



WINGS

**WORLDWIDE
INITIATIVES
FOR
GRANTMAKER
SUPPORT**

Peer learning event on support of corporate philanthropy: sharing good practice

*Meeting held 6-8 July 2004, Makati City,
Metro Manila, Philippines
Hosted by the League of Corporate Foundations*

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Our primary hosts were the League of Corporate Foundations, also involved in the same week in running their major annual event, CSR expo, which we were privileged to attend in part.

WINGS seeks to strengthen the institutional infrastructure of philanthropy worldwide by building a strong, interconnected and collaborative global network of grantmaker associations and support organisations, which, in turn, help grantmaking institutions that support civil society to build a more equitable and just global community.

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Ciro de Carvalho Fleury, Head of Corporate Social Investment, Institute for the Development of Social Investment (IDIS)
Colleen Du Toit, Southern African Grantmakers' Association (SAGA)
David Winder, Director, Country Programs, Synergos Institute
Jane Kenny, Membership Services Officer, Philanthropy Australia
Kayode Samuel, Consultant, Ford Foundation - Office for West Africa
Malu Erni, President, League of Corporate Foundations (LCF), Petron Foundation
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Nancy Roberts, Connecticut Council for Philanthropy
Patricia Robinson, Executive Secretary, Jamaica Foundations and Corporate Donors
Pavlína Kalousová, Czech Donors Forum
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Rory Francisco-Tolentino, Asia Pacific Philanthropy Consortium (APPC)
Una Magdaraog, Manager for Membership Development, Philippine Business for Social Progress (PBSP)
Vadim Samorodov, Program Manager, Charities Aid Foundation Russia

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Guests for part of event

Gil Salazar, Philippine Business for Social Progress (PBSP)
Lydia Sarmiento-Enrile, Vice President for Programs and Membership Services, League of Corporate Foundations (LCF)
Victoria (Vicky) P. Garchitorea, Chair, League of Corporate Foundations (LCF)

Resource people

Gaynor Humphreys, WINGS
Gina Estipona, WINGS

What did the event set out to achieve?

For some time, WINGS has had a commitment to addressing the need expressed by grantmaker associations and support organisations to better understand the ways in which corporate givers differ from other types of grantmakers, and thus to foster better promotion and services. The main focus for the WINGS network was agreed as helping to support corporate grantmakers in giving money, products and other resources, rather than replicating the work of other agencies in exploring how to develop companies' broader corporate social responsibility activity.

This peer learning event aimed to:

- draw out the best practice from organisations in the WINGS network which are most experienced in supporting corporate philanthropy, for mutual stimulus and support; and
- identify ways for effectively and efficiently disseminating these principles and practice to help build the capacities of the rest of the network.

Participants were primarily senior staff members from associations and support organisations with significant experience in the promotion of corporate giving. Their feedback after the event was that it achieved its goals for them in providing a lively exchange of information and practice, and giving them new colleagues around the world with whom to continue to share ideas and methodology. They also used some of their time together to explore the opportunity to start a constituent group within the WINGS network on corporate philanthropy support. Their ideas and commitments for putting this into practice are covered at the end of this report in topic 6 (page 20).

Setting the scene

Vicky Garchitorea, Chair of LCF and President of the Ayala Foundation, gave welcome remarks and an overview of corporate philanthropy in the Philippines, the CSR Expo, and the League of Corporate Foundations (LCF).

Vicky traced the origins of corporate giving in the Philippines back to a legislative framework developed from 1959 which encouraged investment in the sciences and education. In 1961 the Ayala Foundation was set up by the Ayala Corporation to help dispel the view that business was only interested in profit, and to encourage the expectation that business should help in solving problems that, up to then, had been seen as of concern only to government.

The Ayala Foundation's experience since then is that involvement in giving for community and economic development purposes encourages a favourable business environment, reduces and manages business risks, enhances the company's image, builds good corporate reputation and makes the company

- an employer of choice
- a neighbour of choice
- a partner of choice.

Less directly, but nonetheless demonstrably, involvement in giving programmes, as undertaken by Ayala, develops the country's human and intellectual capital, reduces indirect costs and other related spending, builds leadership in development issues and shares environmental costs and risks with stakeholders.

Since the start of Ayala Foundation's work, many other developments have occurred in the field of company giving. In 1970, Philippine Business for Social Progress (PBSP) was created by 50 of the Philippines' prominent business leaders. Member companies promise to contribute 1% of pre-tax income annually to their giving programmes and of this they give 20% to PBSP. Membership has now grown to over 180 companies.

The Association of Foundations followed soon after PBSP, while the League of Corporate Foundations was set up 20 years later, specifically as an association of corporate givers. The

Philippine Council for NGO Certification-(PCNC) was created more recently by the non-profit sector to certify Philippines' non-profit organisations (a task often handled by government in other countries), a venture that has recently been accepted as an accreditation system by the World Bank. Overall, Vicky showed the Philippines as a country with strong infrastructure for the non-profit sector social engagement, and in which the corporate world in particular is seen as having a positive and important contribution to make to social, economic and community development.

Even in this apparently positive context, though, Vicky explained that people in corporate foundations are feeling an increasing sense of urgency to see results from their giving. They want to find ways of scaling up good projects to have a broader impact, and of engaging more actively in partnerships with government to pursue strategic objectives through their funding. The League's annual CSR Expo has now become a fixed point in the calendar for most of the major companies based in the Philippines, and it has become influential in encouraging strategic giving. The President of the country receives an annual report at CSR Expo on progress in company giving. This year's theme is to promise children a positive future. In this context, one specific activity the League itself is undertaking is to try to collect one million children's books from company employees that can be used to help resource schools all over the country.

Introduction to the learning event

In thanking Vicky, Gaynor noted that WINGS had made a very positive choice to hold the event in the Philippines, knowing the extent of corporate giving in the country, including companies that were outstanding not only in levels of giving but in the sophistication of their programmes. WINGS also knew that the various associations, especially LCF, would have good practice and a string of achievements to demonstrate to associations and support organisations from other countries.

Gaynor ran through the main purposes of the event. Everyone agreed on ground rules about confidentiality and other practical matters. All participants were eager to learn from one another, and welcomed the idea that a detailed report would be produced from this event. They also hoped that WINGS would find much to share with other organisations in the network, especially those at an earlier stage of work in promoting and supporting corporate giving.

All participants shared some of the main hopes they had for the event – the learning they wanted to accomplish:

- looking at their own country contexts through the eyes of people from other regions and countries – checking their own progress, seeking new ideas and approaches, testing out different ways of evaluating good practice
- learning how knowledge and experience of multi-national companies could be shared, with a view to seeing a company's best practice apply to all its worldwide operations
- developing ideas for building a new association of foundations
- distilling knowledge that could be passed to other associations and support organisations
- exploring whether a network of companies can pursue particular goals in their giving
- achieving sustainability for the support organisation level of work
- building up a bank of stories and examples of successful giving to encourage more

- learning about how to measure and evaluate good giving practice
- finding out how to be more engaged with company givers
- recording, documenting and institutionalising company giving
- developing ideas about partnerships between company givers and other sectors

These were reviewed at the end of the event to ensure that people had found most of their hopes and objectives met.

Terminology was a recurring theme. “Corporate philanthropy” was an unacceptable term in certain parts of the world where the activity might be called “corporate social investment”. Any multi-country work WINGS was drawn into should be sensitive to this issue.

Pavĺina talked about the use of terms in Europe: she found corporate citizenship to be a term mainly used in the United Kingdom where it encompasses corporate social, environmental and ethical practice. Corporate social responsibility (CSR), the more broadly used term in continental Europe, integrates philanthropy with other business functions and internal and external partnerships. Corporate philanthropy may be a predominantly North American term, used there with a focus on giving money, employee volunteering and image building. In Southern Africa the term is corporate social investment (CSI). For Rebecca, in Latin America, CSR as a term was aligned with business practice, while CSI was positioned in the philanthropy world.

For the purposes of carrying forward WINGS’ work in this field, we decided to call our future activity “**WINGS corporate initiative**”.

What follows in this report is a brief account of the topics covered over two days of talking. It is by no means an exhaustive report of presentations. Some of the material shared has also been gathered at the end of the report under specific headings.

Topic 1: Understanding corporates

The broader context of corporate social responsibility
How do corporate givers differ from other types of grantmakers?
What are their distinctive needs?
What are the trends, challenges and opportunities globally and in different regions?

Resource people: *Asia Pacific - Rory Tolentino, APPC*
 Europe - Pavĺina Kalousová, Czech Donors Forum
 Latin America - Ciro de Carvalho Fleury, IDIS
 North America - Bill King, Minnesota Council on Foundations
Moderator: *David Winder, Synergos Institute*

David Winder hoped that this session would provide a general introduction to the whole event, especially giving everyone a sense of global trends and regional factors in corporate giving. He believes that everywhere in the world there is a growing understanding among companies that it is important to play a role in communities beyond business activity itself. His own experience had shown him examples from Europe, USA, Latin America and Southern Africa where he had seen companies which saw good business sense in giving programmes and corporate social responsibility policies. The pressures were coming, he

thought, from company “stakeholders” themselves, who were motivated by the fear of bad publicity, increasing awareness of ethical screening, shared knowledge and information on accreditation and commonly understood performance standards, and also the increasing activity and prominence of support organisations like the Prince of Wales Business Leaders Forum, or the UN global compact. He described the considerable information available through the Internet that offers technical assistance, training, and best practice documentation. David sees it as important that WINGS network participants are familiar with these and that, in the course of the next few days, WINGS would define its niche in this field.

David is strongly interested in cross-sector partnerships and strategic alliances, believing that these play to the strengths of each sector and achieve much more than each partner individually. This was a recurring theme in exploring corporate giving.

The session started with the resource people giving an overview of their respective regions. They all gave live examples of good company practice.

Rory Tolentino rounded up some **Asia-Pacific** research by her organisation, APPC. She explained that there was no complete picture of the region yet but there had been corporate giving surveys undertaken in Bangladesh, Indonesia, Korea, Pakistan, and the Philippines. Findings included a total of 7.1 billion Philippine pesos (approximately \$127 million US) from the organised business sector for poverty reduction activities in the country. In Indonesia and Pakistan about 93% of companies surveyed said they did philanthropic work. In these countries and four others (Hong Kong, India, Philippines and Taiwan) there was promotional activity around CSR or corporate philanthropy.

But Rory explained that in general, although there was an acceptance that businesses had a social responsibility, and saw this as permanent feature of their activity, most giving in the region was reactive, with top executives making the decisions.

Typically in the Philippines, schools and education were the main beneficiaries, and much giving was quite organised, including partnerships and involvement in strategic programmes. Giving in Indonesia from companies as well as individuals was largely channelled through mosques. In Pakistan most company giving was directed to individuals asking for help.

The bigger givers are increasingly working through cross sector partnerships, sometimes in consortia and often linking with a non-profit organisation to help deliver a programme. Philanthropy support organisations are growing in number in the region, stimulating more organised and strategic giving from companies. Many respond to the idea of “venture philanthropy”, for example.

Pavlna described CSR in **Europe**. She thought that there were three main motivators:

- to promote image and brand: increasingly this is seen as a way of fulfilling customers’ expectations
- to sharpen competition – eg giving strategically to differentiate your bank/mobile phone company/service provider from the rest
- to help employees feel good – providing emotional and social value

In central and eastern Europe it is largely foreign companies that have developed the concept of giving from company resources, motivated by

- a desire to foster reciprocity and to build the corporate image (especially a UK attitude, and perhaps modelled on patterns of individual giving);
- marketing considerations, often leading from sponsorship to more altruistic giving but still embedded in an overall marketing strategy (practice from continental Europe);
- a focus on social programmes for employees (EU, regulation-based style of work, sometimes influenced by trade unions); and by
- a sense of social responsibility, acting out of care for the community and broader society because it will benefit shareholders over time (US).

In Europe, Pavlína believes companies operating at national level are reactive givers, with a sense that they “should” do something (she characterised these as “defensive”), compared with those which integrate their giving into their operations, seeking to maximise tax relief, gain visibility and link giving to long term business goals. It is not easy to compare amounts given but as an example she quoted UK figures: the top 400 companies give an average of 0.44% of pre-tax profits for charitable causes (in total, companies give GBP 499 million out of GBP 6.9 billion overall charitable giving). These 400 companies account for 99% of all company giving, while the top 25 give 50% of the total.

There is no simple pattern of mechanisms for giving. There are company charitable foundations in most countries, but the numbers vary. Their management can be completely through the company, entirely independent (apart from receiving company donations), or somewhere in between.

Specifically in central and eastern Europe, company giving is underdeveloped. Locally owned companies in the main do not see themselves as having funds to spare but some are beginning to model themselves on foreign practice or respond to philanthropic support organisations. Multi-national companies may not bring good practice from their home countries – but often do all their grantmaking from headquarters or just let their local bases dip into marketing budgets for some grantmaking.

Ciro talked about **Latin America and the Caribbean**. His organisation, IDIS, is active in Brazil and Argentina but he tried to give a picture of the whole region. There is considerable diversity among the more than 40 countries in the region. In terms of population, they range from the British Virgin Islands with 12,000 to Brazil with 177 million. The highest concentrations of wealth are in Brazil and Chile. GDP on average grew by 3% in the 1990s but little has changed since. All countries except Mexico have over 10% unemployment. But in this challenging environment CSR is relatively well developed.

In Brazil the field is thriving: there are several organisations dedicated to promoting CSR which have gained visibility in the corporate world. Ciro quoted research data showing that almost 60% of Brazilian companies are engaged in some form of voluntary activity (though only 6% take advantage of tax incentives). Multi-national companies understand that they are highly visible and need to be seen to be acting ethically.

Many countries in the region are young democracies where civil society is developing rapidly. Company giving and partnerships between companies and non-profits has received considerable visibility. Most companies still give reactively, while those with established foundations tend to work more strategically. Giving is often unplanned, with little real sense

of outcomes. There seems to be a shift in the minds from seeing giving as mere “charity” to seeing the links between social investment and business activity. Organisations like IDIS are working to build the business case for giving, encouraging programmes aligned with company competencies and interest, stakeholder engagement, and evaluation of programme activity. There are still obstacles: many companies see the economic environment as too hostile for CSR, or see CSR as for “large corporations settled in rich countries”: a financial burden, not an investment. There are few tax incentives for company giving in the region.

Bill’s picture of **Minnesota** in the USA could not have been more of a contrast, with 30 years of CSR development and a network of people committed to working within their companies, communicating with each other and overturning the Milton Friedman epithet: “the business of business is business”.

But this golden age developed largely from a period in the 1960s when there were race riots whose triggers could be in part traced to a time when business was being accused of bad employment practice. Business was not seen as doing enough to use its economic resources to look at underlying issues around poverty, housing conditions and social justice. In Minnesota, a power company sponsored the “Itasca” seminar which annually brought together company executives and public officials to consider community or societal issues in depth and come up with solutions. In the 1970s two seminars focused on social responsibility and the role of business in society. From these developed the Minnesota Business Partnership, addressing issues of public policy and identifying the need for a well-educated workforce.

Another organisation created at the same time was The Minnesota Project on Corporate Responsibility with a mission to train CEOs and senior management in “stakeholder management”. The combination of these two CEO-formed organisations resulted in a generation of business leaders attuned to corporate social responsibility issues and developing practice and theory on how business could be more successful through increased attention to its shareholders, employees, government, customers and the broader community, while fulfilling CSR objectives.

Since the 1940s the United States’ federal tax code has allowed businesses to take a deduction of up to 5% of pre-tax profits for charitable contributions to non-profit organisations. At the same time as the Itasca seminar gave birth to the Minnesota Business partnership and The Center for Corporate Responsibility in the 1970s, the Greater Minneapolis Chamber of Commerce was developing a programme to encourage business giving and to recognise companies that were giving at the 5% level. At this time, average giving of US businesses nationally was about 1%. The Chamber of Commerce was seeking to push this up to nearer 2%. The Chamber surveyed its membership and found that almost two dozen companies were giving at the 5% level. An award recognising this generosity was developed and, still given today, regularly receives national media coverage. The recognition programme has been expanded to include companies giving at the 2% level, still twice the national average, and today over 350 companies are thus publicised for giving at either the 5% or 2% levels.

Even in this context it is vital to “institutionalise” the programmes. As companies diversify and become multi-national, so their CEOs tend to be located elsewhere or their focus of attention changes from local to international. An initial company champion, on leaving, can create a void in the support of corporate responsibility: when new CEOs start work in Minnesota now they may not have “grown up” in the local community as they did in the past, so an effort is needed to ensure continuity of good practice. If a company programme is well

embedded in policy and widely understood, then it will survive such change. Bill knew many instances of locally owned companies growing to national and international businesses and transmitting the philanthropic culture to the bigger, broader entities. A major multi-national (Grand Met) bought a Minnesota-based food company (Pillsbury). While Grand Met was contributing about 1%, Pillsbury, its Minnesota-based subsidiary, had been contributing nearer 2%. Local business leaders met Grand Met's new CEO to impress upon him the Minnesota culture of 2% giving. These meetings resulted in the local company continuing to contribute at a 2% level, even though Grand Met's headquarters in Europe continued its 1% giving philosophy. The internationalising trend is sometimes countered by decentralisation of philanthropic budgets. Bill had examples of local plants being given their own grantmaking budgets to manage.

There are many factors which perpetuate this generosity. The links built through the Minnesota Council on Foundations, and its various groupings and round tables, reinforce good practice. The CSR person in a company can be quite isolated: involvement in the association not only helps them in practical ways with their own work but also gives them a peer group from which to draw confidence, good practice and stimulus.

There are particular local factors too: the state's heavily Scandinavian and German population has a tradition of family and community caring. Even the weather helps, according to Bill: when you live in a cold climate six to eight months out of the year, you have a lot of time to meet and solve problems!

In Minnesota there used to be a considerable amount of reactive giving, but a high proportion now is more strategic, linking giving to companies' own areas of expertise. It has also been a proving ground for sponsorship and cause-related marketing, demonstrating above all that sincerity is important. The aim to "do good" is recognised by customers, many of whom refuse to buy products where they see a cynical use of marketing in the guise of social concern. Bill characterised this as values-based work (not just about writing cheques) – putting company values into practice, showing that there is a goal in addition to profit, that a company can be good to its employees, produce good products and achieve social or community goals.

Within the US there are a number of similar organisations achieving good results. There are also, Bill feels, some associations which are keener to tell companies how to give than to work more carefully as catalysts, using the leverage of company networks to encourage and stimulate good practice.

Kayode raised some challenging issues in the context of Africa. While the tradition of philanthropy is strong, for example in the context of religious giving, there have been many obstacles to good company support for non-profit organisations and community needs. He cited Shell Nigeria with its links to the military regime and the problems in Ogoniland. The oil sector is the biggest business sector in Nigeria. At present Shell gives \$60 million and ChevronTexaco nearly \$40 million, yet there can still be questions about how effectively this is used. With government emerging from dictatorship and non-profit organisations using less of their energy in challenging the regime, companies too are changing, and rapidly. Nigeria provided some stark examples of the interaction of business ethics and policies about giving money for social development. Colleen had the opportunity later in the event to talk about the transformation being experienced in South Africa.

Discussion topics following these brief but fascinating regional comparisons included:

The role of religious giving and its relationship with company giving. Faith-based philanthropy is strong in certain countries (eg Thailand) but there is often little or no transparency about how temples, mosques or churches use the funds they are given, even though some of the funding is used in social care programmes. In the United States (and more generally in the northern countries) companies do not normally give for religious purposes.

Amena said of Pakistan that there is a high rate of charitable giving by individuals for religious, primary education and health purposes.

The experience of companies tackling the safer issues or being interested in activity with easily defined and measured outcomes – or short time scales: Rebecca felt this is inevitable but need not be an issue since other kinds of foundations can be expected to work in the riskier or less tangible areas or fields where long-term investment is needed. Bill too accepted that, although in an area like Minnesota companies will fund across a broad spectrum of activity, they are generally most interested in the work that will bring easily understood results and help them build an image. It is generally accepted that business is naturally conservative but the impact of work in, for example, the Philippines is nonetheless great. There is a strong sense that company giving is “pulling people up” economically and educationally: perhaps the contrast in developed economies is that company giving builds social solidarity?

(Do associations and non-profit organisations question the value and effectiveness of company giving more than they would that of other kinds of donors? Many others, such as smaller family foundations can be conservative givers.)

Pat talked about a strategic and long-term piece of work by her own company, Grace Kennedy, which is based on the edge of inner city Kingston. Twenty-five years ago, employees began to face problems about personal safety and security, to the point where people were scared to come to work. The company developed a mentoring programme for inner city young people, matching employee giving two to one. Many of those young people are now in professional jobs or running businesses, but the problem has not been effectively tackled at root and the company’s employees are now engaged in a more radical violence prevention programme in partnership with the police. The company’s CEO is trying to get other CEOs involved too.

There was some discussion about how to help companies which may be potential competitors work together. Kayode’s experience was that this depended strongly on the quality of the programmes they were being invited to support and particularly on the calibre of the non-profit organisation involved. Pat’s experience was in bringing companies together over high impact causes, such as breast cancer or other health issues. She had seen a healthy level of competitiveness emerging over which company could raise the most money.

There was discussion about whether there are similarities and differences in giving patterns that relate to different types of companies – family-owned, locally owned, etc. This was seen as an area worth exploration.

Topic 2: Developing and communicating the business case for corporate philanthropy

How do we make the case to companies about giving money, products and other resources?
Working with “champions” - whom should we approach in companies?
How can competing companies work together?

Resource persons: Colleen Du Toit, Southern African Grantmakers' Association
Malu Erni, League of Corporate Foundations, Philippines
Nancy Roberts, Connecticut Council for Philanthropy
Moderator: Pat Robinson, Jamaica Foundations and Corporate Donors

Pat’s experience in fostering new corporate donors is extensive: for her the key factors are to have the CEO and other levels of staff committed as champions within their company. Her advice is also to “work as the businessman handles his own transactions” using a business-like approach and language that positions the philanthropic activity within the business world. Colleen described the extensive work with companies which SAGA undertakes (working across Southern Africa and the only membership association in that region). 56% of SAGA’s membership is of corporates. In practice these are predominantly in South Africa whose economy is dominant in the region. One issue to be faced is that South African companies can be less scrupulous in their operations in neighbouring countries. She reminded colleagues of the very particular political and social environment there. The term used for corporate giving is corporate social investment (CSI).

SAGA’s approach has been to develop the business case for CSI. Underpinning current work is the important King Report (2002), which reviewed and re-established principles and values in corporate governance for South African companies and multinationals working in South Africa. The report reinforced that a well-managed company will be aware of and respond to social issues, placing a high priority on ethical standards, responsible employment practice and careful policies in environmental and human rights issues. The King Report is recognised internationally as a progressive piece of work. SAGA’s approach, in agreement with the report, is that a company should experience indirect economic benefits such as improved productivity and corporate reputation by taking those factors into consideration – so the convergence of the business and social agenda adds value all round.

In promoting CSI, SAGA presents the case for seeing the link between “value” and “values” and seeks to show that the company can improve its business performance through involvement in social issues and community development. If CSI is part of the economic and social performance of a business it will drive both corporate and community sustainability.

Colleen quoted the Chairman of Canon, Japan: “Many companies believe that they have a moral duty to respond to global problems such as Third World poverty, the deterioration of the natural environment, and endless trade battles. But few have realised that their survival actually depends on their response.”

SAGA aims to develop the use of shared language for business and the non-profit sector, based on corporate governance values and tools, to articulate the value the non-profit sector produces in language the business will understand: “doing good (the non-profit organisation) + doing well (the business) = doing right”. They assist CSI managers, using portfolio analysis tools, to develop ethical leadership skills, to understand the values necessary to develop effective CSI – eg sustainability based on

respect	built up on the volume of giving by a company
loyalty	the time scale for activity, and
trust	the certainty and reliability of support

SAGA helps companies identify good social investments, based on business analysis that seeks out high return for lowest investment (cash cows, in business terms) or the rising stars which need high investment but generate increasing returns over time. Colleen shared some of the tools, language and images that she and her colleagues use in working with CSI leaders to begin to help them identify their programmes of activity.

Questions to Colleen included some discussion on how to hold companies accountable. Most reporting on CSI is quite “soft”, and improvement tends to be based on encouraging companies to reinforce the value base and gradually improve ways of expressing it in practical terms and making stronger connections between the core business and CSR. SAGA asks all its members, including the corporates, to sign up to a code of practice.

Malu, President of the League of Corporate Foundations in the Philippines and CEO of the Petron Foundation, talked about the intersection of passion and profit and quoted Michael Porter on the “competitive advantage of corporate philanthropy” (eg in publication of that name in Harvard Business Review, December 2002).

The context for the League’s work in the Philippines is 12.6% unemployment, 40% of people living in poverty, and rapid population growth (it is projected to rise from the current 84 million to 100 million by 2015). A recent survey established that 10% of Filipinos recognise the term CSR, but these are mainly people in Metro Manila and from higher social classes. The public in general sees an obligation on the part of companies to help people in need, contribute to community development and take responsibility for the environment. In priority terms, she believes, people say that companies should first be responsible employers before they care for the environment, encourage employee volunteering and help the poor. At the same time there is some cynicism especially in the media. Is CSR just public relations, or a matter of tax incentives? For Malu these points would be resolved by greater transparency and accountability in company practice and this is an area where the League is working.

Malu looked at how to make the case for CSR, in practical terms, and recommended using business language and connecting social causes with the company’s core competencies, showing how initiatives add value to the company, deliver results to the community and at the same time enhance company branding. “Good will opens opportunities for the company, value sustains it.” If a company is to understand the value of its CSR involvement it needs to develop performance indicators to measure social, environmental and business impact eg by using the Global Reporting Initiative Matrix <www.globalreporting.org/guidelines/2002.asp> though Malu was not aware of a Philippines-based company yet developing the social and environmental indicators itself.

After the modelling described by Colleen and the real life case study from Malu (see next page), Nancy focused on some areas where she thinks the WINGS network can add value in this field.

For example, when a company CEO moves to a new area, the grantmaker association can provide a briefing on the style and nature of local CSR and on local priorities, such as civil society building in central or eastern Europe, poverty reduction in Asia, etc.

Corporate case study

Malu described the development of the Petron Foundation of which she is CEO. The Petron company is owned 40% by government, 40% by an overseas oil company and 20% by local shareholders. Within the company are executives and managers who actively promote the Foundation's work. Malu knows she has the support of senior staff but she also works hard to keep middle managers informed and interested. She presents information on impact to the company president (data, surveys, public and customer perceptions of Petron, comparisons with other businesses' CSR) and reinforces the extent of the social problems to be dealt with in the Philippines.

A survey of public attitudes to company giving saw Petron 16th on the list – a spur for further effort. The choice of activity by the Foundation is based on the company's role: firstly work in the environment because they are an oil company, and secondly education. Over time the projects supported have become more complex and more strategic. Malu is committed to seeing a shift from short term to longer-term commitments and from one off projects to bigger programmes. One real example is of shifting from a programme of mangrove planting to a long-term coastal management programme, "Saving Manila Bay".

Her goal too is to make CSR a way of life in the company. She finds many ways for employees to get involved, eg they advise on grants and projects, or make personal donations. 93% of employees last year were actively involved. She takes middle managers to see projects and wins their commitment that way. This is key to getting people to value the work achieved and to stop seeing CSR as a marketing ploy. All staff are given information on the number of projects supported, the hours of voluntary work given, and -the outcomes of Petron's intervention. She has a strategic plan which involves top and middle managers, champions, and an employees volunteering council. A newsletter disseminates success stories.

Through the League she also has the opportunity to work with other companies to combine forces to work on big programmes and projects. In company terms they are in competition and have issues of confidentiality, but in CSR they can work together as partners. The League's programmes include Adopt-a-School, a government-inspired programme which is an example of companies combining their efforts to improve school facilities. The Children's Hour (employees donating one hour's salary to children's causes and companies matching their employees' giving) is a scheme where companies of different sizes can work together.

Petron's overall goal is to give managers a CSR "mind set" so CSR becomes a strategic priority for Petron and a way of life for its employees. There is plenty left to do. While the coastal management project has been rated the most successful public-private partnership in East Asia, a PBSP benchmarking study in 2003 rated the Petron company's reporting on CSR as only average, with more work needed on monitoring and evaluation.

In her work in Connecticut (and with colleagues in other US states), Nancy has been involved with New Ventures in Philanthropy and has pursued an interest in how to influence CSR in small and medium enterprises (SMEs). For example, a group of regional associations of grantmakers (RAGs) contributed to a joint effort to hire a marketing firm to look at different types of foundations and how RAGs can best work with them.

Nancy described some of the issues facing her state at present. A major recent scandal around corruption within the state treasurer's office resulted in a new effort to review a business's CSI policies before undertaking contracts with vendors to the treasurer's office.

Many businesses are engaged in philanthropy that connects to their bottom line and relates to their business interest: thus health insurance companies are funding health issues. Like Minnesota, most Connecticut companies do not use their available quota of tax breaks – most do not give as much as 1% of pre-tax profits. An interesting exception is Newman's Own, an

organic food company founded by the actor Paul Newman, where all profits go to charity and food labels quote the amounts given. He is trying to influence other companies' giving and the ways they report their giving – aiming at getting others above 1%. Newman has developed a new organisation aimed at influencing the top 500 company CEOs to encourage corporate philanthropy.

Interesting and productive developments are in matching employee donations and in making low cost loans (programme related investments) rather than grants.

Practical suggestions based on Connecticut practice:

- Nancy always makes sure that she has some good current examples of company giving in order to be ready for opportunities for publicity or media coverage.
- Her organisation regularly undertakes surveys so that there are good quotes of the kind newspapers like to publicise. She has been able to develop an insert in a local business magazine too – aiming at the right audience.
- Her organisation recognises good company programmes, such as awards which provide good feedback for champions within their own company, good publicity, and examples for others to aspire to.
- New Ventures has made some nicely produced one-page information sheets available on the benefits of CSR, business values, employee recruitment, and retaining a better and more loyal workforce.
- Nancy organises roadshows to offer examples of businesses and non-profit organisations working together.
- There are “tip cards” for NGOs on how to tap into business giving, and for companies on how to identify and work with effective NGOs.

Una returned to questions of ethics. Have support organisations had to turn companies away or find ways of insisting on good behaviour? Kayode referred to past practice in Nigeria. Public opinion resulted in Shell losing some of its production quota so there was a great sense of urgency about how they could return to working in Ogoniland, but for some remaining time NGOs refused to accept funding from them. This reluctance persists in some parts of the sector and has been reinforced by the insurgency in the oil-rich Niger Delta.

On a more positive note, Malu described how, in their Manila Bay programme, Petron gradually gained the confidence of local government and reached an agreement that they could work together. It started when their refinery in the area had an oil spill. To tackle the damage, Petron partnered with UNDP which gave positive feedback to government. The programme now includes partnerships with national government and five provinces.

Rebecca said that GIFE refused membership to certain companies. There is a mandatory code of ethics which some companies wishing to join see as too strict.

How do you keep a company's commitment when a champion moves on, Jane asked, or when a project supported is unsuccessful? Try to spread the level of commitment, so that not just the CEO or one key individual is involved, but also middle managers and employees. Then one person moving or retiring will not endanger the commitment. Lydia talked about the need to institutionalise the CSR programme in the company beyond the commitment of key individuals. The formation of a foundation is the strongest reinforcement. In Minnesota, a new CEO is greeted by peers from other companies who are involved in giving programmes, as a regular part of "inducting" a new colleague in the traditions of the state.

How do you avoid fluctuation in levels of giving? It is ideal if there is some foundation endowment which helps smooth out annual fluctuations in profits. A more sophisticated approach is one used by the Lloyds TSB Foundations in the UK which receive 1% of profits from Lloyds TSB Group in lieu of dividends on their shareholding, but this is calculated on a three-year rolling basis which helps avoid sharp changes from one year to the next.

Mercedes shared experience from Wal-Mart: agree on a code of ethics and make sure the company gives it to a new CEO, with the understanding that it is not something which can be readily changed.

Vadim described one company's giving programme which had attained brand status, perhaps better known than the company's own products, and thus had a life of its own.

Another topic for exploration was diaspora philanthropy and how it intersects with corporate giving. Kayode thought that expatriate Nigerians were using their influence to drive companies working in Nigeria to give more and better. Pat also saw Jamaicans in influential positions in other countries using their clout to bring investment back to Jamaica and establishing philanthropic programmes at the same time.

Topic 3: Best practice in supporting corporate philanthropy

Types of services for supporting corporate philanthropy in general

Types of services for corporate members

How can the distinctive needs of corporate grantmakers best be met?

Resource persons: *Amena Hasan, Pakistan Centre for Philanthropy*
 Pavlna Kalousová, Czech Donors Forum
 Rebecca Raposo, Grupo de Institutos, Fundações e Empresas
 Gil Salazar, Philippine Business for Social Progress

Moderator: *Jane Kenny, Philanthropy Australia*

Amena introduced the work of the Pakistan Centre for Philanthropy, a relatively new organisation which, at the start of its work, established a baseline on the level of philanthropy in Pakistan through a national study of all forms of giving. Company giving and diaspora giving are being looked at in more detail currently. What is currently understood is that 93% of the 400 companies interviewed say they are involved in CSI and half of these do direct grantmaking, especially in the health and education fields.

The context is a country with 40% of people living in poverty. Government is decentralising, devolving services to district level (though money not following for all service). Charitable giving is drying up, partly because of uncertainty around the India/Pakistan tension. The civil society sector is growing, and a strong potential development is the start of a non-profit organisation certification programme which in time will assist donor confidence in them.

A pattern is emerging of public-private partnerships especially in delivering education, improving government schools to reach the poorest children. Amena's organisation is accepted as a broker of such partnerships and has template agreements and model structures to offer to new partnerships. In the context of an overwhelming scale of problems, limited funds for development, inefficient national systems and a lack of transparency and

accountability, this approach is the likeliest to result in tangible outcomes and satisfactory involvement of companies.

Pavĺina talked about a very different setting. The Czech Donors' Forum is a membership organisation; corporate members are a relatively small part of the whole but form the Corporate Donors Club, DONATOR. Effort has gone into attracting them into membership and seeking to retain them. For example, the skills of PR and communications agencies and media coverage have helped to raise the Forum's profile and demonstrate its usefulness to company donors. The Club really does feel like a club and gives some sense of exclusivity. Good examples of company giving are constantly used to push companies to adopt better practice. Through training, consultancy, networking breakfasts, a website and an electronic newsletter, the Forum passes on information and skills (access to projects, grantmaking skills and methods, etc). Company policies and practice are publicised and acknowledged.

A national campaign with the tagline "success brings responsibility; responsibility brings success" celebrates and involves businesses and makes the argument that CSR is a necessary part of doing business and contributes to competitiveness. The biggest Czech companies and major multi-national companies are all involved (Citibank, Erste Bank, Hewlett Packard, Pfizer and others). Some of the most prominent local CEOs are invited into personal membership (along with the US Ambassador): this helps retain them when they change jobs.

The Forum is carefully positioned so as not to be simply seen as a fund-seeker itself. Current projects are to develop benchmarking for corporate givers and set up public discussion of CSR. The media are very interested in covering CSR activity, though it can be difficult to get coverage for specific company giving: newspapers can see this as an attempt at getting free publicity, even when the press release is sent by an NGO, since including the names of corporate donors is seen as a "cheaper way" for business advertising. Nancy's experience was a bit different: she found that newspapers often used stories sent in by NGOs benefiting from company giving and she therefore felt it was worth persisting with this.

The three biggest mobile telephone operators in the country are working together with the Forum in delivering a project called DMS (Donors Message Service) to enable individuals to donate money to NGOs through SMS ("Short Message Service", a text message feature of mobile telephones). For each DMS sent, the senders give one euro which appears on their telephone bill. The companies promote this service free and charge less than 10% for handling payments (as against 40-60% normally). The Forum certifies non-profit organisations before they are allowed to use the service, and reports on its website the amounts donated this way. The three companies are in direct competition with each other in their business dealings, but have worked together cooperatively in this programme.

Rebecca talked about the development work GIFE undertakes in relation to all forms of philanthropy. But she cautioned that "philanthropy" is not a term that can be used in Brazil following a widely publicised corruption event involving a few foundations some years ago. Its overtones of "charity" rather than the more strategic "development" are disliked too. So GIFE prefers the term CSR and works on improving practice and expanding the number of corporate foundations and donors. Because of questions about the honesty of foundations, a code of practice was developed early. GIFE's communications are also vital to disseminate information and provide examples of capacity building and good service provision through corporate giving. They provide opportunities for CSR people to meet and for affinity groups to develop. A lot of their work is in the public arena through advocacy for improving the

environment for giving. There is intensive media exposure for company giving, and journalists have come to know that the association can always give them good examples.

Help is given to companies either through affinity groups, interactive panels, tutoring programmes and one-to-one consultancy.

Gil Salazar described a specific model. The Philippine Business for Social Progress is a social development foundation which channels corporate resources to improve the quality of life of poor people. Its corporate members give 1% of pre-tax profits, of which one fifth goes to PBSP for operating costs and some programme funding. Companies give the remainder of their donations directly for grants or other activities (sometimes to PBSP for specific programmes).

Gil's experience is that companies respond enthusiastically to well-designed and well-implemented programmes based on issues they see as important. He involves donors in projects, not just showing them what is happening but finding ways of using their expertise (eg business advice for micro-credit projects) or volunteer time.

PBSP has staff dedicated to ensuring member retention. They offer recognition and publicity and promise a high level of accountability for the company's money and for creating effective programmes. They communicate activities and outcomes, rather than plans or promises, and aim at projects which "have a high buy-in value" to engage the imagination of people in companies.

Much discussion followed on the guiding principles for company involvement. For a variety of reasons, corporate givers tend to be unsophisticated givers. They look for tangible programmes and outcomes, not risky or ethically complex ones. The decision-making process about engagement in specific activities will normally be more complex than for other donors as many different interests will need to be consulted. Most support organisations recognise the need for specific services for them that are different from other donors. They organise networking breakfasts, monthly round tables, corporate listservs, award ceremonies, etc.

Bill also reminded the group that, unlike most other types of donors, the company will have much more to offer than money.

Companies which give directly from business funds may differ from corporate foundations and may be treated differently by support organisations. In Minnesota they receive the same treatment and the same services. In a few places it seems that corporate foundations are relatively independent of their originating company. In general, company donors make more demands. Amena had experience of requests for tailor-made services. CAF Russia has developed a consultancy unit helping companies with the design of strategies and specific projects. GIFE, by contrast, will set the process rolling but is more likely to suggest good external consultants if a lot of input is needed.

The group shared examples of opportunities for publicising giving. What has turned out to be effective in Minnesota is the use of research on giving, including lists of the top grantmakers (by size of giving). These statistics are much quoted by statewide press and eagerly used by companies themselves. Mercedes showed and described an award given by CEMEFI annually for best "innovative, creative and exemplary practice" which contributes to the success of the company and to social development. CEMEFI asks many questions of companies in order to evaluate the quality of practice, covering codes of practice and the board's operating environment. It is popular and well publicised, and the number of companies competing rises

sharply each year. Companies see it as a chance to identify and tackle weaknesses so as to be more competitive in future.

A few other tips and issues were shared:

- The corporate world is still a very male one. Nancy has found that new donors may need to hear from a fellow male.
- There can be issues to deal with in associations with diverse membership if other types of donors (or NGOs) are critical of company giving policies or the interaction of company practice and company giving
- Getting companies to pay their membership dues can be challenging: it may be better to talk about support, not subscriptions, and supporters rather than members.
- It helps to be sensitive to a company's economic and business cycle (which may vary with the company or the sector) and avoid contact at what are likely to be busy times.

There was also discussion about the need sometimes to challenge companies and really press for better and more serious practice. There is still plenty of superficial and cynical activity in companies and this should not go unchallenged (as long as it can be accompanied by offers of assistance in rethinking engagement). There are still companies that plunge someone in the “giving” job in a knee-jerk reaction. Support organisations also need to be aware of how isolated and undervalued the staff member on the CSI side can be in companies that do not take it seriously, and look for ways of boosting their confidence and their image within the company. Jane commented at one point how struck she had been by the sheer size of funding responsibility that can be given to one individual in a company, but who may then flounder for lack of structure and support.

Another area of dubious practice that should be questioned is in company claims to be a generous giver when it draws contributions from customers through a cause related marketing approach. Similarly, some companies encourage employee giving and administer it but then claim the credit. Some also use “vendor pressure” to get another company to give to its causes. This can be positive but more often may create bad feeling or poor publicity.

Topic 4: Best practice in promoting corporate philanthropy

How do we influence the involvement of new companies?

How do we encourage corporate givers to give more?

How do we help raise the awareness and support of other sectors?

Resource persons: *Vicky Garchitorena, LCF*
 Jane Kenny, Philanthropy Australia
 Vadim Samorodov, Charities Aid Foundation Russia
Moderator: *Amena Hasan, Pakistan Centre for Philanthropy*

Vicky talked about the need to raise awareness in companies new to the idea of giving. The League of Corporate Foundations is now established as a leader and much of its activity uses this position to raise the profile of CSR – notably the CSR Expo which seeks to reach CEOs in particular through very positive and high profile messages, including the involvement of the country's President and its best known companies.

LCF also uses opportunities to make presentations through professional associations and groups and offers roadshows, especially to reach SMEs. The League runs training programmes where most of the content is provided by people from corporates that are active in CSR. They offer advice for companies thinking about creating foundations. Existing members are asked to talk to specific target companies to draw them in to the League.

When she persuades companies to adopt CSR, she makes the business case and talks about the impact on their reputation if they do (or indeed do not) get involved in CSR. She also offers examples of good grantmaking to inspire activity, and tries to bring new companies in to partnerships in programme delivery, aligning companies with others they may be interested in. LCF holds a regular Trisectoral Conference which showcases good partnerships and achieves high visibility in the media.

Jane looked at a specific example in the work of Philanthropy Australia, the Early Intervention Affinity Group Collaborative Project. The development Jane described took them to a new level of involvement in grantmaking, following a lecture by an academic who teaches CSR and a government official, which prompted them to develop a strategy for a joint project. Five foundations (three corporates, one family, one private) with an NGO and a government department tackled a strategic issue in a comprehensive way. They all wanted different things from the programme. One company example is Dymocks, a book retailer, which is moving from giving one-off grants to using the strengths of the company to make a difference in children's literacy. They are keen on partnerships, strategic philanthropy, identifying gaps and addressing those gaps with resources, including the Dymocks' stores infrastructure, relationships and knowledge as well as money.

Jane described a process for creating the programme that had great leverage because of the range of organisations involved, the different strengths they brought to the table, various areas of expertise and types of resources. The project is ambitious and therefore has challenging questions to address around long-term social benefit, sustainability, ownership, and level of risk. The range of organisations involved also added complexity and divergence: how to keep everyone's boards in tune with the project, and how to find community champions when there are so many potentially confusing actors.

Vadim reminded the group that CAF Russia is itself an operating foundation and a support organisation but not a membership body. He sketched the environment in Russia. Fifteen years ago philanthropy was described as a "cynical act of capitalism" and an "ideological weapon of imperialism". Then wild capital accumulation and use of foundations to launder money made people even more mistrustful. After the crisis of 1998 and the devaluation of the rouble, the need for local investment became more highly valued, capital came back to Russia and CSR began to be explored. The term has been recognised since 2000. But a new challenge has now emerged: government is defining civil responsibility as paying taxes.

CAF Russia runs seminars and offers training on CSR, which meets with considerable demand. They are beginning to find more donors wanting to think more deeply about the work they support, to tackle causes not symptoms. The Yukos Foundation works constructively in 17 areas under the name "You Create". Ros Bank's New Day programme works with disabled and poor children in the areas of arts and culture. The programme has a higher profile from this than through its mainstream activity, but they know that new accounts are being set up as a result of people valuing the charitable giving programme. A factor improving their credibility is that the programme is carried out with UNICEF.

Kayode picked up on Vadim's references to oil companies. Sometimes these companies find themselves caught in a "development-responsibility trap" despite the fact that they are 55% owned by national governments. The companies are trying to create good structures and methods for giving, but local communities' accumulated grievances against them continue to block any progress. Chevron tried to support local trusts, but the initiative has achieved mixed results at best. Amena talked about oil, gas and textile companies in Pakistan. Sectors are beginning to work together and create more impact from partnerships. But she also noted there are some mandatory contributions in Pakistan: \$25,000 contributions from oil companies as they start exploration work, and bigger levies on oil actually sold. Also effective in Pakistan has been the use of supply chains to create partnerships, eg sugar mills linking with sugar cane producers.

Topic 5: Some special interests and areas for follow up

Working with the press and media

A few tips and pointers were shared in the course of discussion:

- Use research and surveys to establish the association as a neutral or objective source of information, always able to find some facts and figures to add to a story. This can make it easier to get coverage of interesting work by individual companies too (since some newspapers feel mentioning companies is equivalent to free advertising and can be reluctant to do it).
- Persuade newspapers to have CSR supplements that companies are keen to be featured in. In Brazil, this worked well and the supplements have good, well-evaluated stories.
- Invite journalists to key events (eg occasional breakfasts with companies).
- Train the foundations themselves in using and handling the media.
- Develop and use the interest of business editors in the philanthropy field.
- Remember: PR companies are businesses too and need to be encouraged to get involved.

How do community foundations relate to CSR?

For SMEs particularly, community foundations can offer to "do their philanthropy for them" by holding company funds and making grants, often in careful consultation with the company. In Russia this would be characterised as a smart giving programme since it enables the company never to refuse a request but say "we do our giving through Community Foundation".

Companies may be unwilling to pay the community foundation's administrative fee. If they are inexperienced they will not realise that grantmaking involves staff time and other costs.

There may be a concern that the company will have less public profile if a community foundation handles their funds and makes grants on their behalf. Most community foundations work hard to maximise media coverage and local awareness of their company donors.

There may be a piece of work to be done in reviewing how a company would choose between creating some sort of CSR department, setting up a foundation or using a community foundation's services. A foundation requires greater transparency than an internal department,

but an endowed foundation should have more stability than an in-house company programme. There are also advantages to creating a fund in a community foundation.

Other topics needing more discussion or research or information to be shared after the meeting

In discussion a few markers were put down as reminders about further work. Some of these were picked up later in the discussion of **WINGS corporate initiative**, and others left with the Secretariat for further consideration.

- Developing models of corporate foundations
- Sharing information and access to multi-national companies: review how to collect and then share information on links with these
- Sharing tools, specifically memoranda of understanding, survey methods, codes, and principles
- Sharing knowledge, experience and practical material on developing multi-sector partnerships
- Providing signposts to good information on tax and fiscal systems, eg the country publications in Asia and the data held by the International Center for Not-for-Profit Law (ICNL), but also consider pulling together a few key facts highlighting the most effective incentives or aspects of tax regimes and what impact they have.

Topic 6: Moving forward

How can WINGS help enhance the capacities and develop the skills of other associations and support organisations newer to the field?

Is there opportunity to form a WINGS-corporate support constituent group? How do we pursue this opportunity?

*Moderators: Pavlína Kalousová, Czech Donors Forum
Rory Francisco-Tolentino, APPC*

After the few days of discussion, everyone agreed that there was a niche for this work within the WINGS network. The core function would be to assist the global network to support and strengthen corporate giving. Some thinking would be needed about how this could be shaped. WINGS-CF might be a useful model. It has been an active network-within-a-network with all its participants being fully a part of WINGS but also identifying themselves as a constituency within WINGS which has a special interest in work with community foundations. That constituency takes part in WINGS activity but also has specialist work going on – face-to-face meetings, peer exchanges, research and publications. Until September 2004, it had a separate website, but was merged with the WINGS website, with identifiable areas and elements of the new website clearly marked as WINGS-CF.

In looking at how to take forward the work of corporate giving, the meeting decided that they as a group should work further on it, with the additional members of the WINGS corporate philanthropy working group. After a little more preparatory work they would hope to launch a **WINGS corporate initiative** (WINGS-CI) to the rest of the network.

The working group had written a concept paper to start discussion. This had suggested a range of activities that could be pursued in the corporate field, a starting point for discussion by the

group which shortlisted a series of activities and then explored further which should be priorities and how they could be taken forward. In practical terms they were:

- peer learning events (this and possible future ones) and use of conference calls
- research; development of material; knowledge management in general
- global meetings
- twinning or exchanges; technical assistance; training the trainers
- international glossary
- website development: toolbox, database
- data gathering using communications people in the network – a map of who does what
- develop a listserv of peer group – announcements, postings

Two particular areas of potential in the network had come out strongly in discussion and were factored into plans:

- the scope for connections between WINGS network participants making local, national and transnational links, in particular for helping companies make investments in other countries, and addressing issues of multi-national corporation practice in different countries; and
- the ability to add value to each other by sharing specific experience like work in developing and managing multi-sector partnerships.

There are many players in the CSR/CSI field and it is crucial that WINGS keeps focused on the promotion and support of corporate giving, and aware of other work, existing websites and information sources. As Colleen summarised: we must focus on improving the level and nature of corporate philanthropy. The Philippine CSR Expo is a tremendous example of effective association-level work which influences and creates communication between heads of companies, NGO leaders and government at a senior level.

WINGS is the only global network of associations of donors and support organisations working to promote philanthropy globally. WINGS' role is to strengthen the support organisations. WINGS could make a difference by

- sharing good and innovative practice round the network
- sharing tools and information
- making transnational contacts and encouraging multi-national links between companies and foundations themselves
- helping network members facilitate multi-sector partnerships

People volunteered to be part of groups as follows

1. Conceptual discussion/policy/strategy and development of concept paper, visioning, role of corporates.
Everyone interested in commenting on the outputs of this group.
Members: Rebecca, Colleen, Kayode, Jane and Gaynor
2. Knowledge management and development: to look at training and technical assistance packages
peer learning
peer exchange (eg Pakistan learning about PBSP model)

conference calls using specialists to answer questions on specific activities and approaches

training the trainers

Members: Bill, Pat, Pavlína, Ciro, Amena, Gil/Una, Rory and Gina

3. Mapping: explore and prioritise what information should be collected and how to make it available (especially through the website): good practice, who does what in relation to corporates, lists of corporate members of associations (especially for transnational contacts), advocacy issues, worthwhile tax breaks. Start with WINGS network but in time also look at other resources.

Members: Vadim, Nancy (Chair), David and Michael Strübin

Other actions needed:

- Form a group to plan a gathering of the corporate initiative constituency at WINGSForum – as soon as planning for that event starts
- Also think about linkages between this corporate work and the WINGS-CF constituency – eg a joint event as part of WINGSForum
- Develop a listserv for this group
- Some of the ideas need resourcing and Rebecca asked for help with fundraising for these (likely approaches, potential donors)

A summary of contributions on promoting good practice in corporate giving

What stimulates company giving and promotes good practice?

- Finding projects for support that have a link with the company's business, or use its technical expertise, or are special interest to its customers, relate to its geographic
- Using the company's business skills, eg in project planning
- Making sure the company gets plenty of credit for its contribution
- Showing company executives and employees the outcomes of their funding, to make them champions for continued work and models for other companies
- Finding means to have volunteer input from the company
- Identifying the champion: personal commitment leads to sustainability. The challenge is to find someone both socially aware and senior inside the company. The CEO is ideal but start lower down if you can find someone who cares about the work
- Building the relationship: with senior staff, with people who will be primary contacts
- Creating open, transparent and flexible processes

What is good practice in the support organisation's work in this field?

- Understanding some of the pressures on companies
- Being aware of the multiple accountability of people in corporate giving roles: they are accountable to their superiors, all staff, customers, the community around their sites, shareholders, the public more broadly, and perhaps government
- Encouraging good business practice on the giving side too, such as clear budgets and plans, demonstrable benefits (ie outcomes for the NGO or programme and for the business)
- Remembering that businesses learn best from their peers. Take people from one company to meet another
- Using flexibility in dealing with different kinds of business – especially different size and scale
- Offering recognition, such as awards, public and media confirmation of good work
- Creating links between businesses and well-organised NGOs, preferably with those who can talk business language, demonstrate solid methodology
- Break isolation of the people who handle the giving: assist them in making the case, find projects and services that will show clear outcomes to their colleagues and bosses, and give them peers in other companies

What are the ingredients of effective partnerships between companies and other sectors?

- Good mechanisms and structures for using all partners' skills, competencies and interests and operating transparently
- Maximising combined resources: technical, human, information, physical and financial
- Dynamic contact (networks using channels of influence) to engage the wider community and influence the policy agenda
- Replacing conflict with cooperation in pursuing goals

What companies can give

Money is important but companies have many assets beyond cash

- Employees: potential for both giving and volunteering in the community
- intellectual capital: areas of expertise such as law, finance
- work process: eg purchasing department skills or human resources expertise
- facilities: often available for meetings or conferences
- products: either free or at reduced rates to nonprofits and service groups
- services: printing, catering, etc
- shareholders/customers: made aware of and encouraged to support an issue
- industry counterparts: often inspire or engage peers in issues or programmes

How to sell the benefits

The most important benefit to both the company and the community is to develop healthy communities for the employees and community population. What the business gains is an important selling point too:

- increased brand awareness and recognition
- enhancement of overall corporate image and reputation
- positive consumer purchasing and investment decisions
- customer loyalty
- recognition as a responsible neighbour
- competitive advantage in recruiting and retaining employees
- a more productive workforce
- lower training and other employee-related costs
- better employee teamwork skills
- improved inter- and intra-company collaboration and communication and sense of purpose

The Committee to Encourage Corporate Philanthropy (<www.corphilanthropy.org>) has recently developed a business measurement framework that defines different kinds of corporate philanthropy in terms of the resulting benefits to the community:

Charity	with these contributions, you expect little or no benefit to the company
Strategic	help the community and receive strategic benefits to the company
Commercial	want business to receive benefit - if help the community while doing this, even better.

With the Strategic and Commercial models, the business expects to produce a business benefit that one can evaluate, while charitable gifts may not yield measurable business returns.

(Special thanks to Rory, Nancy, Bill and Ciro for these tips – but everyone contributed something to the list.)

Logistics and practicalities

The peer learning event was arranged by WINGS and was the fourth one to be held: topics selected are based on priorities set by grantmaker associations and support organisations. Several others are planned and WINGS is always happy to hear from potential hosts. For this one, the League of Corporate Foundations helped us with finding good, affordable accommodation, giving us access to their special event, CSR Expo, including an invitation to the opening morning and luncheon and an evening event. They also helped prepare material for participants and advice on staying in Metro Manila. They met participants at the airport in Manila and provided local transport during the event.

Other colleagues in Manila were generous with hospitality: Rory Tolentino entertained the whole group to dinner at home on the first evening. Vicky Garchitorena hosted a dinner, courtesy of the Ayala Foundation, and the Association of Foundations organised dinner and a show of traditional dancing, including a chance to meet their Board members and visit the office and library of the Ramon Magsaysay Award Foundation. The Petron Foundation hosted one breakfast and Philippine Business for Social Progress sponsored one lunch.

WINGS made a commitment to raise the funds to offer scholarship support for participants to help with the airfare and accommodation. We were grateful to those participants who were able to cover their own costs. We were delighted to have the news just before the event that the American Express Foundation had decided to support this event and help us “kick start” WINGS’ further corporate initiative.

Invaluable help was given by the WINGS’ Peer Learning Working Group for this event (David Winder, Chair; Pavlína Kalousová; Natalya Kaminarskaya (Russian Donors Forum) and colleagues from the Philippines – Malu Erni, Chem Pacaño and Vicky Garchitorena, who did the initial planning for the event and reviewed applications to attend. Gina Estipona of the WINGS Secretariat provided all the necessary practical and technical support to the Working Group, the host organisation and individual participants.