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Corporate philanthropy on the shop floor: what drives employee fundraising?

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Abstract
This paper presents findings from a research project exploring the 'shop floor' experience of participating in corporate philanthropy. Observation methods and interviews were used to explore employees' views on the selection of charity partners and the experience of participating in fundraising activities in ten workplaces in the south east of England.

The project reveals the distinct processes by which lower-paid and lower-status staff engage in philanthropic activity in the workplace. The findings show that, whereas the board and senior managers emphasise the business case for corporate philanthropy, such as reputational benefits and strategic alignments with suitable charity brands, 'shop floor' staff prioritise charitable causes with which they have a personal connection, which provide enjoyable fundraising experiences that break the monotony of the working day.

This paper provides a new perspective on corporate philanthropic activities, and sheds original and much-needed light on the attitudes of non-wealthy people towards beneficiaries. Findings should be useful to fundraisers in their efforts to attract and maintain relationship with corporate supporters.

Introduction
Corporate philanthropy has existed in the UK for centuries. For as long as money has been made through commercial endeavour, some of it has been donated to support charitable activities (Elischer 1999a:18, Sargeant and Jay 2004:16-17).

Despite its longevity and wide-ranging activities, corporate philanthropy accounts for only a small fraction (3%) of total charitable income in the UK (CGAP/CaritasData 2011:13), yet enjoys a much higher public profile than other more lucrative sources of income. Whereas individuals contributed around £11 billion in 2010/11 (NCVO 2012:45) and over £2.5 billion of funding came from the top 400 charitable trusts and foundations (DSC 2010), the total value of voluntary support from corporations is only estimated at around £750 million in 2010/11 (DSC 2011:xvii, NCVO 2012:36).

Decision making in corporate philanthropy
Whilst corporate philanthropy has a long history, it's modus operandi has shifted from the 'Philanthropic stage', whereby business is viewed as an altruistic benefactor, to

the 'Transactional stage', also known as 'dual agenda' corporate philanthropy, whereby both business and social goals are simultaneously pursued (Burlingame and Young 1996).

Whilst these shifts relate to the overall *purpose* of corporate philanthropy, recent years have also seen a shift in the *processes* by which it takes place, notably the increasing involvement of employees in the selection of charitable beneficiaries through procedures that involve consulting employees, establishing charity committees with representatives from across the company and the use of staff ballots to vote for beneficiaries. In 2009 just one in seven companies used some form of democratic measures to decide which cause would benefit from their corporate fundraising activities (Harvey 2009), but two years later in 2011, a quarter of all corporate partnerships were selected as a result of pitching to the staff as a whole (Ribeiro 2011).

This paper explores situations in which the wider workforce have some say in the selection of charitable beneficiaries.

Methodology

This research is primarily based on observational methods used to study the charitable behaviours and attitudes of shop floor staff in ten different work places. These observations took place in regular staff meetings within which fundraising was on the agenda, at specialist charity committee meetings, or in informal settings, such as over coffee in the staff canteen.

In order to gain access to the sample, I usually had to interact with more senior staff either on the telephone or in a face-to-face meeting, therefore data from these 'gateway' interviews was also collected and analysed.

Finally, I undertook participant-observation at a major gathering of people involved in corporate-charity partnerships[1], where I observed both the formal presentations and also took notes during the informal discussions during coffee breaks, lunch and at the end of the event.

Findings

1. Corporate philanthropy remains primarily controlled from the top and driven by a business case

In the companies where my fieldwork took place, a large part of the corporate philanthropy continues to be driven by a business case which seeks benefits such as improved reputation and brand-building, and is delivered through strategic alignment partnerships chosen by senior managers and the board. It is the smaller donations that are allocated with any type of staff involvement, and that are generated by fundraising rather than from profits. Managerial comments made during the 'gateway process' to gain access to the shop floor reflect their desire to retain control and guarantee benefits:

> *"This money [for corporate donations] has to be used to work as hard as the marketing budget"*

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[1] This event was the Third Sector Corporate Partnerships event held in London on 23/11/11

Willingness to loosen control on the corporate philanthropy budget when the numbers are smaller is revealed in this comment:

> *"If we're investing a large sum, say half a million pounds or more, then we have to think it through and have rigour and be sure we're leveraging all the value. But if it's smaller sums we're more relaxed about it."*

When democratic procedures were introduced, the goal of improving staff morale through 'gestures of goodwill to employees' is frequently cited, for example:

> *"The main aim is to give staff a 'feel good' factor"*

But the most frequent explanations of corporate philanthropy from the top of the company related to the need to recruit, develop and retain good staff, such that corporate philanthropy is most often harnessed to achieve the goals of the Human resources department, as these comments from senior managers demonstrate:

> *"We look to the Third Sector for non-traditional skills development that offer employees meaningful and memorable opportunities".*

2. Despite apparent devolution of decision-making, the company expects some alignment with company objectives

Whilst a trend away from 'chairman's choice' and towards more democratic procedures for selecting beneficiaries was apparent in most of the cases studied, the management retained an expectation that corporate philanthropy would still serve business objectives. This was particularly the case when donations were made from company profits, as these quotes illustrate:

> *"At the end of the day, it's shareholders money"*

But even when the donations came from fundraising rather than allocated from the annual budget, business leaders strove to achieve business benefits:

> *"We are directed by a business need to be visually active in certain areas"*

or at the very least to avoid dis-benefits, particularly when significant sums are involved:

> *"There are certain charities we would steer away from, if they were going to cause us issues*

3. Staff involvement in selecting charitable beneficiaries can be rather tokenistic

Shop floor staff involvement in corporate philanthropy was often found to be marginal. In a typical example, a long-list of ten charities drawn up by a senior manager was presented to the staff group from which they could vote to select the short-list of five charities who were then invited to pitch to a committee of senior managers who made the final choice. In this scenario, the lower-rung employees have no real say over who is under consideration nor who is ultimately successful. The lack of meaningful involvement in decision-making probably explains why many staff in workplaces that ostensibly ask their opinion, were unaware of how causes were selected, as this quote shows:

> *"I'm not fully aware of the process for selecting the charity of the year, it's just announced and then we fundraise for it. I think this years choice is for reasons around 2012 [the London Olympics], the sponsorship that we're doing as a company."*

4. Staff do not always take up the offer of participation

Credible data on levels of participation in staff votes were not readily available, but where numbers were provided or guessed at, it appears turn-out rates in voting procedures are around 20% or lower. This was not perceived as necessarily problematic by senior management, given the 'means over ends' approach described in the previous finding and exemplified again in this quote:

> *"Even when people don't take up the offer to help choose charities, they feel good about the fact that it's on offer"*

But shop floor staff described their reluctance to cast a vote as being related to timing, priorities and confidence, as this exchange illustrates:

Hari:	*"[the email about choosing charities] comes round on a Friday when we've just got too much to do, there's no time to sit down and think about it properly"*
Researcher:	*"So if you can't do it properly you don't do it?"*
Iris:	*"Yeah, it's better not to fill the survey in, if you don't know enough to make good choices"*
Researcher:	*" So you'd rather not make a choice at all than make the 'wrong' choice?*
Hari:	*"Yeah. It's an important decision and you can't rush it"*
Iris:	*"I'd rather someone picked who knew more about it"*

5. Decision-making by shop floor staff reflects personal experiences and preferences

Previous CGAP research has shown that philanthropic decision-making by individuals is driven largely by donor tastes, preferences and experiences (Breeze 2010). The present study finds that the same drivers exist in the workplace, such that shop floor staff prefer to fundraise for causes to which they are naturally sympathetic and have prior experience:

> *"It's a really difficult question to answer, how we pick which charities get help. It all depends on the individuals circumstances. If someone has got, say, cancer in their family they have an affinity with that. Children's charities are always popular – people always want to do things for children"*

> *"One of our colleagues unfortunately died in one of the hospices, so the X hospice is very close to us. And I've banged the drum for Y hospice because my father died there. So there is a personal feel for the hospices that we're trying to raise funds for."*

6. The spread of more democratic procedures favours more established charities and 'safer' causes

Both managers and shop floor staff recognised that widening employee participation in the selection of charitable beneficiaries creates an in-built advantage for those charities with the best name recognition and the most widespread support:

> *"Previously it was the British Heart Foundation. It's usually the big boys, to be quite honest".*

Quotes from charity staff attending a large corporate-charity partnership event demonstrate how this in-built advantage for certain types of charities and causes is perceived by those working within the charity sector:

> *"They're not very fair, the same few charities win them all"*

> *"If you're one of the charities that everyone loves and are popular with staff then Charity of the Year is worth it"*

7. Despite selecting serious causes, shop floor staff expect that the process of supporting charity will be fun and will enliven their working lives

Once the primary qualification of the cause being considered 'worthy' and relevant has been achieved, talk amongst staff turns to the pleasure and joy they get from being involved in fundraising activities:

> *"Ultimately it's about having fun"*

> *"X charity was fantastic – they had people abseiling down walls and all sorts of things [big smile]. It was great fun"*

The following exchange between three members of staff recalled the enjoyment of a recent fundraising activity at work:

Jane: *"We did a sponsored bike ride where we just had to keep two exercise bikes going in the banking hall all day"*
Keith: *"It was really good, cos we got a load of the soldiers up from the barracks, didn't we?" [laughter]*
Laura: *"But they wanted a go, everyone wanted a go. It was good fun."*

The idea of 'fun' was dominant in all the workplaces discussions that were observed, and articulated most vividly in these comments from a woman working in a supermarket:

> *"You've got to make it fun, cos you don't get many fun days down there, believe me. Down there on the shop floor. You know, it's hard work. People are working constantly. You know, they come in and do an hour's shift, lugging boxes, putting things on the shelves, bringing things out of the chillers you know, and they do work hard. So it's nice to have a bit of fun, you know?*

8. As well as opportunities for light-hearted fun, employee fundraising also creates temporary opportunities to challenge corporate hierarchies

Employee fundraising is often organised and led by shop floor staff and involves managers engaging in activities that can be embarrassing and even painful. For example:

> *"Last year we had all of our section leaders and half our managers having their legs waxed and chests waxed. [More animated voice] Yeah! It was cool. We were meant to have a waxer come in, but she let me down at the last minute so we let the colleagues come and do it [lots of laughter]. Yeahh! [more laughter]. Some of them had their chests done, some of them had their backs done, some of them had their legs done."*

In another workplace, shop floor colleagues reminisced about a fundraising activity:

Natalie: *"We were at [a local shopping mall], Do you remember? We were running round with a trolley?"*
Olive: *"Oh my god yeah, going though [the shopping mall] with a trolley, and we had out branch manager at the time, we was dressed up as pirates, wasn't we?"*
Multiple voices: "Yeah"
Pam: *"Dressed up as a pirate, in the trolley, and we basically had a bucket … Bless him. He'll do anything for charity that bloke, he really will. Once he waxed his legs in the banking hall"*
Multiple voices:[lots of noises of agreement and approval, eg 'yeah']

There is also a sense in which senior managers loosen their grip in order to achieve the desired objectives of raising morale and building teams:

> *"We did a charity bike ride, instead of being a boss and their team, all of a sudden we were just ten guys on bikes, riding along, enjoying each others company"*

When hierarchies are temporarily suspended in pursuit of a fundraising goal, wider business benefits can be achieved in terms of building relationships and trust between different tiers of a company:

> *"I found myself climbing a mountain with a member of our Executive Committee – the most senior woman in our company! And there was also a new graduate there too. On the trip it didn't matter if they earn ten times more than you, if they climbed slower then you had to all slow down and go at their speed"*

Discussion

The findings highlight distinct motivations, related to positions in the workplace hierarchy, for engaging with corporate philanthropy. Whilst business leaders (the owners and senior management) are driven primarily by pursuit of business benefits, their employees on the shop floor are driven more by personal preference for causes and the hope for some light relief from their day job, as shown in table 1.

	Rationale for Charity Choices	Driver for involvement
Business Leaders (Board, CEO and senior management)	Appropriate brand alignment (a 'good fit') between the charity and the company. A respectable partner with the right image, a proven track record and a professional approach to working with	Improving the reputation and credibility of the company. Marketing opportunities to attract and retain customers. Access to HR benefits (staff

	the private sector. A strategic partnership offering continuity and potential for a long-term relationship. Value for money relative to alternative charities and relative to gaining benefits such as staff development opportunities.	recruitment, retention and development). Publicity and public relations opportunities. Other tangible benefits – e.g. access to celebrities and entertainment opportunities for the board and directors.
Shop floor staff	Similar to charity choices made in personal life. Based on personal taste and experiences of charities and causes. Causes that are easily understood, have widespread appeal and are believed to make good use of donations. Preference for well-known charity brands and local charitable organisations.	To support causes they personally care about. To 'have a laugh', fun and carnival. To relieve the monotony of working day. To subvert normal workplace hierarchies by temporarily asserting shop floor dominance over managers

Table 1: Determinants of corporate philanthropy on the board and on the shop floor

The research also finds distinct motivations for involving staff in charitable decision making. Business leaders take an instrumental/incidental approach to involving staff: involvement is viewed as a means of achieving greater 'buy-in' and therefore more enthusiastic fundraising and support for the initiative, or it is viewed as an engagement device where the means matters more than the ends so minimal funds are allocated. Employees, however, take a more personal/emotional approach, following a similar decision making process to that used in their private giving. The added factor is that charitable decision making in the workplace is 'on display' to work colleagues who may not be aware of each others' personal stories, which makes expressing a charitable opinion in the workplace a potentially revealing act. Low levels of participation in staff votes may be due to an appreciation of the instrumental/incidental nature of the ballot, or it may be due to a preference to avoid bringing personal concerns into the workplace.

Previous research has identified three strategies for recipients to get a positive response from donors (Ostrander and Schervish 1990:86):

1. Needs-based strategy – simply need that can be met by donors.
2. Opportunity-based strategy – includes social/political benefit to donors
3. Agenda-based strategy – presenting beneficiary needs as part of donor's overall interests

The findings indicate that all three strategies are present within corporate philanthropy decision making, but they receive different degrees of emphasis from different parts of the companies. Whilst shop floor staff follow a combination of needs-based strategies (seeking to meet needs they care about) and opportunity-based strategies (seeking the social benefits of fun and relief from the monotony of their job), business leaders largely pursue agenda-based strategies, pursuing their own business interests through the medium of charitable activity.

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Conclusions

This paper began by noting the shift in corporate philanthropy decision making from the historic model of 'chairman's choice' (which prioritised the philanthropic preferences of business owners and leaders) to 'dual agenda giving' (where corporate philanthropic activity strives to deliver both business and social benefits). The findings presented in this paper indicate the existence of a potential third model, in which corporate philanthropy meets the diverse needs of charities, business leaders and their shop floor staff.

If this model is found to be robust and increasingly prevalent, then it has implications for both sides of corporate-charity partnerships. Companies need to better understand how to involve staff in a way that secures greater meaningful participation whilst maintaining the desired business benefits, and charities need to better understand the more varied motivations for involvement across the company and the implications of more diffuse decision-making for their efforts to seek and maintain corporate support.

Just as efforts to attract income from other sources (individuals, major donors and trusts and foundations) have increased in recent years in response to both public sector cuts and as a realisation that much untapped philanthropic potential exists across the UK, so too corporate philanthropy has been the target of various hopes and expectations within the charity sector.

Corporate philanthropy may seem increasingly unattainable in the current difficult financial climate, but *"companies are still keen to engage with charities, but the terms of that engagement are complex and changing"* (Ribeiro 2011). The complexity and costs of investing in efforts to attract and maintain corporate support is substantial, and should be approached with caution by charities because,

> *"[Corporate philanthropy] is a highly complex form of relationship fundraising that will not suit either the needs or capabilities of every organization"* (Sargeant and Jay 2004:216).

Whereas the starting point for charities seeking corporate support has traditionally been the Board, the latest phase within corporate philanthropy involves opening up decision-making to a wider staff group, meaning the chairman's endorsement is no longer the only – or best - route to success for charities seeking support from the private sector. Charities can be self-limiting in their focus solely on the owners and senior management (Elischer 1999b:23), yet this paper shows that if their cause can inspire employees and offer enjoyable opportunities then the shop floor may well decide to support them.

Big brands have traditionally benefited from the 'dual agenda' model, as they have usually been best placed to offer and deliver the greatest business benefits when defined from the perspective of business leaders. But giving a wider group of employees a greater voice in corporate charity choices could open the door for different types of causes to secure corporate support, as democratic decision making reflects personal rather than professional imperatives, leading – for example - to more local charities attracting support.

This paper reinforces the well-known point that philanthropy as a concern has to dovetail with personal concerns. This is true whether charitable decision-making occurs in the private sphere of home or in public spheres such as the workplace. Shop floor philanthropists are not wealthy, yet they also demonstrate similar concerns to rich donors (documented in a growing body of literature such as

Odendahl 1990, Ostrower 1995, Lloyd 2004 and Schervish 2008) in that they need more fulfillment than their daily life and work can offer, and they turn to philanthropy as one means for seeking that greater fulfillment.

We already knew from previous research (e.g. C&E 2011) that companies and charities have distinct motivations and gain different benefits from engaging in corporate philanthropy. But this paper casts a light on the internal variation within companies, highlighting the difference in the charity choices, drivers for involvement and experiences of engaging with charity for those at the top and the bottom of workplace hierarchies.

In conclusion, this paper finds that there is a distinctive 'shop floor perspective' on corporate philanthropy as a result of the experience of social solidarity between colleagues, the licensed temporary challenge to corporate hierarchy or other rigid norms and conventions, all wrapped up in the British tradition of carnival within giving.

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