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Plenary Session: Conversation with a Sector Leader

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Speaker:

- JEFF RAIKES, chief executive officer, Bill & Melinda Gates Foundation

Interviewer:

- KELVIN TAKETA, IS board member; president and CEO,
Hawai'i Community Foundation

MR. GALLAGHER: Let's now, if we could, transition to one of the more popular parts of the IS conference every year, and that is a conversation with a sector leader.

So let me invite Kelvin Taketa, President and CEO of the Hawai'i Community Foundation and our very special guest, Jeff Raikes, CEO of the Bill and Melinda Gates Foundation, to join us here on stage. If you would, welcome each of these folks.

[Applause.]

MR. GALLAGHER: Let me just say, Kelvin, thank you. Thank you for doing this. I thought at least for this event, you'd put on a tie.

[Laughter.]

MR. GALLAGHER: You haven't done that, but the Aloha shirt has been retired to the closet, and, Jeff, thanks for taking the time to be with us today.

Kelvin and Jeff, thanks.

MR. TAKETA: Thank you, Brian.

As Brian knows, my tradition at the Independent Sector conference has always been to wear a very bright and colorful Aloha shirt when I'm up on stage, but, Jeff, in honor of you today, I actually was going to wear Cornhusker red, but I didn't have anything that color. So, anyway, I thought I'd put on a dress shirt.

But thank you for joining us today and spending a few minutes with us.

MR. RAIKES: Thank you.

MR. TAKETA: We're going to have a pretty free-wheeling conversation. There are 3-by-5 cards, I think, that are being distributed or will be handed out in the audiences, and I encourage members of the audience, as you listen to the conversation and you'd like us to focus on a certain point, raise a question for Jeff, please feel free to do so. The staff will be circulating through the room. They'll collect it, and, eventually, they'll make its way up here, and I'll try to incorporate it as best we can to the conversation.

So Jeff's bio was in the program, but let me just make a few points as we get started. You know, the bonding that Jeff and I have is we both grew up on a cattle ranch, and so I told him I thought I got this job because I was one of three people in the room that probably know which end of the cow is which.

[Laughter.]

MR. RAIKES: We were farmers.

MR. TAKETA: Farmers. I was a rancher.

But Jeff grew up on a farm outside of Ashland, Nebraska, went to Stanford and got his engineering degree, joined Apple for a while.

[Applause.]

MR. TAKETA: All right. Keep it down there.

[Laughter.]

MR. TAKETA: And then went onto Microsoft and probably best known for his work in developing Microsoft Office and was the president of the Business Division when you retired or announced your retirement, I guess.

MR. RAIKES: Yeah.

MR. TAKETA: And then, after announcing his retirement, he was asked to take on a really small job in his retirement years and just turned out to be the CEO of the Bill and Melinda Gates Foundation in September of 2008. So it's been a little bit more than a year.

As all of you know, Gates is the largest private foundation in the world and is doing an incredible job spread across very diverse strands of work, which we'll get into today, but I just wanted to say how pleased we are.

At the time that Jeff was announced as the CEO of the Gates Foundation, a fellow Cornhusker, Warren Buffett, said, "We have chosen a leader who embodies the characteristics essential to

continuing this work, an extraordinary mind and an uncompromising commitment to getting the job done."

Ladies and gentlemen, Jeff Raikes.

[Applause.]

MR. TAKETA: So I wanted to start by exploring the confluence of, you know, your life events that put someone like you, with such remarkable sense in the private sector, now at the helm of the largest private foundation of the world today.

So, Jeff, would you take a few minutes and kind of share the journey with us, starting out in Nebraska and your career through Microsoft and how you got here today.

MR. RAIKES: Well, probably one of the important values I learned from my father, who was actually a chemical engineer but came back to help save our family farm during the Depression, I learned a value from him that it's good to have a plan but important to be open to opportunity.

So he felt it was a lot more important for me to get a business education than an agricultural education. So I visited Stanford when I was a senior in high school. It was about 12 below zero in Nebraska. It was about 70 degrees as I drove up Palm Drive, and I said, "This is a plan."

[Laughter.]

MR. RAIKES: Now, ironically, I got there. This shows you how well planned I was in terms of my college education. I got there and found out that they didn't have an undergraduate business school.

[Laughter.]

MR. RAIKES: So then I went into engineering, and one of my engineering professors had grown up on a hog farm in Missouri, and so he kind of took me under his wing or made me his guinea pig. And I intended to work for -- I prepared myself in engineering to work for the U.S. Department of Agriculture on agricultural policy, and I like to tell the people at the Gates Foundation that I just took a 30-year hiatus before getting back to agricultural policy.

My brother, I had an older brother, and he was running the farm. So I needed to find another job and bought an Apple II computer to help him run our family farm, and that's how I ended up working at Apple Computer. I learned two important things at Apple Computer.

One is that I learned that I love software. I worked on a program called VisiCalc, and if I could see the audience --

[Laughter.]

MR. RAIKES: Okay. I'm not going to ask you your age now.

VisiCalc was the first electronic spreadsheet. It was the thing before Lotus I, II, III, and Microsoft Excel, and I just was fascinated by how the software could help people solve problems in information work.

So, effectively, I found my passion in software, and the second important thing I learned at Apple Computer is if you want to do great software, you got to go work for a software company, because the hardware companies tend to think of software as a way to sell the computer. Whereas, a company like Microsoft, software is sort of life itself. So I was just very lucky to find my passion for software early in my career, and then, when I joined Microsoft, there were about a hundred employees. There were seven of us that were creating this thing called Microsoft Office.

MR. TAKETA: So you joined Microsoft. You have this incredible career. Bill and Melinda Gates come to you and ask you to run the foundation. It sort of sounds like a double question, but why did you want that job?

MR. RAIKES: Well, I had to do something.

[Laughter.]

MR. RAIKES: More seriously, I knew I was going to have some second career.

I'm a big believer -- that I had spent, well, almost 27 years at Microsoft, and part of -- especially later in my career, part of what I -- I had two key goals. One was to transform Microsoft Office into a broader business for information work, and the second was to develop the next generation of leaders because, at some point in time, Bill, Steve Ballmer, myself -- we're all about the same age -- we need to let the new people lead.

And so I very much had it in my mind that there was going to be a time where you have to let other people stand up and lead the organization, and I knew I wanted to work. So it was just a question of whether I would do maybe a global agricultural thing with my brother, maybe teach business school, or maybe something in philanthropy.

Serendipitously, about a month after I announced my retirement from Microsoft, Patty Stonesifer, who is a tremendous leader and somebody I really admired and worked with at Microsoft, she announced that she was leaving the Gates Foundation.

So, as my father taught me, it's good to have a plan, but be open to opportunity.

MR. TAKETA: So, Jeff, in the audience today, we have a number of next-generation leaders. So, in your work at Microsoft, when you talk about developing the next leaders, can you share with us sort of your approach about how you did that?

MR. RAIKES: Well, there were two or three things that I thought were very important in developing the culture at Microsoft, and that's a particularly challenging element to consider because when you're a company even of a hundred employees, for many that will seem relatively large, but keep in mind that when I left Microsoft, we had 91,000 employees. I started out as an individual contributor, and my last job was about 17,000 employees in the Business Division. So you learn as a leader that a lot of what you have to do is you have to create a culture of doing great work.

Part of that starts with who you are looking for. My view was there were three important elements. One is you had to really look for high energy, and another, second element is high horsepower.

We wanted people who were passionate about what they did. That was the energy. We wanted people who were smart, maybe IQ, but probably, even more important, street smart because, at Microsoft, we were doing a lot of things that people hadn't done before. That was an industry that was being invented. It was being created. So the idea of going out and hiring people with experience was -- well, there just weren't people that had a lot of experience in that area.

So you had to find people who were willing to learn. So I really focused in on those two elements early in my recruiting career, and I found that you could find some people that worked really hard. They worked a lot of hours, and they were very smart, but they didn't get much done.

So then I added a third element: high-energy, high-horsepower people who gets things done.

MR. TAKEITA: Get things done, yeah.

MR. RAIKES: And so that would be my advice to any of you. Look for those kind of people.

So that was, I think, a core element of how we were thinking about building Microsoft and setting a certain set of values that were important, really being Microsoft is an organization that is very self-critical. Internally, we are our biggest -- we were our biggest critics, and I think that was very important. We had to set a high bar of excellence.

I think that's, frankly, very important in the work we do on philanthropy. We don't have the same kind of market signals that you would have in business. So what you have to do is you have to set your own bar, your bar of excellence, and have it be very high.

So I think many of those values that I learned the elements of the culture that we tried to develop at Microsoft, I also think are very important in what we're doing at the Gates Foundation or what I see more generally in philanthropy.

MR. TAKEITA: Talk a little bit about your own personal philanthropy.

I know that you and your wife started your own family foundation. You've been very involved at the University of Nebraska.

Jeff is also part owner of the Seattle Mariners. So I guess we'll count that in the philanthropy bucket.

[Laughter.]

MR. RAIKES: If I thought of it as an investment, I would feel really bad. So, to make me feel better, I think of it as an unusual form of non-tax-deductible charitable contribution to the community, and then I can feel really good.

MR. TAKEITA: Good, good.

But talk a little bit about your own philanthropy because I'm sure, to some degree, that's a springboard to your work at Gates in some respects.

MR. RAIKES: Yeah. Warren Buffett likes to talk about winning the "ovarian lottery," and part of what he refers to is the idea that if you look at how our world develops, a lot of people's opportunity is dependent upon where they were born, what gender, what time frame, so on and so forth.

So Warren would say he won the "ovarian lottery." He was born in this country, white, male, at a time where that population, in his view, was advantaged. So part of his point is that what we have to do is we have to really think broadly about creating opportunities for all people. So that's one thing that my wife and I -- Tricia -- think about.

But a second thing is that we also won the "career lottery." Microsoft -- Tricia actually started at Microsoft before I did. A little known trivia fact is we're the first Microsoft couple. We're the first couple to meet at Microsoft. We were kind of secretly --

MR. TAKEYA: Not the last, though.

[Laughter.]

MR. RAIKES: Yeah. I hired -- well, let's move on.

[Laughter.]

MR. RAIKES: So we lucked out, and having grown up in my case in a farming community, in her case a middle class family in Seattle, we felt it was very important in terms of our own values and the values that we establish with our children that we recognize that the wealth that came along with being a part of Microsoft is not something that we were really owed. We think of it as being temporary stewards of a portion of society's wealth.

So, if you start with that principle, then what you say is "Okay, we have a real responsibility. We have to figure out how we're going to take the wealth that we won in the 'career lottery' and invest it back into society." So that has always been a principle for us.

About seven, eight years ago, we began the Raikes Foundation, and, probably, like some of the folks here in this room, we didn't know exactly what we wanted to do. So we kind of dabbled a little bit. Bill and Melinda gave us some good counsel about how to think about philanthropy, and over time, as our children got older and Tricia had more time and I was starting to do my transition, we have now settled on the idea that there is an untapped opportunity to help adolescent children go through that transformation in life and come out being more healthy, productive adults. And we think there is a certain set of support systems that need to be in place in order to help facilitate that, especially for children that come from disadvantaged populations.

So the Raikes Foundation is very focused in on that area as well as investing back in our communities, which we define somewhat broadly, Tricia defines the community of Seattle, and I define it as Nebraska.

[Laughter.]

MR. TAKEITA: So you've talked a lot, I know in reading some of the material, about sort of values-based leadership.

MR. RAIKES: Mm-hmm.

MR. TAKEITA: Can you talk a little bit about what you mean by that as it applies to you and what are those values that you're bringing into your new job at Gates?

MR. RAIKES: Well, one of the important things I learned during my growth and responsibilities at Microsoft was you really had to have a strong sense of your values. The values really shape the leadership and, thus, the culture in the organization.

So I think it was probably in the mid '90s, I started to reflect on my own values in growing up and how that shaped my aspirations for being a leader, and so I think internally at Microsoft, these became known as "Jeff's farm stories" because most of my thoughts about my values did revolve around growing up on a farm.

My dad taught me to drive a tractor when I was seven years old, and I started working in the fields when I was nine. And I basically worked on our farm on the weekends, in the summers, all the way through graduating from college. And I think that sense of work ethic is a very important value that I learned growing up on the farm, and, probably, like most people or all people in this room, you enjoy working with people who have a strong work ethic. So that's an example of how I would share something with our employees as a value that I felt was important, but, also, I think it was important in the culture of the organization.

Another thing about growing up on the farm is you have responsibility for living things. It may be the livestock you're trying to keep alive in a period of high heat. It might be the crop you're trying to keep alive in a drought, but you have that responsibility, and I think that was a very important part of my growing up.

And I think it was something that, in particular, I attributed to my mother. She really instilled in each of us a passion for what we did. It was important. In fact, with her, I would say it was an internal competitiveness. She didn't care so much whether I won versus the other guy, but she cared a lot about whether I was as good as she thought I could be. Having parents that instilled that kind of value, I thought that was important, and I translate that with my employees as a passion for what you do. You really have to and should care about what you do.

Another thing about growing up in a small farming community is that sense of community. Your neighbors help each other.

One time, my brother was hospitalized with an aneurism, and we were having a tough time getting the crop in. I was running Microsoft North America, and I said to Steve and Bill, "Hey, sorry. I'm headed back to the farm," because I felt a responsibility to try and help in that situation.

The thing I remember most about that experience is when I arrived at the farm, a neighbor named Jerry Nugent, who had his own trouble getting his crop in that year because it was a late spring, he came to me and he said, "What can I do to help you?" And, you know, that's one of those things

you just always remember in life, and it symbolizes what I think is important in a farming community, neighbors helping each other, but I would share that with our employees in the sense of what you want in a work environment.

If you're in a situation where you've got a challenge, you've got a stressful thing that you deal with, you want your colleague to be willing to help you, and, similarly, when your colleague has that kind of challenge, you want to help them.

So what I would do is I would share these stories about growing up on a farm and in a farming community as a way to set a tone about the values that I thought were important from a leadership standpoint, but, in particular, I wanted them to reflect on their own values and how that would shape the kind of culture that they would want in the organization. So I think that's one of the things that I think is a very important element of strong leadership.

MR. TAKETA: Jeff, so it's been roughly a year now, you've been kicking the tires, going around, meeting a lot of people, going on site visits. What's your impression of the work of Gates?

I recall at one point in one of your speeches, you talk about exercising good judgment to pick the right priorities and to understand the tradeoffs you're making.

MR. RAIKES: Yeah. Mm-hmm.

MR. TAKETA: So tell us about the right priorities and the tradeoffs for Gates.

MR. RAIKES: Yeah. And let me say just a little bit about that philosophy.

One thing I learned at Microsoft, being in a high-growth industry, is -- and especially when you have people who are very energetic, very passionate about what they're doing, you end up in a situation where they may feel overwhelmed, and they're trying to do everything. So I have a phrase that I shared with employees at Microsoft, and I found the need to share exactly the same phrase at the Gates Foundation, and that's that you have to use your good judgment to set the right priorities and make the right tradeoffs.

Because what happens is when you have these smart, passionate, energetic folks that are trying to do everything, they end up not doing anything particularly well, and so what you have to do is really encourage them and actually kind of give them the license to say your job isn't to try and do it all, your job is to pick the things where you can add the most value and do them really well, and so have that sense of how you're using your judgment to set those priorities and make the right tradeoffs.

So I believe that that's very important when you have that type of employee population, but I also believe it's very important in terms of the overall organizational approach. On the one hand, people will talk about the size of the Gates Foundation. On the other hand, I will think about the fact that the Gates Foundation is actually a very small percentage of what gets invested in trying to change the world in a positive way, and we really have to think about partnerships. We really have to think about where we should focus, where we have the opportunity to add the most value, and work with those other organizations who have an opportunity to add even more value from their perspective. I believe that's a fundamental principle of how good organizations operate and, in particular, how the Gates Foundation needs to operate.

So, when I see folks talk about, well, gees, I wish the Gates Foundation would do this or that, I'm actually quite comfortable with the idea that we have picked some areas that we'll focus in on and try and do our very best work and do that in conjunction with partners that will add to that work and also recognize that there will be other organizations that will have a different focus, and, when appropriate, we should be supporting them and rooting them on to play their role in terms of changing the world.

So I look at this last year as one where we have been honing that focus, and I think it's absolutely the right way for us to operate.

MR. TAKETA: Several of the questions from the audience sort of allude to that last statement you made. I think in this economy, the big question is will Gates change its focus to do more work domestically as opposed to internationally. Maybe you can talk about what you guys have been thinking in that regard.

MR. RAIKES: We are very excited about the work that we're doing and the work that we're doing with others, including many organizations in this room, to contribute to the opportunity for educational reform in this country.

The principle that Bill and Melinda have and really is at the core of them founding the Gates Foundation is the idea that we can help enable all people to have healthy and productive lives.

Now, when you think about what stands in the way of that, it leads you very quickly to what are the big inequities in the world and, in particular, what are those inequities where our dollars can be highly leveraged in having an impact in addressing those inequities.

Global health is an area where we saw an opportunity. We felt and still feel today, there's a lot of opportunity to bring the benefits of developed world medicines to improve the health of people in the developing world.

I think one of the things that we would point to with pride is being a part of creating GAVI, the Global Alliance for Vaccination and Immunization, which has immunized more than a 100 million children and probably saved between 2.5- and 3 million children's lives during this decade. That's the kind of thing we aspire to there.

We have a focus on global development. There is about 1.1-, 1.2 billion people in the world who live on a dollar or less per day. That is what we would define as extreme poverty. Seventy to 75 percent of those people live in rural areas, meaning subsistence agriculture. What can we do to work with our partners to help raise agricultural productivity?

The U.S., the core of the question you asked me, we think the biggest inequity in the United States where we can make a contribution is educational reform. Bill and Melinda would say -- and I would say -- that it was the opportunity for a great education that opened up the opportunity that we ultimately had in the computer industry, and so what can we do to help ensure that most or all of the children of this country have opportunity for a great education.

So going, then, back to that principle of focus, we want to really focus in one the education. We want to focus in on where we think we can make a contribution, and right at the heart of that is the opportunity to help improve teaching and having a great teacher in every classroom.

MR. TAKEYA: Some of the questions here, Jeff, focus on two P's that I want to talk about. One is policy, policy work, and the role that Gates might play both in supporting the advocacy of policy work of others but also the policy work that Gates might do on its own, and then, secondly, about partnerships, but let's take the first one.

Can you share a little bit about your thinking, as a strategy, how strong Gates will be in supporting advocacy work?

MR. RAIKES: We think there's a -- and I think we're learning where we can effectively and appropriately use our voice. We believe there is a role for us to play in shining a spotlight on those inequities in the world that people can come together -- governments and donor partners, philanthropy -- can come together to really make a difference.

One good example is what I was saying earlier about global health. In this country, some people would think that we spend a lot of dollars on foreign assistance. In fact, we spend much less as a percentage of the gross national income of this country on foreign assistance than many of the leading countries in Europe.

Of the amount that we spend on foreign assistance, only a certain percentage goes to those things that really contribute to global health. In fact, it's less than one-quarter of 1 percent of the U.S. budget, and so there's an example of where we wanted to make sure that leaders, influential people in policy in Washington, D.C., understood both the opportunity to improve global health, contribute to that improvement, and continued the investment, and we wanted them to be aware of the success stories.

So Melinda and Bill led an event that we had in Washington, D.C., called Living Proof Project. The theme was Impatient Optimists. We really wanted to have the opportunity to share with those policymakers that the investments that our U.S. government is making in global health are making a difference for people, and we wanted to encourage that. So that's an example of how we think we can play an appropriate role in policy and advocacy, and I think we'll learn. And I'll learn from people here about the areas where it's appropriate for us to play a role and what is the appropriate way for us to play a role.

MR. TAKEYA: You've talked about in the tradeoff around priorities and other things sort of focusing on results and understanding that you're going to have failures along the way.

MR. RAIKES: Mm-hmm.

MR. TAKEYA: There's questions from the audience. One, how do you know if you're being successful? And two, who are you accountable for? You know, as the largest foundation in the country and a private foundation, as you sit as the CEO, you know, many of the people in the audience are working in organizations that have a public accountability by virtue of their governance structure and others, and here you are and with a lot of the work overseas.

What is your thought about how Gates holds itself accountable for the way it spends its resources?

MR. RAIKES: Well, let me -- you really mentioned two things that I think are important to address. One is measuring impact and how we set our metrics, and the second is accountability. So let me address both of them, if I may.

In terms of measuring the effect of our work, the impact of our work, I think that's a very important part of doing good work.

Now, one thing that people like to say about the private sector about a company like Microsoft or -- I'm on the board of Cosco, as a different type of company -- is that you have these market forces, and these market forces are always, you know, helping you understand what's working and not working. That's true, to some extent.

When I started on building Microsoft Office in 1984, there were a lot of times where we had no market feedback, and we had to go by a combination of our judgment or instinct, as well as certain milestones that we were setting for ourselves along the way.

It wasn't really until 1994 that we turned the corner on Microsoft Office. In other words, it took about 13 years.

I started our pen computing work in 1988. It was about 14 years before a good tablet PC was released into the marketplace.

So one thing that I benefitted from in my R&D career is understanding that there will be a lot of times where you have long-term projects, where you have to set your measurements, your milestones, your checkpoints in order to help understand your progress. So I think that is a fundamental principle that I have about the work that we do.

And we have a group at the foundation, Impact Planning Improvement, led by Fay Twersky, that I think is a very important element of what we aspire to in terms of measuring our impact, and so Fay and her team really help all of our program areas make sure that we have good measurement, learning, and evaluation initiatives as part of each of our strategies.

In terms of accountability, I think there are multiple dimensions to think of there. First of all, Bill and Melinda have allocated a huge portion of their wealth, and, ultimately, they'll allocate nearly all of their wealth to the work of the Gates Foundation. So they care deeply about effectively using the wealth to make a difference in society, and then, of course, Warren Buffett chose to invest his wealth alongside with Bill and Melinda.

So that's one dimension of our accountability is we have trustees who have made the decision to allocate this wealth in a way, and they have high expectations. I can tell you that in terms of my own evaluation. They have high expectations for the work that we do.

Similarly, we think it's very important in order to achieve those high expectations that we get a lot of input from the people that we are working with and working for, and so that's another part of our process. We have advisory panels for each of our program areas that have very highly regarded thinkers, doers in each of those relevant areas, and they come with a very strong voice, and they like

to tell us what we think we're doing well and what we're not doing so well, and we think that's a very important part of our work.

For each of our grants, we enlist the feedback from external participants, as well as internal participants, to really help judge whether we're on the right track with the grant. So I think that's another dimension of accountability that's very important.

And, of course, a third dimension that's extremely important and I think extremely well represented by the work of the Independent Sector is the importance of the accountability that we have under the system here in the United States as a private foundation. The accountability to have good governance, to not engage in self-dealing and lobbying, to meet payout requirements, that is another element of accountability that I think is very important or dimension.

So, when I think about accountability, I think of it on multiple dimensions, and I think it's extremely important that we work hard and do well in each of those dimensions.

MR. TAKETA: We have about five minutes left, Jeff, and I guess I wanted to talk about the partnership question because I think for many people, being so large, you know, it's tough to be a partner.

I mean, you talk about partnerships, and yet, when you are focused in certain program areas where, in a sense, Gates is the market-maker, how do you really fashion a partnership in a way that doesn't create a huge dominant effect by the foundation or where you can really get adequate or honest feedback from the partners you're working with?

MR. RAIKES: Two or three thoughts on that. One thing is I benefitted greatly from working with Bill as we were building Microsoft and thinking about leverage. Most people wouldn't realize that Microsoft's success is dependent on about 750,000 companies in the world who make a business out of Microsoft's business. So I grew up in a culture where partnership was a fundamental element of succeeding.

In the computer industry, they talk about the ecosystem, and so we were doing software, but the hardware manufacturers play a role. The software developers in other companies play a role. There are companies that are systems integrators, both big and small, and so all of those companies make up the ecosystem that was fundamental to Microsoft's success.

So we put a lot of attention to that. We did annual surveys of those partners to understand. We did the visits, the informal visits, the formal measurements, and so that was a fundamental part of how we did our work. Where most companies are doing customer satisfaction, which we did, we put an equally important weight at Microsoft on partner satisfaction.

I feel the same way in my role at the Gates Foundation. I think it's important to make sure that all of our employees understand that we will only succeed on the basis of the success of our partners, the grantees that we work with, the other donor partners that we work with. That same philosophy that I thought was important at Microsoft, I feel is extremely important at the Gates Foundation. So that's point number one.

The second point I would make is that I do think, just like it was with Microsoft and perhaps even tougher in philanthropy, you have to work extra hard to make sure that you're listening. You have to be good at listening. You have to be good at asking questions, and that's both formal and informal.

Part of it, when I'm sitting down with grantees or people that work with me, I want to make it a point to say, "What do you think about the work that we're doing? How do you think we can be a better partner?"

Also, with the help of the Center for Effective Philanthropy, I've instituted a grantee survey, a partner -- what I would think of as a partner survey, so that I can use that as a tool to evaluate, another tool to help evaluate the effectiveness in the areas of improvement that we need to make as a partner.

My point being that there is both informal and formal mechanisms for getting that feedback, but the most important thing is the underlying principle of understanding that we will only succeed if our partners succeed, if our grantees can succeed, and so that takes a certain type of mentality that I have to make sure is there in the organization.

MR. TAKEITA: Jeff, we've got two minutes left. I want to offer you an opportunity to give us some closing thoughts.

MR. RAIKES: Well, I guess a few things that I'll just come back and underscore. I don't know if it comes through, but I love my second career, and I think I have been blessed with an incredible opportunity.

Now, part of that opportunity is working with the employees of the Gates Foundation, but, as I've told Diana and others, I think a very important part of the opportunity is working with people, the people in this room, and other people in philanthropy.

One of the things I love in life is learning. I mean, one day I'm learning about malaria, and the next day I'm learning about U.S. high school education, and the next thing I'm learning about rural sanitation in Tanzania. That's an important part of this job. That's part of what motivates me.

I look to the opportunity to learn from the folks in this room, people who have far more experience in effective philanthropy that I can learn from, our organization can learn from, and I hope what we can do as a part of this sector is, in an appropriate way, share back what we're learning and, thus, make a contribution to effective philanthropy in this country and in the world.

So, if I looked out, like in my last 10 years at Microsoft, I wanted to reshape the office business, I wanted to help build a new generation of leaders or develop a new generation of leaders for the company, if I think out maybe 5, 10, 15 years, what I would hope that I can look back on at the Gates Foundation is that we, with our partners, contributed to significant impact on the problems that we were focused in on. Whether that is eradicating malaria, polio, reducing the disease burden from pneumonia and diarrhea and children under 5 in the developing world or U.S. high school graduation rates or postsecondary completion, the number-one thing has to be the impact, did we in a good effective way contribute to the impact, did we get the most leverage out of the investments that we were making with our dollars and with our partners.

The second thing I hope that I've contributed to is to raise the overall level of the work within our organization. I think that is one of those things. Just like at Microsoft, we always had to challenge ourselves to get better and better and better. We always had to learn about how we could improve the approaches that we used, and I hope that when it comes to our strategy development work, our strategy reviews, our grant making, our grant management, I hope that I can have been a part of contributing to raising the level of our work.

I strongly believe that if I can help create a great environment for people to do our best work that that will be contribution to the work that everybody here in this room is striving for.

So those are the two top things that are really on my mind, and then the third one I'll come back and emphasize is my desire, then, to take what we're learning and make sure that we are a good contributor back to this sector and in helping the work that all of you do and, similarly, that we're learning from the great examples, the best practices from the folks in this room.

So, if we can have accomplished those three things, I'll be quite satisfied in this next phase of my career.

MR. TAKETA: Well, we're going to all look forward to watching you pull it off, Jeff.

So I want to thank you again for joining us today.

MR. RAIKES: Thank you.

[Applause.]

MR. TAKETA: This concludes the plenary session, and I want to invite you all to visit the Exhibit Hall, which is next door, for the networking coffee break and opportunity to explore the resources from the conference exhibitors.

Thank you very much.

MR. RAIKES: Thanks.