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## **New Study Shows Strong CSR Boosts Profits: Majority of Companies Increased Charitable Giving from 2010 to 2013 as Corporate Giving and Revenues Rise Together**

From 2010 to 2013, a majority of companies (64%) increased their community investments, which was driven by improved business performance and growth in non-cash giving. **CECP**, a coalition of 150 CEOs united in the belief that societal improvement is an essential measure of business performance, has released the [Giving in Numbers](#) brief, an inaugural look at corporate giving trends based on survey data from a record 261 companies carried out in association with **The Conference Board**.

Companies that increased giving by more than 10% (52% of companies) since 2010 also increased revenues by 11% since 2010, signaling that societal engagement is not a financial tradeoff but a sound business strategy.

Understanding that happy employees lead to increased productivity, among other benefits, companies used their community engagement strategies to tap into their employees' interests and values, experiencing a 37% increase in hours volunteered on company time from 2010 to 2013 and expanded opportunities for further employee engagement.

"As CECP and companies build the business case for investing in solutions to societal challenges, we are very interested in seeing that generous companies are doing well financially. Investors, consumers, employees, and other stakeholders are increasingly judging a company's value by its stake in the community, as the data suggest," said **Michael Stroik**, manager of Research and Analytics, in a news release.

### Key survey highlights:

- 261 of the world's largest companies took part in the 2014 Giving in Numbers Survey of 2013 corporate contributions.
- Giving grew for 64% of companies between 2010 and 2013, and it grew by more than 10% for 52% of companies.
- Improved business performance was cited as the primary reason for giving more in 2013.
- Companies that increased giving by more than 10% since 2010 also increased median revenues by 11% since 2010, and pre-tax profits increased for 59% of those companies.
- Participating companies had median revenues of \$16 billion and median pre-tax profits of \$1.9 billion.
- 76% of companies are measuring and tracking the societal outcomes and/or impacts of their investments and starting to use the data to inform their core programs.

### **How and where companies gave:**

- 64% of companies made non-cash gifts, including product, pro bono, and other in-kind contributions in 2013. The average non-cash gift increased by 66% for companies that increased giving by more than 10% from 2010 to 2013.
- Community & Economic Development was the fastest growing program area, with total contributions increasing 34% from 2010 to 2013.

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- For the second straight year, Education (K-12 and Higher Education) was the most popular funding area for the average company (28%) in 2013, slightly ahead of Health and Social Services (27%).
- Among companies making international contributions in 2013, the average company gave 22% of its total giving budget to recipients outside its headquarters country.

**Employee engagement** was a major focus of companies as they became more strategic about their community investments and looked for new ways to provide a more rewarding work experience for their staff:

- 59% of companies provided paid-release time volunteer programs in 2013, up from 51% in 2010.
- The median number of hours volunteered on company time grew 37% from 2010 to 2013.
- 50% of companies provided pro bono service programs in 2013, up from 34% in 2010.
- 86% of companies offered matching gifts programs in 2013.

Seventy-six percent of companies are measuring the outcomes and/or impacts of their programs. However, many also report that they are just starting out and want to improve and expand these evaluation practices in the future. Many companies are measuring their core, signature programs and they are beginning to use the data to inform the way they carry out their programs. Companies care deeply about the effect their programs are having on the community and want to do more to measure their value.

*The Giving in Numbers Brief was released in front of an audience of 250 corporate societal engagement professionals at the CECP Summit. The Giving in Numbers repository now holds more than \$250 billion in corporate societal investment data, collected since 2001.*

Source: May 29, 2014- The Bull Dog Reporter- <http://www.bulldogreporter.com/dailydog/article/pr-biz-update/new-study-shows-strong-csr-boosts-profits-majority-of-companies-incre>

Giving in Numbers Brief

## INVESTING IN COMMUNITIES IS GOOD FOR BUSINESS

Corporate contributions have increased with revenues and profits since 2010



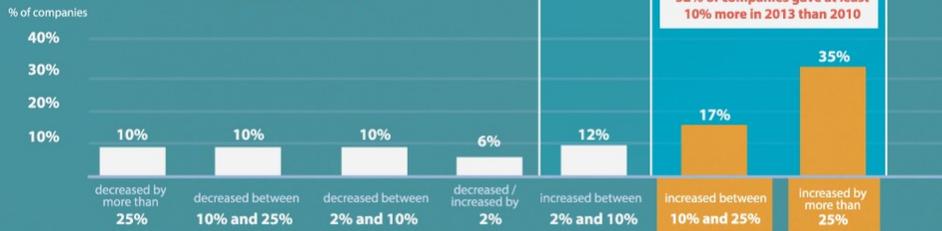
IN ALL, 261 COMPANIES PARTICIPATED IN THE GIVING IN NUMBERS SURVEY

with median revenues of: **\$16 BILLION** and median pre-tax profits of: **\$1.9 BILLION**

In 2013, each company in the top 25% contributed **\$54 MILLION OR MORE**

In 2013, each company in the top 25% gave **1.95% OF PRE-TAX PROFITS** or more

How much has giving changed since 2010?



COMPANIES THAT HAVE INCREASED GIVING BY MORE THAN 10% SINCE 2010 ALSO INCREASED MEDIAN REVENUES BY 11% FROM 2010 TO 2013

And profits increased for **59%** of those companies

Among companies increasing total contributions by 10% or more from 2010 to 2013, the average non-cash contribution increased by 66%

Corporate support grew the most for Community & Economic Development programs, **INCREASING BY 34% FROM 2010 TO 2013**



of companies run a corporate foundation



of companies match employee gifts



of companies give to international end-recipients



of companies make non-cash gifts, including product, pro bono, and other in-kind contributions

How did companies give?