of ways including:

- supporting pupils through excellent and imaginative teaching leading to improved assessment results;
- taking part in and initiating wide-ranging extra-curricular activities;
- involvement in and initiating innovation within their departments; and
- improved SAT results: one head teacher attributed dramatically-improved mathematics SAT results to the contribution of Teach First teachers with a mathematics specialism.

Popularity of the programme among head teachers is also evinced by the 2006 head-teacher survey carried out by Teach First. Key findings of the survey suggest that head teachers are satisfied with their Teach First teachers, with an average rating of 3.81 out of 4; and that, if they had vacancies, they would hire more Teach First teachers in the future, with an average rating of 3.76 out of 4.

The study also finds that Teach First teachers derive specific benefits from the programme. Among the benefits identified are:

- life-changing experience, shown by changes in career plans;
- invaluable personal development; and
- enhanced understanding of other people and of the disadvantaged.

### **UK Career Academy Foundation**

The UK Career Academy Foundation is another programme with evidence of high value. Findings of the study carried out by the Centre for Education and Industry indicate the following:

- the programme is highly valued by the stakeholders, including young people, company representatives and teaching staff;
- the programme successfully enhances the curriculum of participating students and extends their understanding of the world of work;

- teaching staff stress that the programme is extremely effective and helps to motivate young people and raise their aspirations;
- the programme offers internship placements with perceived benefits of high-quality training and a positive impact on young people's self-esteem; and
- participating companies believe that the programme provides them with the opportunity to develop young people in their organisations and to extend their understanding of career opportunities in the business and finance sector.