

Hartz & Minds 28: US companies donated \$17 billion – SO WHAT?

Giving USA reports that last year (2013), Americans increased their charitable donations to total **\$335 billion**. Why? Motivations are as numerous and varied as the donors themselves; they include recognition, empathy, pride, connecting with a community, serving people with immediate needs, helping future generations, preserving their investments, and, OK, for many there is a tax-deduction. This \$335 billion represents 2% of the US 2013 GDP. The vast majority of the funds (72%) come from individuals; 5% was granted by businesses.

US corporations contributed nearly \$17 billion in 2013. Why? Because it makes sense and it makes dollars! There are a vast number of research reports about the direct ROI of corporate social responsibility and corporate social investment: from cost savings to revenue enhancements, from employee development to employee retention, from product improvement to market expansion, from regulatory requirement to brand enrichment. In *Hartz & Minds* we have also discussed the importance of measuring outcomes, not inputs (e.g., track literacy rates, not just books donated), because **social ROI** is critically important.

What makes CSR such an exciting space is that **companies' sphere of influence** extends much further than the direct impact of their financial, volunteer, in-kind, and pro bono contributions. Why?

Consider the following examples:

- A young 24-year-old was volunteering on her company's day of service. They were helping to clean and paint a children's shelter in LA. She called me and cried, "Today's project changed my life; *I found a used drug syringe in a toy box.*" Over the years, I've lost track of this woman, but I am certain that her heart was permanently turned to help others in need.
- A small business owner eliminates polystyrene coffee cups and explains to employees that it is a carcinogen and takes hundreds of years to biodegrade. Studies show that with the boss's example, many employees, customers, and vendors will rid their homes of these products.
- A large financial institution renovates homes in underserved communities. Neighbors are moved to a greater sense of civic and personal pride; this will have far-reaching implications for everyone living in the area.
- A large retailer underwrites the PRIDE parade and their logo-wearing associates turn out to celebrate. The inertia created by this show of support flows over to the workplace, homes, and lives of both employees and customers.
- A giant consumer brand raises and donates money for medical research. The impact of this investment may not be realized for years, but treatments and cures will never be found without people and companies taking the long view.

As a business owner, company manager, corporate executive, or enterprise employee, please remember that beyond your dollars, your actions, your choices, your leadership, and your service influence people and places near and far.