



**SILESIA  
UNIVERSITY**

SCHOOL OF BUSINESS  
ADMINISTRATION IN KARVINA

# CORPORATE PHILANTROPY

## OVERVIEW OF THE CORPORATE GIVING

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## OUTLINE OF THE LECTURE

1. Meaning of the Corporate Philanthropy
2. Types of Corporate Giving Programs
3. Regional Profile: Europe
4. The World Trend in Corporate Philanthropy

## INTRODUCTION

- Corporate philanthropy is a *type of organizational social engagement that involves the allocation of time, money, or goods aimed at addressing a social need.*
- The charitable donations of profits and resources given by corporations to nonprofit organizations.
- Corporate philanthropy generally consists of *cash donations* but can also be in the form of use of their facilities or *volunteer time* offered by the company's employees.
- Donations are generally *handled directly by the corporation or by a foundation* created by the firm.

**Corporate philanthropy is the act of a corporation or business promoting the welfare of others, generally through charitable donations of funds or time.**



## INTRODUCTION

- Businesses are increasingly creating a culture of **corporate philanthropic engagement**, moving beyond just grant checks to more **strategic** and **effective** giving.
- Today, many companies manage highly visible, well-structured programs that span geographic borders and **align corporate giving with core business** capabilities.
- The 21st century generation of corporate philanthropy is transforming the arena once again, repositioning it as a comprehensive portfolio of strategic, long-term, value-based programs.

## INTRODUCTION

### **How can corporate philanthropy help nonprofits?**

- Corporate philanthropy helps nonprofits through various methods of support, such as corporate matching gift programs and volunteer grants.
- The impact of donations and volunteering for nonprofits can be drastically increased with the help of corporate programs.

### **How can corporate philanthropy help businesses?**

- Corporate philanthropy fosters employee engagement and generates business value.
- When businesses participate in corporate philanthropy, they are creating a positive public image for themselves, enhancing their relationships with consumers, and creating a positive work environment.

### **What is the difference between corporate philanthropy and corporate social responsibility?**

- While they may seem similar, corporate social responsibility describes the overall attitude of an organization toward society at large, while corporate philanthropy is a narrower form of corporate social responsibility.

## INTRODUCTION

### Why is Corporate Philanthropy Important?

Becoming familiar with corporate philanthropy is important, especially for nonprofits and corporations. It encourages employee giving, which has a positive impact on nonprofits and society, and benefits businesses by helping them reach their goals.

For example, corporate philanthropy can lead to:

- **Positive Work Environment** - Bringing employees together to participate in team volunteer grants or other team programs encourages everyone to see themselves as part of the greater community. This feeling of community then benefits the greater social good.
- **Increased Employee Engagement** - Companies with engaged employees who enjoy their jobs outperform companies with disengaged workers by up to 202%! Collective participation in philanthropy engages employees with each other.
- **Positive Public Image** - Partnering with a nonprofit provides corporations the opportunity to publicly show their communities how invested they are through press releases, social media, and word of mouth! Their work then adds to greater social change.
- **Enhanced Consumer Relationships** - Consumers want to buy from companies that are doing good deeds in the world, especially those that support causes they care about. By upholding their commitment to these causes, companies make a huge impact.



## INTRODUCTION

### The expansion of philanthropy in Europe

- Most of Europe's 180,000 foundations have emerged in the last 20 years, and they donate an estimated €60 billion annually to the 2.8 million charitable organisations across the European Union countries.
- Germany and France are the largest European philanthropic markets in size, wealth, and growth. On average, the nonprofit sector typically contributes around 5% of a European country's GDP. In France, the charitable sector employs 10% of the French workforce and generates 10% of the country's GDP.
- The number of registered **international nonprofit organisations** (INPOs) in Europe has grown by 30% since 2010, indicating an appetite for supporting causes that transcend borders. Belgium hosts the largest number of INPOs, followed by Germany, France, the Netherlands, and Italy.

## INTRODUCTION

### Increased opportunities to give through tax incentives

European governments encourage individuals and businesses to engage in charitable giving through **tax incentives**—a growing trend of philanthropy in Europe.

Governmental tax incentives for donors and recipient organisations are prevalent across Europe. For instance, individuals in Germany can deduct up to 20% of their pre-tax income as a donation to a nonprofit organisation—Unsurprisingly, **50% of Germans** donate to charity every year.

In France, where individuals can claim a reduction of 66% from their income tax for the amount donated or a reduction of 75% from wealth tax, the number of individual donations declared to the French tax authorities doubled between 2010 and 2021. In 2021, French businesses gave €3.5 billion—an increase of 119% since 2010.

**Transnational Giving Europe** (TGE), for example, is a partnership of leading European foundations and associations to facilitate tax-efficient, cross-border giving within Europe.



## INTRODUCTION

What are the benefits of corporate philanthropy?

- **Corporate philanthropy** helps support communities where companies are based. It supports corporate giving programs, which essentially lead to free money for nonprofits.
- **Corporate giving programs** allow companies large and small to make investments in social good.
  - These programs are a form of corporate philanthropy that facilitates charitable giving to nonprofit causes.
  - These programs are often **driven by employee giving**: the more employees contribute to philanthropic organizations, the more their company will donate.
  - The top types of corporate giving programs are **Matching Gifts** and **Volunteer Grants**.

## Types of Corporate Giving Programs

### Matching Gifts

- Matching gifts occur when a company contributes to a nonprofit that an employee donates to, usually matching their donation at a 1:1 ratio. However, some companies will match gifts up to a 4:1 ratio!

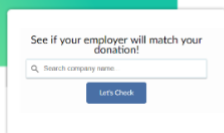
### *How do matching gifts work?*

The matching gift process generally follows these steps:

- The donor makes a donation to a nonprofit.
- The donor determines if their donation is eligible for a company match using a matching gift database.
- If it's determined their employer will match their donation, the donor can click on the link to the online forms provided by the database and submit the forms.
- The donor's employer reviews the forms and follows up with the nonprofit to confirm the donation.
- The employer makes a matching donation.

#### STEP 1:

Access the matching gift database.

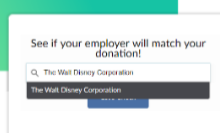


See if your employer will match your donation!

Let's Check

#### STEP 2:

Search for your employer.

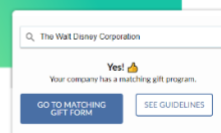


See if your employer will match your donation!

The Walt Disney Corporation

#### STEP 3:

View the results.



The Walt Disney Corporation

Yes! 🎉  
Your company has a matching gift program.

GO TO MATCHING GIFT FORM

SEE GUIDELINES



## Types of Corporate Giving Programs

### Volunteer Grants

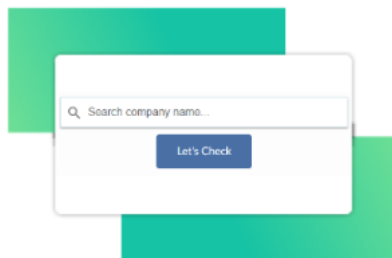
- Volunteer grants are corporate giving programs that encourage employees to volunteer their time and efforts in their communities.
  - Companies will provide monetary grants to organizations where their employees regularly volunteer.

### How do volunteer grants work? Volunteer grants come in two forms:

- A set **monetary donation** for every hour an employee volunteers
- A set **grant** amount once employees have volunteered a certain amount of time
- The volunteer grant process generally follows these steps:
  - The volunteer gives their time to a nonprofit.
  - The volunteer determines if their time spent is eligible for a volunteer grant using a volunteer grant database.
  - If it's determined that their employer does offer volunteer grants, the volunteer can use the database to find and submit their company's forms.
  - The volunteer's employer will review the forms and verify with the nonprofit that they volunteered.
  - The employer will send the nonprofit a monetary grant.

#### STEP 1:

Access the volunteer grant database.

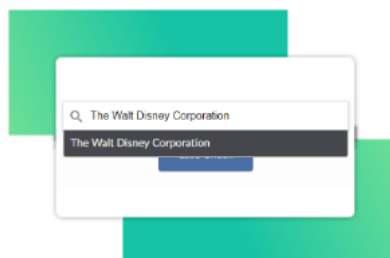


Search company name...

Let's Check

#### STEP 2:

Search for your employer.

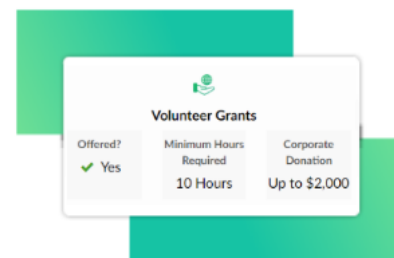


Q The Walt Disney Corporation

The Walt Disney Corporation

#### STEP 3:

View the results.



Volunteer Grants

Offered?	Minimum Hours Required	Corporate Donation
✓ Yes	10 Hours	Up to \$2,000

## Types of Corporate Giving Programs

Corporate social responsibility is on the rise and, as a result, many companies now offer corporate giving programs. These programs range from matching gifts and/or volunteer grants to a variety of other program models. Check out the **top 10 companies** for corporate giving:

*Top Companies with Corporate Giving Programs*

COMPANY	MAXIMUM MATCH AMOUNT	LEARN MORE
Disney	\$25,000	<a href="#">Disney's corporate giving program</a>
Apple	\$10,000	<a href="#">Apple's corporate giving program</a>
The Home Depot	\$3,000	<a href="#">The Home Depot's corporate giving program</a>
IBM	\$5,000	<a href="#">IBM's corporate giving program</a>
Google	\$12,000	<a href="#">Google's corporate giving program</a>
General Electric	\$5,000	<a href="#">General Electric's corporate giving program</a>
Bank of America	\$5,000	<a href="#">Bank of America's corporate giving program</a>
BP	\$5,000	<a href="#">BP's corporate giving program</a>
Microsoft	\$15,000	<a href="#">Microsoft's corporate giving program</a>
Intuit	\$5,000	<a href="#">Intuit's corporate giving program</a>

[Walst Disney Corporation Matching Gifts](#) example.

## Types of Corporate Giving Programs

### Other Types of Corporate Philanthropy Programs

**Fundraising matches**, like matching gifts, provide nonprofits with donations after an employee has donated time or effort to the nonprofit.

- Examples include walkathons (sponsored walk-walking or marathon), runs, or bicycle events. The participant's employer will match the money they raise through sponsorships or other donations. (Video: <https://www.youtube.com/watch?v=pENwTqj-Bw>)
- **Dollars for Doers** is one of the most common corporate philanthropy programs that are offered by employers. Also called "individual volunteer grants," Dollars for Doers rewards employees who donate their efforts to a nonprofit.
- In order to make this happen, there are usually thresholds that must be met. For instance, a company might offer \$250 to a nonprofit for every 15 hours that an employee volunteers there.
- Dollars for Doers is a great corporate giving program to take advantage of when you have a dedicated group of volunteers!

## Types of Corporate Giving Programs

### Other Types of Corporate Philanthropy Programs

- **Team volunteer grants** are a type of corporate philanthropy program where companies reward groups of employees who volunteer at a nonprofit together.
- Employees fill out a volunteer grant request form to have the funds donated to the organization at which they volunteer.
- This is a great team building activity that can benefit all parties involved.
- Nonprofits receive both volunteered time and money, employees feel accomplished by volunteering for a great cause, and companies get to demonstrate their philanthropy and interest in bettering the community.
- Examples of [team volunteer grant programs](#)

## Types of Corporate Giving Programs

### Other Types of Corporate Philanthropy Programs

- **Community grants** are a slightly different corporate giving program in that the nonprofit must pursue the grant itself.
- Nonprofits can request community grants from companies who want to see a positive impact in their communities, though there are specific deadlines.
- Community grants can include disaster relief grants, as well.
- **Volunteer support programs** are great corporate giving programs that allow companies to offer their products and services to those in need.
  - For instance, companies may donate computers, consulting services, food, or marketing strategies.
- These corporate philanthropy programs allow nonprofit organizations to benefit from free products and services, and companies also can feel pride in knowing they've helped a worthy cause.

## Types of Corporate Giving Programs

### Other Types of Corporate Philanthropy Programs

- **Automatic payroll deductions** are one of the easiest corporate giving programs to take part in.
- As the phrase implies, employees can arrange to have a portion of their paycheck regularly contributed to a nonprofit.
- One thing to note is that companies typically limit the type of nonprofit their employees can contribute to.
  - For example, a company that has an interest in the environment might restrict donations only to nonprofits whose missions are targeted toward the environment.
- That said, once a nonprofit is on the company's list of approved organizations, this is a great way for the nonprofit to receive ongoing donations.



## Types of Corporate Giving Programs

### Other Types of Corporate Philanthropy Programs

- **Annual grant stipends**, though not as common, are a great way for nonprofits to benefit from companies and their employees and are impactful corporate philanthropy programs.
- An annual grant stipend is essentially an allocated amount of money that is given each year to employees, who then donate the money to the nonprofit of their choice. Volunteer hours are not required, and the company donates for them.
- The stipends are not incredibly large, but nonprofits can still benefit from these annual corporate giving programs.
- **Internal Employee Fundraising** - It's easier to cultivate a relationship with people you know, rather than start a new one. Through internal employee fundraising, nonprofits can encourage their own employees to volunteer to support the cause, increasing their chances that others will follow suit.
- By looking internally, nonprofits can receive even more donations and volunteer efforts without needing to put in too much extra effort.

## Types of Corporate Giving Programs

### Other Types of Corporate Philanthropy Programs

- **Annual Giving** - As part of this corporate giving program, employers will encourage donations at certain times of the year, so nonprofits should track the companies who run similar donation promotions.
- Every company varies, so it's important to reach out to donors at those specified times.
- The most common time for companies to promote employee giving is at the end of the year.
- This is because employees have a better idea of how much they can donate to charitable causes. Keep track of these corporate giving programs to maximize donation revenue.
- **Employee Product Donation Programs (EPDP)** - As part of their corporate philanthropy programs, many companies encourage employees to give by offering discounts on their products, which can then be donated to nonprofits.
- While mostly popular at technology companies, these corporate giving programs are also found in several other industries. Companies may have restrictions on who can receive these products, but this is still a program that can benefit the greater community.

Chief Executives for Corporate Purpose (CECP) produces Giving in Numbers, the unrivaled leader on benchmarking of corporate social investment, in partnership with companies. This year, 250 multi-billion-dollar companies

**COMPANIES IN GIVING IN NUMBERS SURVEY REPRESENT**

**16.2**  
Million  
**EMPLOYEES**



**\$7.9**  
Trillion  
**REVENUE**



**HOW MUCH?**

**\$26.0**  
BILLION  
*Aggregate Total Giving*

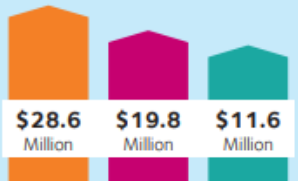


**\$20.7**  
MILLION  
*Median Total Giving*

**Top-Quartile Leaders**


**\$60.0**  
MILLION  
*Median Total Giving*

**The Breakdown**



<b>\$28.6</b> Million	<b>\$19.8</b> Million	<b>\$11.6</b> Million
Corporate Cash	Foundation Cash	Non-Cash

**11%**  
*Median percentage of total corporate cash giving that matches employee donation*



**9 out of 10**  
Corporations match employee donations

**EMPLOYEE GIVING**


**CORPORATE SOCIAL STRATEGY SNAPSHOT**

**7 out of 10**  
companies gave to recipients outside their headquarters' country




**GLOBAL**

**33%**  
*Average corporate volunteer participation rate*




**50%**  
*Top-quartile corporate volunteer participation rate*




**66%**  
*Companies offered paid-release time volunteer programs; most offered domestic volunteer program*

**VOLUNTEERING**

**28% TOP SPOT**  
*of Total Giving went to Education programs (Higher and K-12)*



**SECOND HIGHEST 25%**  
*went to Health and Social Service programs*



**THIRD HIGHEST 16%**  
*went to Community and Economic Development programs*

**CAUSES** Giving by Program Area

## Regional Profile: Europe

- **European Research Network On Philanthropy (ERNOP)** to map philanthropy in Europe and presents a first overall estimation of the European philanthropic sector.
- **Pro bono programs** are offered by only 27% of European companies. As strategies become ever more closely tied to business assets, companies will seek to draw on their human capital.
- The European field is *typically with a less important role of foundations* because of the administrative complexity and diversity of legislation internationally.
- The presence of foundations (reported by 74% of companies – according to CECP report) and the percentage of total giving that comes from foundations (42%) are both relatively high in Europe.

## Regional Profiles



- Report – Giving in numbers 2022 (**Chief Executives for Corporate Purpose®**)
- Online report Available: <https://philea.issuelab.org/resource/giving-in-numbers-2022-edition.html>
- Organisation: <https://mycecp.cecp.co/s/>

## THE CURRENT SITUATION IN THE WORLD

- Research shows that **societal investments correlate with financial performance** and encourage companies to take a long-term view towards strong and sustainable returns.
- **Company skills are being applied to solving societal challenges.** The *offerings of pro bono* and *board service* had higher growth rates than any other volunteer programs, demonstrating an instinct to infuse societal engagement with employees' skills.
- **Doing good beyond giving is growing, too.** While total giving (cash and non-cash investments) is stable and strong, companies are also seeking to innovate through cross-departmental collaborations, new product development, and impact investments.

## THE CURRENT SITUATION IN THE WORLD

- Despite corporate downsizing, companies held or increased their ***community-engagement team size***, attesting to a high value placed on the societal investment department or what this report also refers to as a company's "***contributions team***."

### Why giving changed?

- Improved tracking and measurement capabilities of corporate societal investments and activities;
- Expansion of employee engagement programs such as increased participation in matching-gift or pro bono opportunities; and
- Increasing business performance for companies with giving budgets tied to financial results.

## THE CURRENT SITUATION IN THE WORLD

- The **employees** were identified by CEOs **as the top stakeholder** influencing decisions in corporations' societal engagement.
- *Matching-gift programs* are one way to increase employee engagement.
  - An overwhelming majority (78%) of companies reported that they were soon likely to change their matching-gift programs in a way that has the potential to increase employees' participation.
- The ways companies invest in societal value **continue to expand**.
- Contribution strategies are increasingly integrated within Environmental, Social and Governance (ESG) and corporate strategies. As such, societal investment must respond to companies' growth or contraction, their risks and opportunities.



## SUMMARY OF THE LECTURE

- The history of altruistic behavior connected with donation goes back to the beginnings of human civilization.
- Historical roots of philanthropy – humanistic motivated charity in the form of money/goods/time giving – had been found in the Ancient times.
- The beginnings of organized philanthropy on the Czech Republic territory are connected with the Christianity.
- In the Middle Ages philanthropy became a public affair and was set in law.
- Nowadays, the effort to help others who need it still occurs. The *philanthropy is realized mainly through the nonprofit sector*. It mediates the transfer of material gifts from the donor to the target group.
- The non-profit organizations intervene usually in those areas where the state fails.
- Expectations that the company may have from their philanthropy, it could be summarize as a possibilities for corporate donors - advertising, publicity, image; new orders, sales, new clients; tax relief; satisfaction of the director, hobby,
- Large multinational companies tend to have based these expectations have already prepared their philanthropic strategy that is part of their marketing policies and concepts.