

Corporate philanthropy can have a positive impact on employees

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Corporate philanthropy benefits organizations in many ways: Giving enhances a business's reputation and strengthens a business's efforts toward corporate social responsibility. But does corporate philanthropy do anything to benefit a business's employees?

Researchers Emily Block and Michael Mannor from the University of Notre Dame's Mendoza College of Business; Ante Glavas, now at Kedge Business School in France; and Laura Erskine at the University of California, Los Angeles examined how corporate philanthropy affects those inside the organization. They analyzed three years' of data on the attitudes of an average of 14,577 employees in 53 offices.

The researchers found an overall positive impact on employees of businesses practicing corporate giving. They also found that the way that firms choose to deploy those funds has a huge impact on the degree to which giving affects employees.

"Specifically, the impact is stronger when firms donate to a few big and visible targets rather than to a wider range of charities chosen by the employees themselves," Block said.

Of particular interest in the findings is that by coupling donations with opportunities to volunteer, organizations can enhance the positive impact on employees.

"Also, surprisingly, we found that employees respond more positively to

donations to larger more strategic and more centralized targets," Block said. "We thought, wrongly, that self-interested [employees](#) would look for ways to pay for their own pet projects. However, that was not what we found empirically. Employees care about impact."

More information: Emily S. Block et al. Business for Good? An Investigation into the Strategies Firms Use to Maximize the Impact of Financial Corporate Philanthropy on Employee Attitudes, *Journal of Business Ethics* (2015). [DOI: 10.1007/s10551-015-2930-8](https://doi.org/10.1007/s10551-015-2930-8)

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