



A conversation with Jim Boomgard,
President & CEO of DAI

BUTCHER JOSEPH & Co.
INVESTMENT BANKERS

For more than 40 years, DAI has worked on the front lines of international development, helping poor and middle-income countries to tackle challenges caused by inefficient markets, ineffective governance, and instability. Operating globally from their offices headquarters located in Bethesda, MD and additional corporate locations in the UK, Belgium, Nigeria, and elsewhere, DAI has worked in more than 150 countries and has a strong presence in Africa, Central America, the Middle East, and Asia.

The company has been employee owned since its inception in 1970, and over the years, broad-based employee ownership has become fundamental to the firm's culture. Prior to February 2016, ownership was limited to U.S.-based employees eligible to participate in its Employee Stock Ownership Plan (ESOP).

As DAI expanded its global footprint, the company's leadership team, Board of Directors and their advisors worked together to discover a new ownership structure that would be broad-based, accommodate an increasingly global workforce, and more closely tie employee-investors to the mission and performance of the company.



Jim Boomgard, President & CEO of DAI, has worked on the forefront of economic development issues for more than 30 years in more than 30 countries. We sat down with Jim for a Q&A to discuss his company's mission, his outlook on the industry and the future of international development.

Who is your typical customer?

DAI is a mission-driven company in a business that most don't even realize exists. We work to deliver foreign aid from government agencies (mainly from the US, UK, and European Union) to support development initiatives focused on essentials like water and natural resources management and private sector development. We make sure that our foreign development assistance dollars, pounds and Euros are well spent to achieve the greatest possible impact.

Our clients represent a broad range of stakeholders including international development agencies and lending institutions, private corporations and philanthropies, and national governments. We partner with change agents all over the world to help translate their expenditures and investments into impact.

We're currently working to expand our work for clients from the private sector. We believe strongly in the importance of global responsibilities balanced by strong, local grassroots support.



“Our mission is to make a difference in the world by helping people improve their lives.”

— Jim Boomgard

How are you positioning DAI for growth in the future?

We have two priorities:

1. To expand and diversify our traditional donor customer base and continue looking for other business opportunities, particularly those in the private sector. We have been reasonably successful at diversification in the past but we plan to make this an even greater focus in the future.
2. To continually plan for a future that may look different from the past. There's always the possibility for governments to reduce support for foreign assistance and we need to be prepared for that scenario so that we can continue to support our mission.

What challenges do you think your company is likely to face in the future?

Our markets are heavily dependent on policy and the nature of the political atmosphere. Anytime things become volatile, there will be uncertainty in our markets so there is always going to be a concern for us there.

We also place great emphasis on making sure that the money spent is put to good use, not frittered away. We have invested in robust project and financial management systems to support the great people that work for us around the world. We also have an obligation to keep our people safe in more than 80 countries we are working in today. We need to continue to invest to maintain our high standards everywhere we operate.

In addition to all of that, there will always be spending issues. Most Americans believe that the federal government spends at least 10% of its budget on foreign aid. The reality of the situation is that it's closer to 0.3% and is not growing.

What are your goals for the company this year?

First and foremost, we are a mission-driven business. Our mission is to make a difference in the world by helping people improve their lives. The more successful we are as a business, the greater development impact we can have around the world.

To achieve that, we must continue to grow and diversify to make sure we generate acceptable returns and steady year-over-year growth in share value for our employee owners.

DAI's MISSION & VALUES

DAI works on the front lines of global development by transforming ideas into action — action into impact. The company has a mission to make a lasting difference in the world by helping people improve their lives.

In everything DAI does, it lives by the following core values: (1) Integrity, (2) Responsibility, (3) Excellence and (4) Global Citizenship



What does employee ownership mean for you and your company?

DAI has been employee owned since its inception in 1970, and over the years broad-based employee ownership has become fundamental to the firm’s culture. As DAI expanded its global footprint and employed a larger number of non-U.S. employees, the DAI Board and leadership team worked together to explore a new ownership structure that would accommodate this increasingly global workforce. In the new, more inclusive framework, the ESOP is now complemented by an active ownership option available to all global corporate employees.

We call our new system ‘inclusive capitalism.’ The system incentivizes employees, whatever their nationality. In order to encourage initial investment, we provide a grant to new employees who choose to buy stock. At the Board’s discretion, and depending on company performance, we also pay a ‘global performance bonus’ -- akin to buy distinct from a divide -- to all active, shareholding employees, thereby aligning individual and corporate performance.

We’re currently in our fourth year with this new structure and in addition to the ESOP more than 40% of our company is owned by almost 750 employees. Employee ownership is an important part of the glue that holds a truly global DAI together and has helped us become a leader in our field. By opening up new ownership options and bringing in new employee owners around the world, we will ensure that DAI remains a great place to work and a great partner for our clients in the international development community.

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