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Factors influencing the NPO support decisions of large Australian corporations: a giving manager perspective

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FACTORS INFLUENCING THE NPO SUPPORT DECISIONS OF LARGE AUSTRALIAN CORPORATIONS: A GIVING MANAGER PERSPECTIVE

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CERTIFICATION

I, John E. Cantrell, declare that this thesis, submitted in fulfilment of the requirements for the award of Doctor of Philosophy, in the School of Management and Marketing, University of Wollongong, is wholly my own work unless otherwise referenced or acknowledged. The document has not been submitted for qualifications at any other academic institution.

John E. Cantrell

9th March 2012
FACTORS INFLUENCING THE NPO SUPPORT DECISIONS OF LARGE AUSTRALIAN CORPORATIONS: A GIVING MANAGER PERSPECTIVE

ABSTRACT

This study uses the findings from in-depth semi-structured qualitative interviews with senior specialist managers of large corporations in Australia to discover the factors influencing decisions they make in providing support to nonprofit organisations (NPO’s) in Australia. The literature reveals there has been an increase in the corporate assistance to NPO’s in Australia, and that this corporate giving has changed over time. Corporate support of NPO’s has metamorphosed from philanthropy (giving without expectation of a return), to “strategic philanthropy” (giving where there is a direct link of benefits between the organisation and society), to being subsumed into what is currently termed corporate social responsibility (CSR) programs (having a strategic focus to objectives and activities that fulfill stakeholder expectations).

With the increasing professionalism of corporate giving demonstrated by these changes, one key actor is emerging as significant in the giving behaviour of large organisations – the manager primarily responsible for implementing NPO support decisions. This specialist manager is termed the “corporate giving manager” in this study, and the literature demonstrates the influences on the decisions they make remain largely unexplored. This research addresses the question of “What are the influences on the decisions made by the corporate giving manager in their management role of developing and implementing nonprofit support decisions?”, and this is answered through the creation and presentation of a conceptual model of the influences on the decisions of the corporate giving manager.

The dominant influences were identified through a thematic content analysis of interviews with twenty six corporate managers, with the sample size being determined on the concept of theoretical saturation. One major contribution of this research is that the analysis of these interviews reveals that the prime influence on the giving
managers’ decision making is the stakeholder focus of their company’s CSR programs. This focus typically is predominately either internal, or external or a balanced combination of both. The analysis demonstrates that the corporate giving manager is the nexus in a web of corporate support, and that their role, and their influence on CSR policy is partly determined by the evolution of CSR in their company.

Other contributions of this research include providing new insights into the development of NPO support decisions of the giving managers, and therefore their corporations. Corporate giving managers use their perception of corporate motive to determine NPO fit with corporate objectives. This determination, combined with the influence of other factors, termed “micro-influences”, such as the geographic relevance of NPOs, the need for employee volunteering, the staff connectedness with an NPO and managerial values, assist the giving manager in making NPO support decisions. In addition, it has been found that large organisations initiate some support relationships. This suggests that marketing communications by the NPO, particularly those aimed at improving awareness of the NPO, will become increasingly important. Large organisations also commonly use a tiered structure to their support in order to address different stakeholders’ needs.

For NPO managers to understand the decisions of the giving manager it is necessary for them to examine sources of company information to discover the corporate objectives of, and their prime motivations for, their support. In summary, what an NPO requires should determine who they ask, and who and how they ask can significantly influence what they receive.

It may seem obvious to suggest that NPO’s should specifically adapt their support requests to meet the needs of their potential large donors but (a) many giving managers observed that this was severely lacking in many of the requests they received, and (b) the necessary adaption of NPO requests suggested by the influences on corporate decision making is significantly different to that most NPO’s would usually do. To facilitate the necessary adaption of requests, a new emphasis for NPO
research is suggested when they are evaluating the potential of large corporations to support a request.

To better structure their requests NPO’s should also understand the processes large organisations use when determining which NPO will receive support and the mix of resources to be provided for NPO’s. In response to this need, a step by step approach to implementing NPO support in large organisations has been developed. This will also be useful to those managers currently in, or intending to take up role of a giving manager, especially those tasked with establishing new strategic corporate programs.
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This study developed from a late change in career from corporate manager to a part-time academic and volunteer NPO Director. A number of people have helped me along the way with encouragement and I sincerely thank all of them for their help.

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others in your position.

Early forms of some portions of this research project have been presented in several
journal articles and conference papers. These are:

**Journal Articles**
understanding of the corporate giving manager's role in meeting salient stakeholders

Noble, G. I., Cantrell, J., Kyriazis, E. & Algie, 2008. Motivations and forms of
corporate giving behaviour: insights from Australia. International Journal of Nonprofit

**Conference Publications**
2005 Conference; The University of Western Australia: Western Australia, 2005; pp
30-38.

Factors Affecting the Choice of Nonprofit Organisation by Large Corporations in
Australia. In Australasian Nonprofit and Social Marketing (ANSM) Conference;
University of Newcastle: Newcastle, 2006;

understanding of the corporate giving manager's role in meeting salient stakeholders
needs. In 2007 International Nonprofit and Social Marketing Conference (INSM);
Griffith Business School, Griffith University: Brisbane, Queensland, 2007; pp 31-38.
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CHAPTER 1: INTRODUCTION

1.1 Introduction

The nonprofit sector in Australia is a major sector in the Australian economy, employing 995,000 people in 2006/07, or 8.6% of Australians in employment. Their income in that year was $A74.5 billion and the sector contributed $43 billion, or 3.4%, to Australian GDP (ABS 2008), excluding volunteer contributions (PC, 2010). This is a significant increase from 1999/2000, where the sector employed 604,000 people or 6.8% of Australians in employment (ACCORD, 2010). This is an indication of the increasing work needing to be carried out by nonprofit organisations (NPO’s) in Australia. As a sector in 2006/07 it contributed almost one and a half times more than the total economic contribution of the Australian agriculture industry, and its contribution to employment is larger than that of the nonprofit sector in Canada, New Zealand and most other European countries and is of a similar size to that of the United States and the United Kingdom (Lyons, 2009).

Managing a nonprofit organisation is becoming increasing difficult and in particular the “revenue environment of nonprofits is increasingly complex and unstable” (Sandfort, 2008, p. 545). Many nonprofit organisations rely heavily on individuals and corporations to assist in providing money, resources, and volunteers’ time to deliver their social programs (c.f. Cohn, 1992; ACROD, 2004). This is partly because of the difficulty in obtaining increasingly scarce government funding (Weerawardena and Sullivan Mort, 2008), which often comes with many conditions attached, making it challenging for a NPO to manage and report effectively (Sandfort, 2008).

In 2004 Sargeant and Joy suggested the number of companies that actually provide support for nonprofits was reasonably small, but by 2009 McKinsey and company reported most firms were engaging in what is termed Corporate Social Responsibility (CSR) activities (McKinsey and Company 2009). These CSR activities include support of NPO’s. Although there is no single agreed definition of Corporate Social Responsibility, as the term is continually evolving (c.f. Polonsky and Jevons, 2009; Carroll and Shabana, 2010), the extended definition adopted by Powell (2011) captures the substance of CSR. He defines CSR by drawing on two
authors, to firstly describe the outcomes of CSR as “management of stakeholder concern for responsible and irresponsible acts related to environmental, ethical and social phenomena in a way that creates corporate benefit” (Vaaland et al., 2008, p. 931), and then describe the process of CSR whereby “organizations act in a socially responsible manner when they align their behaviours with the norms and demands embraced by their main stakeholders” (Maignan and Ferrell, 2004, p. 6). In recent years there has been a rapid rise in NPO support through the use of CSR related programs, and these assist the firm in fulfilling the “economic, legal, ethical and philanthropic responsibilities” expected of a modern firm by its stakeholders (Thorne, Ferrell and Ferrell, 2011, p. 7). Measuring the amount of corporate support for NPO’s is both problematic, as will be described later in this thesis, and heavily dependent on the type and number of organisations surveyed (PC, 2010 p. 78). As a percentage of total NPO total income, corporate support for NPO’s has been reported as being 0.8% (PC, 2010, p. 72); 2.5% (ABS, 2009) and for larger NPO’s up to 9% of total income (PA, 2005; CCPA, 2008).

This thesis is focused on large organisations operating in Australia. A large organisation in Australia is defined as one with greater than 200 employees (ABS, 2005, 2008b). The total amount large organisations in Australia give to the community is said to be in the order of 0.85% of their profits in 2009/10 (Carswell, 2010), but as demonstrated in later chapters, this estimation can vary widely depending on the assumptions used. Carswell (2010) reported giving included cash, product and time, community investment initiatives and matching employee donations. Regardless of the actual amount provided, the increased use of CSR represents a growing opportunity for nonprofit organisations and for academic research.

While considerable research has been conducted in the drivers of consumer giving behaviour (c.f. Guy and Patton, 1989; Cook, 1998, Polonsky, Shelley and Voola, 2002; Sargeant and Joy, 2004), our understanding of corporate giving behaviour both internationally (Saia, Carroll and Buchholtz, 2003) and in Australia is still very limited. Australian research has been conducted on how much is given, and who gives (c.f. ABS, 2002; Corporate Good Works, 2001-2-3), and some research has explored the corporate motives for NPO support (ACOSS, 2005a; Sargeant and Crissman, 2006), but in both International and Australian research the critical role of the corporate giving manager in the NPO selection and NPO
support management process has not been recognised. For example, Thorne et al. (2011) in their book “A strategic approach to social responsibility and ethics” devote an entire chapter to what they term strategic philanthropy, but the only reference in many pages of establishing and managing such an initiative is “…. a skilled manager who has spent some time with the philanthropy program should preferably handle this.” (p. 342). This is an area which calls for researcher attention.

1.2 The purpose and aim of this research

The primary purpose of this investigation is to provide insights for managers in NPOs. These insights will allow them to better understand and target potential corporate donors and better present their case for initial or increased funding for their activities.

The aim of this research is to discover the influences on the corporate manager primarily responsible for deciding and implementing their company NPO support programs, and to understand how in turn these affect the decisions of this manager – who will be referred to as the “corporate giving manager”.

While the giving manager has been relatively ignored in academic literature, many aspects of CSR have been well researched. One of the important findings has been that stakeholders are of vital importance (c.f. Carroll, 1991; Polonsky, 1995; Polonsky and Scott, 2005; Morsing 2006; Oriordan and Fairbrass, 2008). The corporate giving managers, NPO’s and the corporate stakeholders form the boundaries of the overarching research questions for this thesis – What are the influences on the decisions of the corporate giving manager in large organisations in Australia? How do these influence the NPO support and implementation decisions that are made in large organisations in Australia?

In finding answers to these fundamental questions, there are many precedent sub-questions that need to be asked and answered. While it would appear obvious that the Board of the modern corporation would approve CSR policy, there appears to be little research on where in the organisation CSR policy is actually developed and the function of NPO support in CSR. This research will provide some insights into the role in developing CSR policy of the
manager responsible for the implementation and control of the organisations giving activity i.e. the giving manager.

As a part of their managerial role, the giving manager typically has to develop NPO support policies within the CSR framework and based on corporate guidelines. They pursue relationships that will meet stakeholder expectations and screen unsolicited requests for assistance. Finally, when a decision to give has been made they are also typically responsible for the actual coordination of the giving, the monitoring of its progress, and ultimate evaluation and reporting of its effectiveness.

Little research has been conducted into how the giving managers of large corporations actually perform the above roles. The current models do not adequately acknowledge the giving manager’s interpretation of corporate strategic intent of CSR, nor the effect of stakeholder influence has on their final choice of NPO to support. Further, the manner in which giving managers assess a NPOs ability to satisfy key stakeholders expectations and how NPO support is implemented within the organisation is very under researched.

This research explores the links between CSR and support of NPO’s through the development and implementation of corporate policy, stakeholder influence and the managerial perception of the NPO potential to fulfil the expectations of the corporation and the stakeholders. It seeks both to address the primary research aim of increasing our understanding of the influences on managerial and corporate NPO support decisions and to contribute more widely to the corporate giving literature.

1.3 Why nonprofits need to understand corporate giving

Most NPO’s in Australia do not have any relationship with a company of any size (Zappalà and Lyons, 2008) but they are increasingly being relied upon by Governments to deliver many core public services (Flack and Ryan, 2005), whilst at the same time governments are said to be reducing support for NPOs (APPC, 2005; Lazarevski, Irvine, and Dolnicar, 2008). The Australian Productivity Commission (PC, 2010) reported that although the proportion of total NPO funding from governments (including government funded services) increased from 30.2 per cent in 1999-00 to 33.2 per cent in 2006-07, this increase was mostly in the area of
service provision (for example, health and housing), and “corporate philanthropy has become an increasingly important source of support and, for some NFPs, a more predictable source of income. Weerawardena, McDonald and Sullivan Mort (2010) suggest that an adequate income is of critical importance to nonprofit organisations, and that “the need for sustainability impacts on the strategic direction and operational efficiency of the NPO” (p. 354). Predictable, longer term corporate support can reduce the pressure for NPO’s and therefore increase their efficiency. The contribution of large organisations is not fully reflected in the data as it is increasingly in-kind in nature” (PC, 2010 p. 53). The report suggests “for these donors, a business-like approach to assessment and proposed management of the costs and risks is important” (PC, 2010, p. 247).

In the environment of the Australian Government evaluating a net benefit test for NPO support (PC, 2010), and corporations needing to demonstrate their social responsibility, there is intensified competition for scarce resources amongst the non-profit organisations themselves (Polonsky, 2003; Lazarevski et al., 2008; Weerawardena et al., 2010). At the same time, a commonly held theory of the firm is that management’s role is to increase the returns available to shareholders (Jensen, 1988), and CSR is increasingly being viewed as a form of investment (McWilliams and Siegel, 2001a, Saiaia et al., 2003). Brammer, Millington and Pavelin (2006) studied the methods large organisations in the United Kingdom use to develop and manage their corporate charitable contributions (i.e. cash support for NPO’s) and conclude “… there is an important distinction between the role played by strategy in the determination of the extent of philanthropic expenditure and its role in the implementation of the firm’s philanthropic activities. While strategy plays little or no role in determining how much firms give (in total), it plays a very significant role in determining how firms manage their philanthropy” (Brammer et al., p. 242) Emphasis added.

An understanding of the motivations and expectations of the “for-profit” corporation is therefore increasingly vital for NPOs fund raising in both the short term (through successfully obtaining funds from the corporate sector) and the long term (through successfully maintaining corporate support so they will desire to continue giving). It will enable them to better communicate with corporations, target requests and compete for corporate giving and better express their brand value.
Understanding corporate donors is consistent with an approach some NPOs have started to adopt - the concept of market orientation. Sargeant, Foreman and Liao (2002, p. 43) define market orientation as “(consensually) preferred to denote the implementation of the marketing concept or philosophy” and they state there is “an overwhelming body of evidence” that this definition has relevance to the non-profit sector (Sargeant, et al., 2002, p. 45). Research has shown that adoption of a market orientation by non-profit organisations (c.f. Balabanis, Stables and Phillips, 1997; Bennett 1998; Gainer and Padanyi, 2005) and having an increased brand orientation (Hankinson, 2002; Ewing and Napoli, 2005) can improve fundraising performance. Bennett (1998a) has highlighted an important difference between non-profit market orientation and “for-profit” marketing orientation in that non-profits have several radically different “customer” groups – both of whom must be satisfied. On one side there is the traditional consumer of the goods and services provided by the non-profit; and on the other the very different customer of the non-profit – the source of the goods and services provided. While suppliers are an important part of the value/supply chain for traditional organisations, non-profits must treat their “suppliers/donor organisations” as customers.

Emphasising this need for supplier/customer satisfaction, authors such as Sargeant, Foreman and Liao (2002) - while supporting the general concept of marketing for non-profits - argue that it should be operationalised by non-profits as a societal orientation rather than purely a marketing orientation. By this they mean that non-profits are not only concerned with customer (i.e. end consumer) satisfaction, they are also concerned with the satisfaction of their “other” customers i.e. their donors, as well as the longer term benefit to society. From their research they suggest that important factors for non-profits to consider include stakeholder orientation, stakeholder goal congruence (do the donors, non-profits and recipients agree on the goals?), and the degree of the non-profit inter-functional coordination (do the fundraisers communicate the donors wishes correctly within the non-profit so that goal congruence can be reached?). A significant NPO stakeholder is therefore the donor of the support, and this reinforces the need for NPOs to understand corporations, CSR and corporate NPO giving and support systems.
The next section will discuss the methodology used in this research to discover the why and how of corporate giving and the influences on the support decisions made by the corporate giving manager.

1.4 Methodology and the research process

The research field of corporate support for nonprofit organisations is a much undeveloped one. This thesis has the aim of increasing our understanding in this area, in particular through developing an appreciation of the influences on the decisions of that corporate manager primarily responsible for corporate support of NPO’s, and how those influences affected the implementation of corporate support.

The study is qualitative in nature and uses a holistic approach producing “exploratory and highly descriptive knowledge” (Hesse-Biber and Leavy, 2006, p. 5). It is positioned within the stakeholder literature and specifically within stakeholder-agency theory, as it is this theoretical lens that best explains the role and contribution of the modern corporate giving manager. It is also positioned within the corporate giving literature, and uses this as a base from which to address the underlying research. It is the intention of this research to develop a deeper understanding of the nature of corporate giving by providing a detailed conceptual model that describes the influences on the giving manager. In qualitative research literature, Sargeant, Foreman and Liao (2002) suggest “elite interviewing” as a method of focusing on the decision makers understanding of key issues.

The nonprofit support activities of large corporations operating in Australian were explored in an effort to identify common and contrasting factors influencing the support behaviour of the giving managers within these organisations and the process by which they each select ‘favoured’ non-profits. The companies were selected on the basis of their size (large, by Australian standards (ABS, 2005) and to represent different industry groups of both Australian and non-Australian country of ownership – to some extent to represent the extremes (Pettigrew, 1988 cited in Eisenhardt, 1989, p. 537) of the large corporations operating in Australia. Specifically, the data was collected through semi-structured interviews with managers and decision makers who were responsible for the nonprofit support activities of each corporation investigated.
As the interviews progressed, it became obvious that many of the giving managers were describing a tiered structure to modern corporate giving. They commonly described themselves as developing and maintaining the larger relationships with NPO’s and to a greater or lesser extent being responsible for all the company’s support activities. They also described situations where regional or SBU managers responded directly to requests from NPO’s relevant to the business operated by that manager. In some companies where CSR was more developed, this support was being strategically managed by the giving manager and in others where CSR was nebulous or nascent, the tiered support was more ad-hoc. It was thought that interviewing several other managers would provide an alternate view of this tiered giving. These interviews supported both their giving manager’s views including the concept of a tiered structure of giving, and provided valuable insight as to the motivations of those managers who provided some support at a lower level of the companies support activities, and the processes involved in providing this support. Using the concept of theoretical saturation, 24 managers directly responsible for the predominate NPO support activities of their company were interviewed. In addition three additional corporate managers responsible for some level of giving were also interviewed.

Throughout the process of this research, papers have been presented at three Australian and International nonprofit and marketing conferences, and two peer reviewed journal articles have been published on some initial results of the interviews and the theoretical framework used in this research.

1.5 Contributions from this research

From an academic perspective, additional knowledge of the motivations, methods and processes of corporate giving will improve our understanding in for-profit and non-profit marketing and management, through constructing research tools and models that contribute to sensible theory, and developing applications that help both policy and practice in marketing of the non-profit sector.

Corporate giving is an extremely complex topic. It is composed of individual, departmental, and company-level interactions. Whilst there is little doubt NPO support has been subsumed
into CSR, it is generally examined in “macro” or overview without the depth or richness needed to produce useful theories, models or practices. In 2010, Ahmad, Tower, and Van der Zahn noted that research into corporate support of nonprofits, “especially in an Australian setting, is still negligible” (p. 4).

In order to better understand the motivations behind the giving of large corporations in Australia, and overcome some of the limitations of prior conceptualisations and their context specific nature, this investigation examines the organisational factors influencing corporate managerial decision making in establishing corporate - nonprofit support decisions. By conceptualising the managerial interpretation and actualisation of corporate policy as a key mediating variable on the dependant variable of corporate giving, and incorporating the differing influence of internal and external stakeholders, this study expands on and adds a significant further dimension to the literature, and an increased understanding of the giving by large corporations to non-profit organisations.

It will assist NPOs through the development of a framework around the organisational factors that influence the giving by large corporations - the drivers, barriers and influencers of the managers most often responsible for their corporate giving programmes. It will also assist both nonprofit managers and the managers in for profit organisations who are involved in NPO support programs by providing them with a richer experience in corporate support motivations and activities and a step by step explanation of good NPO support implementation practice.

1.6 Thesis structure
The thesis contains eight chapters. The purpose of this Chapter has been to describe the background to the research field and demonstrate the significance of the research, particularly to NPO managers.

Chapter 2 sets the scene for the research through a review of the literature on corporate giving and the corporate giving manager. It briefly describes the historical roots of corporate giving in Australia in order to demonstrate the relevance of both English and American corporate giving literature and practice to Australian corporate giving. This also provides the historical
background for the emergence of the modern corporate giving manager. The current models involving the corporate giving manager are then described and the knowledge gaps in the current literature are described. These knowledge gaps provide the driving force for this research project.

Chapter 3 describes the theoretical framework used for this research, that of a stakeholder-agency perspective. The individual approaches of both stakeholder theory and agency theory are discussed and the combined stakeholder-agency theory is then introduced to guide the research into investigating the role of the corporate giving manager. In addition, a conceptual construct developed from the current research is used to assist in understanding the general influences on the corporate giving manager.

Chapter 4 links the theoretical framework developed which underpins this research with the empirical work in the following chapters. The study is qualitative in nature and the conceptual constructivist-interpretive approach to the research design follows the processes developed by Creswell (2003). The connection of the analysis to the framework presented in Chapter 3 is explained together with the development of data collection, analysis and use of coding in order to ensure validity of the data.

Chapter 5 of this thesis presents the final developed conceptual model of the influences on the corporate giving manager. The model conceptualises the influences and stakeholder relationships, and it consists of five separate sub-elements, the first three of which are described in this chapter. Sub-element (1) describes the role of the giving manager as a nexus for NPO support. Sub-element (2) discusses the evolution of CSR in different companies and suggests a relationship between this and the giving managers decisions. Sub-element (3) demonstrates and explains the primary influence on the giving manager, that of salient stakeholders.

Chapter 6 describes the fourth sub-element of the overall developed model presented in Chapter 5, understanding the decisions of the giving manager. It demonstrates that NPO support decisions are influenced by the giving managers’ perceptions of why their company provides NPO support. It then describes how the giving managers’ perception of “fit” of the
NPO is based upon the requirements of CSR strategy and objectives and finally examines how other “micro-influences” play a minor but consequential role in the NPO support decisions.

Chapter 7 describes the fifth and final sub-element of the developed model, the implementation practices of NPO support. It describes the important dynamics of corporate support, details the concept of a multi-layered structure to corporate support of NPO’s and develops a step by step approach to implementing NPO support activities within CSR.

The final chapter in this thesis, Chapter 8, summarises the results of this research. It identifies the contribution of the research to academia, NPO marketers and other practitioners and corporate managers responsible for NPO support and CSR in general. The chapter also proposes relevant topics for further research and describes the limitations of this research. The chapter is completed by a brief personal reflection on the journey that was this thesis. In addition, at the commencement of several chapters there is noted a quotation that was considered to be particularly relevant to the contents of that chapter.
CHAPTER 2: DEFINITIONS AND A REVIEW OF THE LITERATURE

2.1 Introduction
The purpose of this Chapter is to critically review the extent of the current understanding of corporate giving to nonprofit organisations. In order to do this, it reviews various academic and other literature encompassing several disciplines which have focussed on attempting to understand the nonprofit sector, including the history of, and recent developments in, the understanding of why and how large corporations support NPO’s. It is through tracing this history that an understanding can be obtained of the emergence and expansion of the role of the modern giving manager.

This chapter begins by first examining the definitions of nonprofit and corporate giving. It suggests limitations of the various definitions and notes the appropriateness of the current work for use in deciding on specific definitions in the current study. It then examines the history of corporate giving as Australian corporate giving has at its roots corporate giving in the United Kingdom and the United States of America. The third section reviews the important factors that have contributed to the evolution of corporate giving including the emergence of CSR and the corporate giving manager as vital components of the “why” and “how” of corporate giving. The next section examines the extant research on Australian corporate giving. The gaps in the existing knowledge will then be discussed, especially those relating to the factors influencing the decisions of the corporate giving manager, and the giving manager’s evaluation of NPOs ability to help the corporation meet stakeholder expectations.

2.2 Defining non-profit organisations
Defining a nonprofit organisation is an important first step in this literature review process. Unfortunately, even though there has been an increasing analysis of the definition of nonprofit sector, Morris (2000) notes that new scholars use alternative definitions and that many different organisations have been classified under various sectors titles, such as “voluntary, third, nonprofit, or more recently the civil society” (p. 26). He suggests these titles are overlapping but different, with there being a fundamental difference between the terms third
sector and nonprofit. He defines third sector organisations as those that are “neither statutory nor profit maximising” (Morris, 2000 p. 26).

The international standard for national accounting (SNA93) describes NPOs serving the household sector as “Non-Profit Institutions” (NPI’s) and defines these as “legal or social entities created for the purpose of producing goods or services whose status does not permit them to be a source of income, profit or other financial gain to the units that establish, control or finance them” (U.N., 1993). For example there are no shareholders or members who can claim on profits, and generally if the organisation is wound up, any “profits” or surplus cannot be distributed to members. This definition excludes government NPI’s, those NPIs operating in the financial sector and the non-financial corporate sector e.g. trade associations serving enterprises (U.N., 1993).

The Australian Bureau of Statistics (ABS) definition of “NPI” tries to follow the SNA93 definition, and also does not include NPI’s mainly controlled (or funded) by governments, (e.g. public hospitals administered by religious orders and universities), and excludes nonprofits working in the finance and insurance sectors (ABS, 2002). Conversely, Australian researchers tend to include credit unions, trading cooperatives etc. (these organisations do allow distribution of assets to members if the business is wound up, or in similar events) and NPI’s mainly controlled (or funded) by governments, under the blanket category of NPO’s (c.f. Ewing and Napoli, 2005).

Much overseas research on nonprofit organisations is conducted on charitable organisations, which is a definitive sub-set or segment of the NPO category. This seems to be primarily because data is readily available on charitable organisations as Governments assess and register charities in most countries, and corporations measure their charitable contributions carefully as they are generally allowable as deductions from their taxable income. Another reason may be the broader philosophical concept that gift giving to charities generally provides some societal benefit. It may not be reasonable to assume the research, and the findings, on charitable organisations are automatically transferable to the total NPO population as there are many more NPOs than charities. In addition, Lyons (2001) comments that donations to NPOs in Australia do not receive as broad tax deductibility as occurs in
other countries. In Australia there are estimated to be between 600,000 NPO’s and 700,000 entities in the third sector with only 26,000 (<5%) of these registered as charities with deductible gift recipient (DGR) status i.e. donations being tax deductible (ATO, 2010, PC, 2010). Thus, a charity is by definition an NPO, but not all NPO’s are charities. For many organisations in Australia, an NPO having DGR does not seem to be a condition for support with a recent survey finding a “tax benefit” was fourth on the list of the benefits for giving, with less than 19% of those businesses that did donate money to NPOs nominating it as an advantage for the firm (PMCBP, 2005a p. 17).

Although some of the giving managers interviewed required a recipient NPO to be a registered charity with DGR status, findings from the interviews show that tax deductibility is only one consideration for organisational support and also show it is not the main reason. Limiting the question set to charities only would have severely compromised the quality of the data received, thus, it was considered NPO’s should be the most relevant field for exploration. This research therefore adopts a broader definition of nonprofit organisation than the Australian Tax Office, or the United Nations in that exclusions were not made for NPOs which are not charities such as credit unions and like organisations (although no company provided support to credit unions, trading cooperatives or government controlled NPI’s) as well as community and other “not for profit” organisations that provide a social purpose and community benefit. This is principally what Lyons (2001) often terms the “Third Sector”. Lyons notes this sector has a different constituency in Australia compared to both the United Kingdom and United States in that nonprofits in Australia are equally distributed across the sporting, social, religious, human service and arts segments. Although the definition used is analogous to the approach by other Australian researchers in the corporate philanthropy and NPO domains (c.f.; Ewing and Napoli, 2003; Smith, 2006, Cooke, 2008), it is recognised that it is likely to cause some problems in making international comparisons as most international data is collected quantitatively using Government statistics which are focused on tax deductions. It may be that further research is needed in other countries to clarify the particular type of non-profit organisation large companies actually support in those countries.
2.3 Defining corporate giving

As will be discussed in the next section, corporate support for nonprofit organisations has evolved over time, and in reviewing the academic literature it becomes apparent that there is still a lack of consensus as to a precise definition of corporate giving. This can be seen to be related to the issues in defining and researching the charitable/NPO population. For example a common source of data for analysis of USA corporate giving is the IRS Corporation Sourcebook for the Statistics of Income (Amato and Amato, 2011). This data source collects information on “charitable contributions” only (that is, tax deductible) and specifically excludes the value of peoples time and company services. It explicitly states the recipient must be qualified and the gift is made “without getting, or expecting to get, anything of equal value” (IRS, 2010). Amato and Amato (2011) recognise the deficiencies of this source and state that corporations are continuing to expand the type of support they offer NPO’s beyond those that are reportable to the IRS.

Marx (1999) defines corporate giving by using a very broad definition of the term “strategic corporate philanthropy” and includes such items as partnerships between corporations and service organizations, and other tax deductible items (in the USA) such as donations of products, investments for social purposes at below-market rates of return etc. McAlister and Ferrell (2002) note that the term “strategic philanthropy” was a marketing and management practice that emerged in the 1980’s (p. 26), and they use it to describe corporate giving that has a direct link between organisational and social benefits, and which stems from a corporate vision that encompasses “both firm welfare and benefits to stakeholders” (p. 692). Burlingame (2001) states “…let us agree that the term “corporate giving” will reflect what was historically referred to as “corporate philanthropy”, and also include cause related marketing, non-profit sponsorship events, voluntary time contributions given by company employees while on the company clock, and research dollars provided to non-profits”. Kotler and Lee (2005) use a broader definition again, calling it Corporate Support and include all the above plus items such as access to distribution channels and technical expertise.

As will be demonstrated below in Section 2.7 of this chapter, corporate giving by major organisations has now been largely subsumed into CSR. CSR has been defined as ‘actions that appear to further some social good, beyond the interests of the firm and that which is
required by law” (McWilliams and Seigel, 2001, p. 117). Kotler and Lee (2005) include Corporate Support in CSR activities of the firm and similarly define CSR as “a commitment to improve community well-being through discretionary practices and contributions of corporate resources” (p. 3). In their view, CSR is by definition a voluntary act by the corporation and they and others use the term as meaning a corporate philosophy that includes topics such as philanthropy, corporate community involvement (CCI), cause related marketing (CRM), corporate citizenship (CC) and triple bottom line reporting (c.f. Wymer and Samu, 2003; Heyden and Rijt, 2004 and Lucas, 2004) - although dictionary definitions would suggest there are some significant differences between these terms.

In discussing what should or could be included in any definition, it is often useful to examine what authors believe should not be included. This exercise exacerbates the difficulties involved in trying to develop an encompassing definition of corporate giving. McAlister and Ferrell (2002) developed a philosophy of corporate giving that (loosely) enables a differentiation of socially responsible corporate support for NPOs from overtly commercial activities. They include in the term “overtly commercial activities” corporate programs such as sponsorships or cause-related marketing (CRM) that others such as noted above specifically include in corporate giving. They define sponsorships and CRM not by the focus of the support (very often an NPO) but by the source of the funding from within the corporation. They believe sponsorships and CRM are those initiatives that are paid for by the marketing department of an organisation and that have marketing objectives. They suggest that while there may be a philanthropic motive, these initiatives tend to “produce relatively short term, product related outcomes” (p. 693) even though they may continue for a number of years – that is, they tend to be tactical marketing responses, and “typically are not based on overall organizational capabilities and objectives” (p. 694). The Table 2.1 below reproduces their Table II, which describes their delineation of the different terms.

While defining an item by the source of funds makes it very difficult to be definitive about any corporate giving program, others such as Bennett (2002) broadly agree with this approach. He defines CRM as corporate support directly linked to the turnover resulting from the sale of the corporation’s products as a result of the association with the cause i.e. a very short term marketing results oriented definition. Bennett also notes there is much anecdotal
practitioner support for the notion that CRM is not viewed as part of a corporate philanthropy program.

Table 2.1: Strategic philanthropy versus cause-related marketing and sponsorship

<table>
<thead>
<tr>
<th></th>
<th>Strategic Philanthropy</th>
<th>Sponsorships</th>
<th>Cause-related marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Primary focus</strong></td>
<td>Organization</td>
<td>Productive and/or organizational</td>
<td>Product</td>
</tr>
<tr>
<td><strong>Time frame</strong></td>
<td>On going</td>
<td>Traditionally of limited duration</td>
<td>Traditionally of limited duration</td>
</tr>
<tr>
<td><strong>Organizational members involved</strong></td>
<td>Potentially all organizational employees</td>
<td>Marketing department or related personnel</td>
<td>Marketing department or related personnel</td>
</tr>
<tr>
<td><strong>Goals</strong></td>
<td>Improve organizational competencies and tie competencies to social need or cause</td>
<td>Increased brand awareness and target market affiliation</td>
<td>Increase product sales</td>
</tr>
<tr>
<td><strong>Costs</strong></td>
<td>Moderate – requires alignment with organizational strategy and mission</td>
<td>Minimal – alliance development and promotion</td>
<td>Minimal – alliance development and promotion</td>
</tr>
</tbody>
</table>

McAlister and Ferrell (2002, p. 694)

To demonstrate the difficulties this can cause in examining corporate giving and related activities, Lii and Lee (2012) considered only sponsorship, cause related marketing and “true” philanthropy when evaluating the effectiveness of CSR. They chose to study “true philanthropy (without any expectation of a benefit), because other kinds of philanthropic CSR initiatives may involve corporate giving motivated by a range of commercial and strategic factors” (p. 71). Underpinning the difficulty of delineating “pure” and “strategic” philanthropy, the research example they used of pure corporate philanthropy was that of a promotional campaign featuring a large company donating money to a NPO to help raise money for a cause. The large company was said to manufacture a product that “induces high levels of interest and involvement” from the target audience of the campaign. Such a combination of company, target audience and campaign would appear to meet the definition
of strategic rather than pure philanthropy and perhaps demonstrates an increasing acceptance of the use of philanthropy as strategy.

The lack of consensus on the definition of corporate giving seems to be typical of an area that is in transition and in need of additional research. Given that corporate “philanthropy” is often characterized as the most discretionary form of corporate social responsibility (Seifert, Morris and Bartkus, 2003), and that “strategic philanthropy” is becoming much more common (Kotler and Lee, 2005), determining a definition that is useful to both academics and practitioners necessitates further research in order to properly measure other factors to assist in understanding the field in more depth in order to build a more universal definition.

In the absence of one concise definition, and after evaluating the comments of the giving managers themselves (as detailed in Chapter 7), this thesis adopts the usage of McAlister and Ferrell (2002) – that is, corporate giving excludes overtly commercial activities commonly associated with marketing, for example CRM and sponsorship.

2.4 Corporate giving and its foundations in Australia
Cleary (2003) makes the point that it was not until the middle of the nineteenth century that Australia had the population to support a wide range of NPO’s, and as most of the European immigrants to Australia initially came from the Great Britain (Lyons, 1998) they brought with them a good understanding of the benefits of non-profit organisations, charity and mutual association. This corresponded with the emergence of the modern corporation, imparting on Australia a unique history in the development of its corporate giving. From this conjunction of the development of the modern corporation and immigration, Australia has been very influenced predominately by Great Britain but also largely by the USA. Lyons (1998) suggests all three countries have a similar “so-called liberal model” (p. 18) of the Third sector, with a relatively small welfare state and a relatively large nonprofit sector. Given this similarity of these three countries, the fact that while Australian law is based predominately on UK law it also draws corporate giving legal precedent from USA law (Watterson and Digby, 2004), and the fact that most research into corporate giving has been focused on the UK and USA, it is useful to have some understanding of corporate giving in these countries.
2.4.1 Corporate giving in the United Kingdom

(Elischer, 2002) has studied corporate giving in the UK and found that “from the earliest times, there is evidence of both individual and corporate philanthropy based on the fruits of that trade being used to support philanthropic activity”, and that between 1480 and 1660 corporate benefaction led the way in “the building of town halls, the provision of corporate plate, endowments to secure the lessening of tax burdens, and a great variety of other gifts designed to make divers communities more attractive and agreeable places in which to work and live.” English law first officially recognised charitable causes in 1601, with the statutory incorporation of companies being legalised in the 1840’s, “and in 1862, limited liability became generally available, creating the 'modern' form of corporation” (Chesters and Lawrence, 2008, p. 91).

Whilst under British law the firm’s function is to maximise the returns for shareholders, the approach taken was that activities by the corporation outside the corporations “chartered powers” were recognised (Sargeant and Joy, 2004). They could therefore support NPO’s and causes outside of their direct sphere of corporate operations.

Early corporate giving in the U.K. was primarily linked to the business owners’ wishes, with merchants using their own wealth and that of their company to promote their preferred causes. The works and policies of great industrialists and their family dynasties such as Cadbury, Wedgwood and Rowntree often made it difficult to distinguish between private, family, religious and corporate affiliation. The values of the dynastic families themselves, and the well-being of the employees and their families, were intricately intertwined with the fortunes of the company and the advancement of wealth and personal esteem (Elischer, 2000).

2.4.2 Corporate giving in United States of America

Similarly, in the USA in the 1800’s the larger corporations were mostly the result of successful business endeavours started by single or small numbers of people, and there was little difference or distance between the owners and the business (Soskis, 2010). In contrast to the UK, in 1837 US courts made it illegal for corporations to go beyond their chartered powers (Wren, 1983) thus effectively banning corporate giving, although there were some
limited examples of companies “giving” to causes that directly supported their business.¹ In response, individuals with wealth donated their own funds rather than use the company as the philanthropic support vehicle (Sharfman, 1994).

By the end of the 19th century philanthropy in USA was still largely the result of wealthy individuals giving and preference (Soskis, 2010) but various factors were starting to influence NPO support by corporations. Courts were beginning to allow NPO support, provided the giving had direct benefits for the company. The Civil War and recessions/depressions in the late 1800’s, and an increased fear of increasing centralised government power through providing social services (Diamond, 2002), increased the social pressures on corporations to give more. Managerial control rather than direct owner control started to become significant in organisations, and this removed the direct influence of the owner from day to day decision making, even if corporate professional managers were initially perceived to be working too much in the interests of their company (Soskis, 2010). NPO’s also began to coordinate themselves at a national level, making it easier and clearer for organisations to give (Jenkins, 1950), such as in 1917 when the Red Cross, in need of funds to support their activities resulting from World War One, developed the concept of a special dividend, authorised by shareholders, which the corporation could then donate (Sharfman, 1994).

Further changes in business practice and in law also positively influenced corporate giving. In 1953 the USA Supreme Court upheld a decision that effectively allowed donations unrelated to the company’s activities, thus legitimising what the public perceived as good corporate behaviour and essentially replicating British law of almost 100 years before (Sharfman, 1994).

2.4.3 The early evolution of corporate giving

Corporate giving has changed dramatically since the initial development of the corporation in the 1600’s and the modern corporation in the 1800’s. Nevin-Gattle (1996, p. 15) suggests corporate giving is a reaction to the seismic shifts in the social climate that are a part of each period in history, and represents a reactive strategy crafted to counter pressures such as

¹ The classic example often quoted (c.f. Nevin-Gattle, 1996; Soskis, 2010) is that of railways in USA financing the building, and partly funding the operations of YMCA hostels for their workers.
stakeholder demands, threats of government intrusion in industry’s freedom, and escalating public expectations.

Tracing the early evolution of corporate giving shows that initially the wishes and interests of the owners of the corporation (or frequently their wives) dominated the giving of their company, but as corporations became larger, professional managers were hired to run the day to day operations. This included managing corporate donations to nonprofit organisations and with increased professionalism the reasons for giving began to change (Elischer, 2002).

In the mid 1900’s, commentators and academics began to question the social responsibility inherent in the capitalist corporate system (c.f. Berle, 1962), while in the 1960’s and ’70’s social activist groups became prominent in advocating corporate social responsibility (Carroll, 1991). At the same time arguments from academics such as Friedman (1962), practitioners, and shareholder associations suggested that the primary obligation for the corporation was to make money for shareholders. The Australian Shareholders Association held this view up until 2005. Their formal policy in early 2005 included the statement “Shareholders do not elect directors to give away their profits, no matter how worthy the board might think the beneficiaries”, and their stated position was that dividends should be paid to shareholders who could then more properly decide the use of those funds (ASA, 2005a).

These early phases over time of corporate giving are highlighted by the following Table 2.2:
Table 2.2: Historical early phases of corporate giving

<table>
<thead>
<tr>
<th>Phase</th>
<th>Period</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owners self interest</td>
<td>Up to late 1800’s</td>
<td>Owners generally used primarily their own wealth (generated by their companies) to support causes they preferred</td>
</tr>
<tr>
<td>Managerial influence and Company direct interest</td>
<td>Late 1800’s to 1915</td>
<td>Managerial control began to influence corporate giving. In USA laws allowed giving to NPOs that was in the company’s direct interest</td>
</tr>
<tr>
<td>War, depression and more war</td>
<td>1915 – 1950</td>
<td>In USA company support was made tax deductible. Companies were increasingly expected, and needed, to assist in providing for the needy.</td>
</tr>
<tr>
<td>Increasing social expectations of corporations</td>
<td>1950-1960’s</td>
<td>Social and environmental movements began to influence corporate support beyond and sometimes contrary to their direct interests</td>
</tr>
</tbody>
</table>

(Adapted from Sharfman (1994), McAlister and Ferrell, (2002), Lindahl (2010).)

2.4.4 The legal basis for corporate giving in Australia

Australian law is based upon the law in the UK and follows similar principles for corporate giving, but the scope of eligible charitable activities is narrower in Australia than the UK (PC, 2010). For corporations, while “the power and legal ability to donate is open to some debate, the practice falls within the normal exercise of the power of boards of directors” (Chesters and Lawrence, 2008, p. 92). Watterson and Digby (2004) advise that “shareholders (in Australia) have very little direct control over the decisions of management who rationally believe that the decision is in the best interests of the company” (emphasis added). The inclusion of the concept of rationality in decision-making is important as it is very useful in describing modern corporate decision making, including corporate giving decisions. Watterson and Digby (2004) go on to argue that NPO support can provide benefits such as goodwill or improved reputation and that these would most likely be accepted by a court as being in the best interests of the company.
As noted above, another consideration for organisations is that of the tax deductibility of NPO support. Under Division 30 of the Australian Income Tax Assessment Act a tax deduction is allowed if the recipient is a “Deductible Gift Recipient” (ACG, 1997). This status is generally endorsed by the Australian Commissioner of Taxation and “is an organisation that is entitled to receive income tax deductible gifts and deductible contributions. Some NPO’s are not DGRs and therefore cannot receive tax deductible gifts” (ATO, 2011a). While tax deductibility is a good thing to have, less than 25% of organisations nominated it as a motivation for corporate support in a 2005 survey (PMCBP, 2005b). It is interesting to consider the conundrum that it is likely much of corporate giving is claimed as a tax deduction, and to be a tax deduction there must be “no material benefit or advantage … received by the donor” (ATO, 2011b), but Watterson and Digby (2004) suggest increased goodwill or company reputation is an acceptable legal basis for corporate giving.

(Chesters and Lawrence, 2008, p. 96) suggest the “shape of philanthropy (in Australia) is still emerging”. They go on to state “Further, there is another important consideration that needs to be addressed in any discussion of the format and influences on corporate philanthropy: the issue of who has the authority to enact philanthropy via the corporate vehicle.”

2.5 The later evolution of corporate giving - Why modern corporations give to NPOs
Within the field of corporate giving, the reasons for modern corporations undertaking giving are still not fully understood (Saia et al., 2003). Several authors have attempted to summarise the literature of the past few decades on the motivations of corporations supporting NPOs, and conducted primary research themselves, and arrived at the following motives for corporate giving. (c.f. Young and Burlingame, 1996; Campbell, Moore and Metzger, 2002; PMCBP, 2005a) Not all found that all the motives below applied.

- Neoclassical/productivity – where the aim is a contribution to profits
- Ethical / Altruistic – doing what is right for society
- Political – to preserve or legitimise corporate power and autonomy
- Stakeholder – the firm attends to both business and society interests with a complex mix of the above concepts.
- Managerial utility – managers use their position to advance their social credentials
• Expression of identity or reputation - giving may enhance the reputation of a business.
• Community connectedness
• Reciprocity - may result in an improved business profile or advertising, and attract or retain customers
• Employee satisfaction - business may attract staff or improve staff retention rates or skills through employee volunteering or giving programs.

There has been a changing attitude of stakeholders over time, for example whereas the Australian Shareholders Association initially frowned on corporate support of NPO’s as noted above, by late 2005 this position had been amended to “(Activities that are) recognisably charitable (in) nature are matters for decision by directors, and executives to whom such decisions are delegated by directors” (ASA 2005b).

Corporations also have changed their view over time, from “altruism” and “philanthropy” to one where a “return” to the organisation was expected from their giving. While altruism (“it’s a good thing to do”) is commonly frequently cited as a motivation for corporate giving (c.f. Maijer et al., 2006; Sargeant and Crissman, 2006), the high frequency of this response may be because it’s a good thing to say (c.f. Campbell, Gulas and Gruca, 1999). Researchers are now finding that, especially in larger organisations, there is little evidence of true philanthropy in corporate giving, with many suggesting a multiplicity of motivations for their NPO support (c.f. Bennett, 1998; Moir and Taffler, 2004, Sargeant and Crissman, 2006; Noble et al. 2008).

2.5.1 Emergence of CSR as a driver of corporate giving

Although CSR had been discussed as early as 1913 (Frederick, 1978), it was not really until after the Second World War, when both the UK and USA saw the rise and increased influence of the private corporation coupled with the rise of marketing and advertising as pivotal disciplines in corporate enterprise that the corporate community began to question its own, often complex and differing motivations behind various types of support for social betterment (Frederick, 1978).
In the mid 1960’s social commentators and academics were suggesting that corporations take responsibility for their actions and behave in a more “socially” responsible manner (c.f. Berle, 1962). These discussions began to influence managerial thinking in terms of their corporate giving behaviour and role in society. Milton Freidman explained, or perhaps repositioned, his 1962 book in an explanatory 1970 article titled “The Social Responsibility of Business is to Increase its Profits” (Friedman, 1970). His original book is the most cited opponent of corporate giving behaviour driven by this “social obligation”, however a close reading of the 1970 article shows he does not oppose limited giving to local communities where the business operates as this can increase profitability and therefore meets the corporations prime responsibility to shareholders of profit maximisation. This can be seen as one of the first references to managerial giving behaviour which later became known as “strategic philanthropy”.

In the 1970’s corporations came under increasing pressure from special interest stakeholder groups, for example Greenpeace and Amnesty, to be more proactive particularly on environmental issues. In the USA at this time the government formally recognised not just employees and customers but also the environment as “legitimate stakeholders of business’ (Carroll, 1991, p. 39). This has led to, particularly; the larger corporations reviewing their support of the non-profit sector against far more rigorous benchmarked criteria. Large corporations began to increase activities that they thought would be seen as ‘socially responsible’, but they were caught in a bind - if the giving was seen to be benefiting the company it was also seen as the company trying to control the agenda – thus corporate giving was required but without significant conditions or influence as to its use (Nevin-Gattle, 1996). Frederick (1978) labelled this corporate response to emotive and morally based social issues CSR₁. He described a developing philosophy that he terms “Corporate Social Responsiveness” (what he terms CSR₂) and describes it as “managerial in tone and approach” (1978, p. 155) with an emphasis on management of stakeholder relationships and a pragmatic approach to giving related decision making rather than the moralistic approach taken with prior attempts at CSR. He believed CSR₂ enabled the organisation to respond to pressures from social and government groups without the “moral heat” (1978, p. 158) and allowed them to not be defensive about assisting societal issues. While he stopped short of suggesting CSR₂
involved company’s giving in the expectation of some return, he describes an important transitional concept in the history of corporate giving.

From around the time of the initial publication of Frederick’s article corporate giving behaviour has been influenced by the concept of “strategic philanthropy”. This is aligned with the concept of strategy as practice. Rather than viewing strategy as a property of organisations, the strategy as practice approach views strategy as “something that people do” and it focuses “people’s strategy activity” or behaviours (Whittington, 2006, p. 613, emphasis in original). Maignan and Ferrell (2004, p. 8) suggest that a commitment to social responsibility by an organisation is now evidenced by “its impact on the issues of concern to its stakeholders”. Current research suggests companies are increasingly seeing themselves as social enterprises (c.f. Birch and Littlewood, 2004, Thorne et al., 2011) and their stakeholders are increasingly calling on them to create behaviours in business that are seen as socially responsible (Smith, 2009; Carroll and Shabana, 2010; Thorne et al., 2011). Carroll and Shabana (2010) believe there is a narrow or short term view of CSR that looks for immediate returns to the business, and a longer term or broad view, that in addition to some of the advantages of the shorter term view “enables the firm to enhance its competitive advantage and create win–win relationships with its stakeholders” (p. 101). Luo and Bhattacharya (2006), reported that because of stakeholder pressure, CSR is of strategic importance to many companies and that they are communicating their CSR activities to stakeholders. Thorne et al. (2011) suggest that the social responsibility actions of any organisation should by definition have a strategic focus to their objectives and activities that fulfil all stakeholder expectations.

This pressure from stakeholders (both internal and external) for social responsibility has meant many corporate giving programmes have been subsumed into, are reported as, and included in modern research on organisational CSR, as corporations need to be seen to be socially responsible (c.f. Navarro, 1988; Sharfman, 1994; Burke and Logson, 1996; Campbell et al. 2002, Brammer and Millington, 2004a; Morimoto, Ask and Hope, 2005; and Chen, Patten, and Roberts, 2008). Corporate giving programs are provided as evidence of social responsibility, and a meta-analysis of how CSR activities have been represented in corporate reporting literature (Peloza and Shang, 2011) demonstrates how what would once have been
termed corporate philanthropy is now presented as CSR. Activities that supported NPOs which is reported as CSR included community involvement, environmental protection, diversity and cash donation (Peloza and Shang, 2011). Thorne et al., 2011 also include the increased pressure for visible CSR. This has arguably led to the increase in corporate giving reported in the 2005 survey of Australian businesses (ACOSS, 2005b).

The popularity of CSR and the requirements to publish corporate social performance has in turn lead to an increasing emphasis of the concept of triple bottom line reporting, on financial, environmental and social activities (Nikolaeva and Bichoand, 2011), and detailed proactive strategies of corporate support being developed and implemented with a growing willingness by a wide range of companies (Elischer, 2002). These proactive strategies, increased reporting requirements, greater competition, greater understanding of their own role and required outputs from support of the charitable sector on the part of companies have led to a more complex and sophisticated environment for corporate giving (Elischer, 2002). While this had bought a more professional approach to corporate giving - in terms of resource allocation decisions through formalised CSR programmes with well-defined objectives and very visible (and promoted) corporate giving, the reasons for corporate giving and engagement with CSR are still not well understood. In a recent article Harjoto and Jo (2011 p. 45) suggest “Although CSR activities have received substantial attention from media and academics, the fundamental rationale behind firms’ engagement in CSR still remains a puzzle”.

Maas and Liket (2011, p. 448) in a recent article on measuring on strategic philanthropy succinctly summarised the range of research in the field and found “studies focusing on corporate philanthropy or strategic philanthropy in specific are much less numerous”. Highlighting the scarcity of information available on the giving manager, their summary of research to date on strategic philanthropy does not mention the management or implementation of CSR. These different phases over time of corporate giving are highlighted by the following Table 2.3, which also includes for completeness the early phases noted in Table 2.2
Table 2.3: Historical phasing of corporate giving

<table>
<thead>
<tr>
<th>Phase</th>
<th>Period</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owners self interest</td>
<td>Up to late 1800’s</td>
<td>Owners generally used primarily their own wealth (generated by their companies) to support causes they preferred</td>
</tr>
<tr>
<td>Managerial influence and Company direct interest</td>
<td>Late 1800’s to 1915</td>
<td>Managerial control began to influence corporate giving. In USA laws allowed giving to NPOs that was in the company’s direct interest</td>
</tr>
<tr>
<td>War, depression and more war</td>
<td>1915 – 1950</td>
<td>In USA company support was made tax deductible. Companies were increasingly expected, and needed, to assist in providing for the needy.</td>
</tr>
<tr>
<td>Increasing social expectations of corporations</td>
<td>1950-1960’s</td>
<td>Social and environmental movements began to influence corporate support beyond and sometimes contrary to their direct interests</td>
</tr>
<tr>
<td>Strategic philanthropy</td>
<td>1970’s – 1990’s</td>
<td>Corporate support began to move back to reflecting the company’s interest with more directed, strategic giving.</td>
</tr>
<tr>
<td>Corporate Social Responsibility</td>
<td>1990’s -</td>
<td>The need to demonstrate CSR drives large corporations’ support of NPOs.</td>
</tr>
</tbody>
</table>

(Adapted from Sharfman (1994), McAlister and Ferrell, (2002), Lindahl (2010).)

2.6 The emerging role of the giving manager

While individual donor behaviour has been frequently modelled (e.g. see Guy and Patton, 1989 and Sargeant and Joy, 2004), to date, there have been few attempts to model the various aspects of corporate giving. Himmelstein (1997) interviewed corporate managers in one of the early attempts to understand corporate giving. While the focus of his book is on giving and corporate power, he noted that in the late 1980s and 1990s “the very largest corporations” in USA were becoming professionalised or at least “aspired to become so” (1997, p. 23). He argued that one significant expectation from corporate giving to NPOs can be to minimise the risk to the organisation from disgruntled high salience stakeholders. Saia et al. (2003) also conducted seminal research focused on the corporate giving manager in USA in looking at the use of corporate giving as strategy and suggested that it is the “giving managers” who are...
generally responsible for implementing corporate giving policy. They believed that giving managers are “gain(ing) more influence and greater control” (2003, p. 174) over corporate giving programs, and found that giving managers believed corporate giving was changing and becoming more strategic. They also found that the role was becoming more professional. They stated that corporate philanthropy, and by inference the giving manager, “can be a powerful symbol for re-establishing connection and legitimacy with society” (2003, p. 187).

There are potentially many stakeholders that support the modern corporation, as demonstrated by Marsden and Andriof (1998) in their study of corporate citizenship. They identified 23 possible primary stakeholders and 20 general issues in the wider community that can be a source of additional stakeholders. Mitchell, Agle and Wood (1997) suggest there is a “maddening variety of signals” in trying to identify stakeholders. Clarkson (1995) determined that corporations tend to manage relationships with stakeholder groups rather than society as a whole and that it is important to distinguish between the issues raised by each, but Fry and Polonsky (2004) caution that because of the complexity surrounding the determination of effects, the proper identification of all stakeholders is vital.

Although stakeholders are considered important, the role of the giving manager and their interaction with stakeholders is not well understood. Past researchers have described basic models of corporate giving in specific contexts, geographic locations, and industries which are not generalisable (c.f. Campbell, Gulas and Gruca, 1999) or models that are applicable to specific circumstances where there is an identifiable, public and powerful owner or CEO of the organisation (Smith, 2006), which is not representative of the modern large corporation. Black (2009) in her thesis on the topic of managerial influence in corporate giving in small and medium sized firms in New Zealand demonstrates that perhaps only Brammer and Millington in their various studies (and with Pavelin in one study), have researched corporate giving processes and management in large organisations to any degree. In 2004 Brammer and Millington (2004a p. 1414) developed a general model conceptualising CSR which draws on stakeholder theory. They examined the influence of stakeholders on corporate giving in socially and environmentally sensitive industries in UK and developed a general stakeholder model of corporate giving (See Figure 2.1 below).
Another corporate based general model conceptualising the implementation of CSR which draws on stakeholder theory is that developed by Maignan, Ferrell and Ferrell (2005). They developed a step by step model for guiding CSR activities of the firm (See Figure 2.2 below).
Both of the models above explicitly acknowledge the influence of key stakeholders on the development of company CSR policy but neither model aims to address the management of the systems and procedures for such models.

Moir and Tafler (2004), using content analysis of one web site (Art and Business UK), designed a basic integrated framework of corporate philanthropy based on case studies from the site, which extended a previous model developed by Young and Burlingame (1996). Moir (2004) further develops this concept in his PhD thesis, and describes what he terms societal strategic philanthropy and business strategic philanthropy to differentiate between reputationally focused giving and what other authors have termed and described as “Strategic Philanthropy”. He develops a “revised continuum of corporate philanthropy” with what he terms explicit motives for giving that reflect the general motivations described above. It adds to other continuums developed (c.f. Burlingame and Frishkoff, 1996; Saiia, 1999) through the
addition of various stakeholder groups on which corporate giving to the Arts in the UK is focussed, but also does not directly address the topic of the giving manager.

In another study Buchholtz, Amason and Rutherford (1999) considered the effects of managerial discretion and values on corporate philanthropy in a survey of 43 USA companies. They developed a very basic model, from the responses to one survey question. This model describes the partially mediating effect of managerial values on corporate giving (See Figure 2.3 below).

Figure 2.3: The partially mediating effect of managerial values on the relationship between managerial discretion and corporate philanthropy

![Diagram](Buchholtz, Amason and Rutherford, 1999)

However, these models do not adequately answer why the giving managers make the decisions they do – a gap identified by Saiia et al. (2003). They also do not acknowledge the role that the giving manager’s interpretation of the strategic intent and socially responsible requirements of these stakeholder influences has on the final choice of NPOs.

Brammer and Millington (2004b) conducted initial research with senior managers responsible for the cash donations of their large organisation. 36% of their respondents were described as the CEO, Finance Director or Company Secretary (p. 280). Other position titles were not
detailed. Their important findings suggested that companies do respond to managerial perceived stakeholder pressure by locating corporate giving responsibility in externally focused departments when the pressure is from external stakeholders, and CSR departments when the pressure is from internal stakeholders (that is, staff) (p. 290).

As further demonstration as to the lack of knowledge in this field, Maignan, Ferrell and Ferrell (2005) suggested further research be conducted into their managerial framework for implementing CSR (Figure 2.2). Smith (2006) in her thesis research titled “The Management of Australian Corporate Philanthropy” suggested that from her research “The most significant recommendations relate to the need for … benchmarking of corporate giving towards best practice, and greater understanding of the gift process by both companies and NPOs” (p. 382). In addition, Daellenbach (2012) calls for further exploration concerning the pro-active nature of companies and the effect on the decision process.

One of the related issues from this review is that there is not an agreed definition of a giving manager within the academic literature. This thesis defines the corporate giving manager as “the person(s) responsible for the development of the substantive practices and implementation of corporate giving policy”. This is not inconsistent with the latest definition used by Brammer, Millington and Pavelin (2006) of “a senior manager involved with the management of the firm’s charitable giving … (with) … the processing of requests for support as a key activity.” (p. 238). The term they use, “involved with the management of the firm’s charitable giving” suggests that the giving manager role is not exclusive of other duties and this was supported by this research. Some managers interviewed were totally dedicated to the company support program but others were also responsible for such tasks as corporate communication, corporate social responsibility activities and reporting, corporate branding, annual report preparation etc. Addition research is needed both in Australia and Internationally to better understand and define the managerial role the corporate giving manager, including their other reporting responsibilities.
2.6.1 Corporate giving managers and corporate stakeholder influence

The development of corporate policy on CSR (and therefore corporate giving) is often initiated at Board level in major corporations (c.f. Genest, 2005, Thorne et al., 2011). Some researchers suggest that operational responsibility for corporate charitable contributions lies in a broad range of agents of the firm (Siegfried, McElroy and Bientot-Fawkes, 1983 cited by Brammer and Millington, 2004b), while Brammer and Millington (2004b) found that the size of the firm and the source of an organisations’ stakeholder pressure significantly impacts on operational responsibility.

Murphy et al. (2005) suggests that managing stakeholders and taking their preferences into account in corporate social responsibility policy, action and reporting significantly improves business performance compared to merely focusing on the more traditional customer relationships. This confirms the proposition of McWilliams and Siegel (2001b) that managers of CSR can meet the demands of both shareholders and other primary stakeholders, and that management decisions regarding CSR must be treated the same as other investment decisions (McWilliams and Siegel, 2001a).

Saia et al.’s (2003) seminal work also included findings that firms with mature giving programs had responded to stakeholder pressure for improved social responsibility by creating the giving manager position or title, and this role was also seen as evidence of proof to employees that the corporate giving adds value to the firm.

Brammer, Millington and Pavelin (2006), in an attempt to determine if corporate giving in UK is really strategic, surveyed 200 of the top 650 UK companies and their responses indicated the companies are beginning to employ specific managers for their support programs, and that these managers resided with departments responsible for external relationship management (external/corporate/public affairs) in 29.5% of organisations, with the corporate management team (defined as CEO/Finance Director/Company Secretary) in 29% of cases, and with a CSR related department 23% of the time.

From the research described above it can be seen that if firms are creating the giving manager position or title, then understanding this role, and the influences of stakeholders on the role,
can provide significant new insights into corporate giving and how and why they select one NPO over another.

2.7 Research on Australian modern corporate giving

Research into corporate giving in Australia went through what can be termed a golden period in 2000 – 2005, with the then federal Government’s push to increase corporate support of NPO’s. In 2002 the Australian Bureau of Statistics released the results of a 2001 user-funded survey of 9,000 Australian businesses (93% response rate), collecting information on "business giving" including cash given and the "dollar equivalent values" of any goods or services components associated with any business giving arrangements. The amount given was said to be $A1,447m (including $A586 mill in donations i.e. cash) which for the businesses who gave, represented 1.66% of pre-tax operating profit (ABS, 2002). By comparison USA corporations give around 1.1-1.3% of pre-tax profits, while in the UK it is around 0.2% of pre-tax profits (Jay, 2004). Also in 2002, some comprehensive data was reported from of a survey conducted by the Smith Family (Zappala, 2002; Cronin, 2002).

In 2003, only 49 of Australia’s “Top 100” (BRW list) companies currently publicly stated they supported community causes financially or otherwise, down from 55 in 2001 (Corporate Good Works, 2003). In 2003 Corporate Good Works (CGW) estimated these companies provided around $A100 million in cash and/or other resources to the community. In 2001, CGW estimated the amount was $121 million, which then was just over 0.5% of their (55 companies) post-tax profit (Corporate Good Works, 2001).

Tixier (2000), in an article in Corporate Communications, notes “the increase of amounts directed to education and community welfare indicated that those who have redirected their corporate giving strategies understood that business is part of - not separate from - the community”. Lucas (2004, p. 24) believes Australian companies had been slow to adopt socially responsible business strategies, but that small shareholders now expected an approach that “ensures long term viability … with concern for all stakeholders (and) the natural environment”.
O’Keefe (2004) suggested corporate “generosity” was at an all-time high at that time, with not only sponsorships but “great partnerships evolving”, increased staff involvement and pro-bono services - with an increased awareness by corporate Australia that doing good can be good for the bottom line. In 2005, the Federal Government announced a new initiative - a research project into Australian philanthropy and the fundraising and development capacity of the not-for-profit sector. Its task was to “examine all forms of giving for community benefit - from donations with no benefit accruing to the donor through to philanthropic relationships encompassing mutual benefits, such as sponsorship arrangements and community business partnerships” (Patterson, 2004). It is reported as being the “largest study of giving and volunteering conducted in Australia” (Lyons, McGregor-Lowndes, and O’Donoghue, 2006).

This research was completed with corporate giving in Australia reported as $3.3 billion in value (ACOSS, 2005b). On careful analysis it was found that, while there was a large increase in corporate giving, much of the difference from the previously reported $A1.5 billion (ABS, 2002) could be the result of methodological differences in collecting data combined with probable over reporting by executives in the later survey (Sargeant and Crissman, 2006). They also noted that large organisations contribute approximately 20% of the total corporate support from all organisations, whilst comprising only 1% of all organisations in Australia. This highlights the importance of large organisations to NPO support and NPO income.

The different data collection methods also make it difficult to determine the mix of corporate support. Surveys such as “Giving Trends” conducted by O’Keefe and Partners (1996) suggest the amounts “given” by Corporations in 1996 were $400 mill cash donations and $1.2 billion on sponsorship. O’Keefe (2000) also notes the gap was widening, with relatively more being spent on sponsorship and less on donations. The 2005 survey (ACOSS, 2005b) supports the initial ABS data suggesting 20% of corporate support for NPO’s was sponsorship and 58% was given in cash. It also reports 17% of corporate support was in the form of business-community projects. These were defined as “co-operative arrangement or partnership involve(ing) the voluntary transfer of money, goods or services in exchange for strategic business benefits, such as improved staff expertise, wider networking, enhanced community reputation and/or other benefits” (ACOS, 2005a p. 37). By this definition, the ACOSS
(2005a) survey proposes most cash provided by Australian companies is not for “community-business projects”. This suggests it is purely philanthropic giving, but an analysis of the same data by Sargeant and Crissman (2006) demonstrates clearly that most managers believed there were business benefits from supporting NPO’s.

In the last several decades, much of the overseas literature on corporate giving has been suggesting corporate giving should be, and is becoming, more strategically oriented than just philanthropy, although Porter and Kramer believed in 2002 that what passes for strategic philanthropy then was almost never truly strategic or effective as philanthropy (2002, p. 56). Most researchers now find there is little evidence of true philanthropy in corporate giving (Moir and Taffler, 2004). The same situation has been occurring in Australia, with the public relations manager of the Royal Victorian Institute for the Blind noting in 1992 that “corporations are becoming more professional in their giving; (they) are wanting to see a return for (their) money …. and know where it is going” (Cohen, 1992, p. 12). O’Keefe (2000) noted that growing numbers of businesses are “reporting significant and measurable commercial benefits from their partnerships with charities”, although no evidence was offered publicly. At the IQPC conference in 2003, Ms. Sam Mostyn (Group Executive, Culture and Reputation; IAG) gave a presentation on enhancing shareholder value (Mostyn, 2003). It outlined some of the “focused sponsorship” of NPO’s aimed at IAG’s market (risk reduction), including encouraging volunteer work amongst their employees. She stated that according to an Environics survey, “Australia leads (the world in consumer activism) with 77% of people actively punishing and/or rewarding companies because of their social performance” (Environonics, 2003). Mostyn’s proposition of enhancing shareholder value through targeted Corporate Social Responsibility seems to be supported by many CEO’s and senior executives in Australia according to Birch and Littlewood (2004) who reported on the third national conference on Corporate Citizenship in Melbourne in 2003, although there is some disagreement on how this process might be directed.

In 2007, Dann et al. (p. 298) suggested “research in the areas of philanthropy, gift giving and fundraising also require special attention”. Since the analysis and publication of the 2005 Giving Australia project data, there has been very little research published on the topic of corporate philanthropy in large organisations, and while there has been publication in the field
of CSR in Australia, Truscott, and Bartlett and Tywoniak (2009) found that CSR in Australia was still an emerging industry. On reviewing the published material on the specific topic of corporate giving, there has been some research published. Smith (2006) presented her thesis on corporate donors that focused on the individual owner or powerful CEO of the company; but current literature suggests this is atypical of modern corporate giving. Cook (2008) published his thesis on corporate giving and NPO’s including interviews with 5 executive managers of large organisations in Australia, with several providing giving via their independent Foundations. While the use of independent Foundations is a relevant giving strategy, investigating the use of these Foundations does not address the issues of the influences on corporate giving as they are independent of the company and their programs are “different from corporate giving programs” (PC, 2010, p. 170). To the answers of why do corporations give, Cook found that “each does so in their own way for their own reason” (p. 139). Similarly, he found the stated returns to the company were described as being different for each of the five organisations. In 2009 (Black) presented her research findings on the impact of corporate giving of individuals in other “than those of large corporations” (p. 3). In 2008, two articles were also published based largely on the initial work for this thesis (Noble et al., 2008; Cantrell et al., 2008). In 2010, the Australian Government Productivity Commission’s report on the NPO sector suggested that there was “considerable potential to expand” corporate support for NPO’s (PC p. 350). In 2012 Daellenbach published some results from her research in the field of arts sponsorship in New Zealand. While sponsorship is specifically not the focus of this research, her article is topical as she investigates the corporate process of support for NPO’s. She succulently summarises the difference between this research and much previous work in her conclusion that when determining sponsorship for the arts, companies make decisions primarily from a “more philanthropically oriented” or a “more commercially oriented” position (p. 371). In the philanthropic orientation, “the CEO became the advocate for the partnership”, which is analogous to Smith’s (2006) findings. Conversely the commercially oriented sponsorship generally had the Sponsorship/Marketing Manager as the corporate advocate. As noted, although her research is on sponsorship, she does highlight that when corporate managerial processes are involved in NPO support (rather than sponsorship by CEO initiation/intervention); there was “increased formalisation” (p. 369) in the corporate support process.
This review suggests the field of corporate giving, and in particular the giving manager, is very much under researched, and that there are substantial gaps in the literature. These will be addressed in the next section.

### 2.8 Knowledge gaps in the academic literature

From this review it can be seen that the knowledge of corporate support for nonprofit organisations has grown significantly over the past few decades, but it is clear that most of the research has concentrated on the motivations of large corporations in providing support and understanding how corporate giving and CSR has changed over the past 100 years since the beginnings of the corporation.

In 2003 Saiia et al. provided the results of some seminal research that demonstrated “how” corporate giving was becoming more strategic. They also highlighted that “the “why” questions … will have to be left for future studies” (p. 187). One of these “why” questions includes why do organisations provide support for one NPO rather than another. While the general motivations of corporate giving have been previously described, and the managers involved in corporate giving are beginning to be documented, little research has been conducted into how the giving managers of large corporations actually perform their role, and the effect of stakeholder influence on their final choice of NPO to support has not been studied.

It has been demonstrated that support for NPO’s has largely been subsumed into CSR. Given this fact, it is logical to assume that the manager responsible for NPO support must be influenced to some degree by the company CSR policy. What has not been investigated to date is the importance of CSR policy in NPO support, and there is also scant research on whether or not the giving manager has any influence on CSR policy.

In addition, there is further research required on the process of NPO support as identified by Brammer and Millington (2004b), Maignan, Ferrell and Ferrell (2005), Smith (2006) and Daellenbach (2012). These processes include the manner in which giving managers assess a NPOs ability to satisfy key stakeholders expectations, which is under-researched. There is also little research specifically examining the effect of social influence or stakeholder
expectations on their evaluation process and final choice of NPO to support/recommend. In particular what is missing from the research is an understanding of how a professional giving manager structures the process of selection, evaluation and justification when choosing a proposal from competing NPOs or when deciding whether or not to continue an existing support relationship.

### 2.9 Conclusion

This chapter explains that the corporate giving manager was selected for this study as there is little known about this pivotal role. An understanding of the origins of corporate support for NPO’s was introduced as it is considered a necessary precursor to understanding the modern giving manager. This relatively new managerial position has developed out of the need for organisations to be acting as their stakeholders would prefer for the general betterment of the company, and in addition in order for the company to be seen as socially responsible.

The research into the motivations for corporate giving has been briefly described, as has the subsumption of NPO support into CSR activities. CSR has emerged as the prime vehicle for NPO support in the new millennium, and the giving manager’s role has yet to be adequately described in relation to CSR. Stakeholders are now seen as being a vital focus of CSR activities and there is a recognition that corporations tend to manage relationships with stakeholder groups rather than individuals or society as a whole, but research into how companies manage their CSR and NPO support in relation to stakeholders has been shown to be limited.

The next chapter introduces the theoretical framework of this thesis, that of stakeholder-agency theory. The use of this theory to guide the investigation into the influences on the decision making of the giving manager is explained. The chapter also presents a conceptual construct of the general influences of NPO support, developed from stakeholder-agency theory and a review of the literature on corporate giving. This construct assists in visualising the influences of external and internal stakeholders and their interaction with senior management within the company and CSR policy.
CHAPTER 3: THEORETICAL FRAMEWORK AND AN INITIAL THEORETICAL MODEL FOR THIS RESEARCH

3.1 Introduction

This thesis presents a new conceptualisation of the role of the corporate giving manager in managing corporate support for nonprofit organisations and develops a model to demonstrate the known influences on the corporate giving manager. Researchers investigating corporate giving have developed various models predominately to explain the motivations for corporate support of NPO’s or to guide CSR activities (c.f. Young and Burlingame, 1996; Moir and Tafler, 2004; Brammer and Millington, 2004a; Maignan, Ferrell and Ferrell, 2005). In this emerging research area Brammer and Millington have focussed on corporate charitable contributions (cash) to NPOs (2004a), and investigated the influence of external stakeholders and the allocation of departmental responsibility for the management of these contributions (2004b). A small number of researchers have investigated some of the influences on the giving manager (Buchholtz, Amason and Rutherford, 1999; Jones, 2000) yet there remain significant gaps in our knowledge of this key role. Specifically requiring further examination is the role of stakeholder management in the methods of and reasons for corporate giving managers choosing or recommending particular NPO’s to support.

This chapter firstly introduces the theoretical framework for this dissertation which has as its foundation stakeholder-agency theory (c.f. Hills and Jones, 1992; Mitchell, Agle and Wood, 1997). The concept of the corporate stakeholder is explored in depth and then the different approaches of both stakeholder theory and agency theory are discussed and their important contribution to developing this research is explained. The combined stakeholder-agency theory is then introduced as the theoretical framework for this research. Stakeholder-agency theory is fundamentally an organisational-level theory of the firm that assists in understanding the strategy and actions of the firm. This theory is used to guide the research into investigating the role of the corporate giving manager and provides significant insight into the role of the giving managers in providing a vital link, or nexus, between the firm and its stakeholders and the relationship of their role with stakeholder management. This is explored in depth in Chapter 5.
In the second section a conceptual model is developed from the current research. This is used to assist in understanding the general influences on the corporate giving manager. This model is developed from a review of the literature of stakeholder and agency theory, and coupled with the literature (as detailed in Chapter 2) that explains corporate giving is now predominately subsumed into reporting for Corporate Social Responsibility. It enables a visualisation of the initial influences on the giving manager, including the external stakeholders and the internal stakeholders in the corporate environment, the senior management of the organisation and the organisations CSR policy.

To develop this model the significant actors that have been shown to interact with the corporate manager, and by inference the corporate giving manager, are presented first (Figure 3.1 – Salient stakeholder groups p. 52).

In further developing the conceptual model, the influence of stakeholders on strategic planning is then briefly discussed. This demonstrates that their influence on corporate strategy is real and that there is a link between corporate strategy and CSR development. This is then extended to an understanding of stakeholder influence on CSR policy development. It can be seen that researchers are beginning to agree that corporate giving is moving from an ad-hoc approach to more strategic giving and that CSR is necessary to secure stakeholder support.

Finally the simplified conceptual model is presented (Figure 3.3) which provides a conceptualisation of the general factors affecting NPO support decisions by giving managers in large corporations in Australia. The model is useful in framing the results of this research and is presented in Chapter 5 as a part of the theoretical model developed from this research. The next Section 3.2 presents the theoretical framework for this research.

3.2 Theoretical framework: a stakeholder-agency perspective
The stakeholder-agency theory perspective is used as the main conceptual framework for considering the role of the giving manager. This theory was initially proposed by Hills and Jones (1992) and expanded upon by Mitchell, Agle and Wood (1997). Mitchell, Agle and Wood credit Cyert and March (1963) with developing the notion of organisations as
coalitions in their 1963 book “A behavioral theory of the firm”. In the second edition of their book, Cyert and March (1992) state “a number of ideas discussed (in the first edition) … have become part of the received doctrine … in particular, a perspective that sees firms as coalitions of multiple, conflicting interests … is now … widely adopted” (preface). Hill and Jones (1992) conceptualized these multiple and conflicting relationships as a nexus, with the manager making strategic decisions and allocating resources with stakeholders in mind.

Applying this philosophy to CSR (and therefore by inference the related corporate giving) McWilliams and Siegel (2001a) also believe that it is the demand from primary stakeholders for CSR, and the associated cost benefit analysis of meeting that demand that drives managerial decision making. They state (2001b) there is much overlap between agency theory and stakeholder theory and that managers can simultaneously satisfy shareholders (by improving company returns) and other primary stakeholders through profit maximising CSR. The different approaches of stakeholder theory and agency theory will now be explored, before returning to the paradigm of the merged theories that is useful in understanding the relationships and structures between NPO’s and giving managers in organisations.

3.2.1 Stakeholder theory – defining a stakeholder

“The stakeholder concept has become a central idea in understanding business/society relationships” (Carroll and Buchholtz, 2000, p. 67). Savage et al. (1991) believe that stakeholder research is relevant to organisational marketing, human resource management, public relations, organisational politics and social responsibility. The role of the corporate giving manager spans most if not all of these fields, being predominately based in a Corporate/Public Relations or Human Relations department. The corporate giving manager is often responsible for the corporations public social responsibility “face”, and as will be discussed below is often very involved in both inter and intra organisational communication. Edwards (2003) attributes Abrams with being the first to address the issue of stakeholders in 1951 when Abrams stated that “businessmen …. have responsibilities not just to one group but many” (Edwards, 2003, p. 29) and nominated employees, stockholders, customers, and the public, including government as corporate claimants. Heinfeldt (1995) suggests Ansoff was the first to use the actual term “stakeholder” in 1966.
An early attempt at defining the obligation of the organisation to their stakeholders came from Davis (1975), who suggested the organisation had a primarily moral obligation to other “claimants on the organisation”, and others have since asserted the explicitly moral values driving stakeholder management (c.f. Carrol, 1991; Gibson, 2000; Kaler, 2003). Some authors (c.f. Shankman, 1999) infer Friedman as being an initial major contributor to the debate from his (1962) assertion that an organisation’s primary responsibility was maximisation of returns to shareholders. The assertion generated much debate as many authors disagreed with this concept arguing that it is too narrow a view of what constitutes a stakeholder, and that a firm had many important groups of relevance, more than just shareholders. The “narrow vs. broad” debate of stakeholder definition continues today and is discussed in more detail below.

There is little dispute in academic literature that the defining work on describing and analysing the concept of the management of stakeholders was by Freeman in his 1984 book titled “Strategic management: A Stakeholder Approach”. Freeman described a stakeholder as “any group or individual who can affect or is affected by the achievement of the organisation’s objectives” (1984, p. 46). This obviously is an example of a broad definition, and although there is not a single agreed definition, Freeman’s work is the basis of many, if not most authors on this topic (c.f. Clarkson, 1995; Donaldson and Preston, 1995; Mitchell, Agle and Wood, 1997; Jawahar and MacLauchlan, 2001; Polonsky and Scott, 2005).

Stakeholders of an organisation have generally been categorised into primary or secondary stakeholder groups, where according to Freedman (1984) a primary stakeholder group includes customers, competition, employees, investors, shareholders, suppliers, and secondary stakeholders are considered to include governments, interest groups and media. Carroll (1993) initially suggested limits be placed on those groups or individuals to be classified as stakeholders, suggesting a stakeholder is only legitimate if they bear some financial or human risk in the relationship, but Carroll and Buchholtz (2000) have adopted a new definition similar to Freedman’s definition. Others take a different approach (McManus, 2002) by suggesting there are two higher level broad categories – strategic and moral, with strategic stakeholders being those who can affect the organisation, and moral stakeholders being those who are affected by the organisation. Instead of Carroll’s initial “risk bearing”, McManus
suggests stakeholders “compete for … resources” (2002, p. 9), and proposes producing a stakeholder map, or conducting a series of interviews highlighting contrasting variation between stakeholders in order to identify important strategic and moral stakeholder groups.

The conceptualisation of strategic stakeholders is reported by Carroll and Buchholtz (2000), when Core, Strategic and Environmental stakeholders were described at a conference working group. Core stakeholders were considered to be essential to the survival of the organisation, strategic stakeholders were those that were vital at a particular point in time, and environmental were all others. Another limiting approach is taken by Rasche and Esser (2006) who follow Donaldson and Preston’s ethical stance in suggesting Freeman’s “all affected” approach needs to be limited by distinguishing between influencers and stakeholders, with the difference being those who are effected by the organisation i.e. those having a legitimate stake.

Polonsky (1995) while acknowledging primary and secondary stakeholder classifications and noting twelve general stakeholder groups suggests it is important to use classifications of both internal and external stakeholders, while others suggest considering four general stakeholder communities for example, Carroll and Buchholtz (2000) “political, social, economic and technological”, or Maignan and Ferrell (2004) “organizational, community, regulatory and media”. These latter author(s) adopt a broad definition of corporate stakeholders which include the direct and indirect interests of many stakeholders which operate at the boundaries of the corporations’ environment yet who all have an influence on corporate activity. Greenley et al. (2004) also use Freeman’s (1984) all-encompassing definition of a stakeholder as “any group or individual who can affect, or be affected by, the achievement of an organization’s purpose”. This research adopts this broad definition of corporate stakeholder as it most accurately captures the sentiments expressed by the giving managers in the in-depth interviews conducted regarding corporate stakeholders.

3.2.2 Stakeholder theory

“Managers must know about entities in their environment that hold power and have the intent to impose their will upon the firm” (Mitchell, Agle and Wood, 1999, p. 882). Stakeholder theory was developed to improve business performance through ascertaining which groups
exert influence in and on a corporation and thus are deserving of management attention in order to meet corporate objectives (Freeman, 1984; Donaldson and Preston, 1995; Post et al. 2002). Adam Smith in his classic 1776 book “An Inquiry into the Nature and Causes of the Wealth of Nations”, was arguably one of the first to recognise a stakeholder group; customers - as an external group with an interest in the firm (Key, 1999).

As noted above, there is little dispute in academic literature that the defining work on stakeholders was by Freeman in his 1984 book. In their seminal work Donaldson and Preston (1995) extended stakeholder theory by expanding the understanding of control of the corporation beyond that of the owner or the Board to anyone within the corporation managing or affecting policy. Importantly, they also noted that not all stakeholders are seen as being equal by managers, nor are they treated equally. Mitchell, Agle and Wood (1997) expanded on this suggestion and proposed a stakeholder typology based on the existence and overlap of the attributes of stakeholder power, legitimacy and urgency. Thus, a particular stakeholder with the power to influence an outcome, the reasonable validity to influence the organisation on an issue, and the ability to demand the organisation’s immediate attention, is one they termed a definitive stakeholder, and this stakeholder would be likely to receive priority.

Jones and Wicks (1999) suggest the interests of one particular stakeholder should not dominate others, but Gioia (1999) points out that pragmatism is salient in the corporate world and that the practice by corporate management of responding to those stakeholders considered being significant is particularly common. Jawahar and MacLauchlan (2001) show that particularly in the start-up or revival stage of a company’s life cycle some stakeholders are critical to the firm’s survival. They conclude that organisations should deal with stakeholders relative to their perceived importance to other stakeholders and discuss strategies to identify and respond to those stakeholders considered by management to be more important. They note there may be different responses to the same stakeholder over time, depending on the ebb and flow of the perceived importance of the stakeholder through the corporate life cycle. Polonsky and Scott (2005) show that even though managers believe no “type” of stakeholder (using Freeman’s 1984 stakeholder strategy matrix) should be ignored, managers believed stakeholders have “differing influencing abilities” (p. 1210) – although Polonsky and Scott
suggest this belief may be based on a managers preconception of influence power of the
stakeholder rather than the stakeholders determined actual ability.

Greenley et al. (2004) demonstrated that the perceived variation in the relative importance to
the business of each of the stakeholders is associated with differing corporate strategic
planning emphasis, and that considering multiple stakeholders results in the prioritization of
the various primary stakeholder interests and the allocation of managerial attention and
resources to serve them. In this they are effectively confirming Donaldson and Preston’s
extension of stakeholder theory as describing a political model of the firm. Freeman (1999)
also supports a political view and notes that in his opinion “the very idea of a purely
descriptive, value free, or value-neutral stakeholder theory is a contradiction in terms” (p.
234). The allocation of managerial attention and resources to satisfy stakeholders with
respect to corporate CSR activities is evidenced in large organisations through the creation of
the position of the corporate giving manager, and of giving programs specifically aimed as
satisfying particular stakeholder groups as will be described in later chapters.

Donaldson and Preston (1995) also described three different and mutually supportive
perspectives of stakeholder theory. One perspective being that it illustrates a management
philosophy or a model of the organisation (the descriptive approach). Carroll and Buchholtz
(2000, p. 73) suggest ‘this allows us to have a fuller description or explanation of how they
function”. The second perspective of Donaldson and Preston (1995) was that a firm may use
it to develop methods of managing relationships with stakeholders through the theory offering
a framework for investigating the links between conventional firm performance and the
practice of stakeholder management (the instrumental approach), while their third perspective
stresses its moral and ethical orientation in understanding stakeholder groups (the normative
theory).

Freeman (1999) argues for a divergent instrumentalist stakeholder theory, rather than
Donaldson and Preston’s three perspectives as he believes “there is more than one way to be
effective in stakeholder management” (p. 235). He claims that in business literature, moral
values are often associated with deontology (a decision may be morally correct regardless of
the consequences), and that this defeats the view of instrumental stakeholder theory (which
mixes both deontology and consequentialism). This view of a diverse, practice-oriented stakeholder analysis has also been expressed by other authors (c.f. Jones et al., 1999).

What Donaldson and Preston do achieve is a bringing together of both the (generally legislated) corporate responsibility for shareholder value as well as the increasingly important concept of corporate social responsibility. Maon, Lindgreen and Swaen (2010) describe stakeholder theory as a crucial component for understanding business and societal relationships, and it is the most commonly used theoretical framework for evaluating CSR (McWilliams and Seigel, 2001a), and has been discussed in that context for many years.

From the perspective of corporate giving, stakeholder theory aids in the understanding of the influences and influencers on the organisation, and conversely in assisting to understand how the actions of the organisation can affect different stakeholders. Large firms understand the relevance of identifying their relationships with stakeholders and their “emerging strategic orientation toward responsible behaviours justifies the argument that stakeholder theory is sufficient to identify stakeholders that are part of the value-creating process of the large firm” (Russo and Perrini, 2010, p. 217-8). Russo and Perinni also suggest that what “is crucial to a sustainable strategy is the relationship with those stakeholders and the way it is managed” (p. 218).

The corporate giving manager can both assist the corporation in meeting its legislated goal of shareholder management as well as playing a major role in the corporation satisfying (or managing) the often conflicting demands of other stakeholders, which is the ideal outcome of “strategic philanthropy” (McAlister and Ferrell, 2002). Thus, stakeholder theory offers a lens to better understand just who the stakeholders are, what responsibilities the organisation has to these stakeholders, the relative “power, legitimacy and urgency” of the various stakeholders and what opportunities (and/or threats) this presents to the organisation. What is also needed is an additional lens in which to properly view and understand the position of the corporate giving manager. Agency theory offers this lens and this is discussed in detail in the next section.
3.2.3 Agency theory

The main focus of agency theory is determining reasonable methods or means that will align the requirements of a principal (in general theory, the shareholder) with the output of an agent (the corporate manager). The underlying premise of the theory is that the maximisation of shareholder wealth is of paramount importance, and agents of the shareholders must act with this premise in mind, although in many European and Asian countries a manager’s legal obligation is extended beyond the shareholders (Grant, 2008, p. 35).

Agency relationships have their roots in economics and have been espoused for many centuries although not always using that term, with Bowie and Freeman (1992) noting that agency relationships were explicit in English common law in the fourteenth century. Shankman (1999) in reviewing the historical use of agency theory credits Coarse in developing the roots of agency theory in the 1930’s in his work on private property rights, agency theory’s use in economics to Ross in 1973 and the theory’s first use in the social sciences to Jensen and Meckling in 1976. In the 1980’s agency theory emerged as “the dominant paradigm in financial economics literature” (Hill and Jones, 1992, p. 131).

Agency theory has many links with organisation research and is split into two schools (Eisenhardt, 1989). The first is termed principal-agent which suggests one party (the agent) has obligations to another party (the principal) through an economic relationship (a contract, formal or otherwise). A “prototypic” relationship is described as being between the corporate manager (agent) and the shareholder (principal) after negotiating an employment contract, with there being a cascade of contracts from the Board down through the organisation (Cyert and March, 1992: p. 222). This school of thought seeks to identify an incentive system for the agent to work in the interest of the principal, rather than (or as well as) in the self-interests of the agent. Stakeholders of the company other than shareholders are only considered to be important (and useful) as long as they contribute in some way to the financial betterment of the shareholders.

The second school Eisenhardt (1989) terms as positivist, and it is more concerned with describing the governance problems encountered when the goals or actions of the agent and
principal are in conflict or difficult to measure (c.f. Jensen, 1988 for a discussion on some of these).

Agency theory has been used to warn of the potential for opportunism by corporate managers, and is the basis for one of the four underlying findings of research into the motivations of corporate philanthropy, that of managerial utility. Several authors have found examples of corporate managers using corporate funds to improve their personal image and prestige (c.f. Galaskiewicz, 1985; Haley, 1991) or where corporate managers are actively involved in the management of an NPO (Galaskiewicz, 1989).

Harris and Raviv (1978) stated the principal-agent relationship as being “applicable to a large class of applications”, and Eisenhardt (1989) believed it includes “many … testable implications”. Hill and Jones (1992) specifically include the relationship between corporate managers and the stakeholders in an organisation as a type of contract that “could be considered with an agency framework” (p. 133). In her thorough examination of agency theory, Eisenhardt (1989) concludes it is a unique, empirically testable and useful perspective to adopt when examining many different aspects of cooperative principal-agent behaviour, but that it is only a partial view of the world, and “ignores a good bit of the complexity of organizations” (p. 71). She recommends its use with complementary theories.

One of the complexities agency theory “ignores” is that of the power differentials between managers and stakeholders, in that it assumes efficient markets and market forces. Hill and Jones (1992) draw on resource dependency theory (which assumes inefficient markets and power differential between stakeholders) to develop a more predictive model that helps “realign management and stakeholder interests” (p. 152). This model is the stakeholder-agency theory and it is described in the next section.

### 3.2.4 A stakeholder-agency perspective

Hill and Jones (1992) were the first to explicitly meld both stakeholder and agency theory. They suggested the firm can be viewed as a nexus of contracts not just between the managers and the shareholders but between what they term “resource holders” (p. 131). Their stakeholder-agency paradigm encompasses both implied and explicit relationships between all
corporate stakeholders. They noted corporate managers were the only stakeholders to enter into relationships (“contracts”) with all other stakeholders and that they also have control over corporate decision making. The inference here is that managers have significant power as they weigh the demands of various stakeholder groups and the benefits involved in potential responses to these.

Mitchell et al. (1997) further developed the concept of combining stakeholder and agency theory by introducing the concept of saliency of stakeholders, whereby groups or classes of stakeholders can be evaluated as more or less significant to the firm (and therefore the corporate manager) by measuring the attributes of power, legitimacy and urgency of the various groups. They extended initial work on agency relationships by Freeman (1984) and the work of Hill and Jones (1992) through suggesting the managers’ perception and evaluation of a combination of factors (Freeman’s, 1984, power, legitimacy and urgency) determines each stakeholder’s salience, and that those with the higher salience will receive more attention. Shankman (1999, p. 320) observes that “stakeholder theory is in fact the necessary outcome of agency theory and is thus a more appropriate way to conceptualize theories of the firm”.

Others argue that stakeholder theory exacerbates agency problems. For example, Jensen (2002, p. 242) believes that “stake-holder theory plays into the hands of special interests who wish to use the resources of firms for their own ends”. Laplume, Sonpar and Litz (2008, p. 1179) also “believe that the contraposition of agency theory with stakeholder theory has not been particularly productive because of incompatible assumptions concerning the nature of managers’ motives (i.e., whether they are self-serving)”. These can be seen to be inapplicable comments in relation to the modern corporate giving manager. It is suggested that although as noted previously, corporate support for NPO’s may be directed by the owner in those companies dominated by an owner or significant CEO (c.f. Smith, 2006) the modern corporate giving manager is at a mid-higher management level but is not an independent manager. There is formal delegation of responsibility, which overcomes many of the issues of agency problems (Salzmann, et al. 2006), and they are subject to monitoring and to many checks and balances with corporate systems. McWilliams and Seigel (2001b) state the model
developed by them demonstrates the connection between a stakeholder perspective and an agency theory perspective.

Stakeholder-agency theory can be seen to be directly applicable in assisting an understanding of the corporate giving manager as this manager is not subject to the elements of criticism of the theory, and it appropriately frames the relationship between the manager and corporate stakeholders. It is thus the most suitable framework to use to investigate, the corporate manager most responsible for corporate support of NPO’s – the corporate giving manager.

3.3 A model of the general influences on the corporate giving manager

Whilst the approach of this research is to study the influences on the corporate giving manager through semi-structured qualitative interviews with giving managers themselves, it was considered useful to initially develop an understanding of the general influences on their decisions.

Using the literature on corporate giving and the theoretical framework for the research some knowledge of the influences can be gleaned and consolidated into a diagrammatic representation of the general influences on the giving manager.

The general influences considered from the literature were:

- The stakeholders of the organisation
- The influence of these stakeholders on corporate strategy
- The use of CSR as a representation of corporate strategy for and to stakeholders.

These can be seen to be the general influences on the corporate manager responsible for making NPO support decisions, and they are discussed in the next sections.

3.3.1 Significant actors in corporate giving

Polonsky and Scott (2005) have conducted significant Australian research into the perceived saliency of stakeholder groups and the strategies managers use in dealing with them. Their research included a literature review of the stakeholder groups most likely to influence
corporations, and substantiation of the results of this review through firstly conducting in-depth test interviews and then following up by a survey of Australian managers with practical marketing experience. These test interviews and survey confirmed the legitimacy of the stakeholder groups selected by Polonsky and Scott as salient. Although not directly representative of the corporate manager population researched in this study (as giving managers in large Australian corporations often do not have practical marketing experience), the Polonsky and Scott’s confirmation by interview and survey, combined with an analysis of the stakeholder literature, provides a justifiable foundation for research with giving managers. The groups identified by Polonsky and Scott are detailed below in Figure 3.1:

3.3.2 Stakeholder influence on strategic planning
There is an obvious and well proven link between stakeholders and corporate strategy. Stakeholders have been shown to influence formal strategic planning (c.f. Freeman, 1984;
McWilliams, Siegel and Wright, 2006), as does an active analysis of the corporate environment, including social issues, and a firm’s strategy should be developed in response to these (Ansoff, 1980; Burke and Logston, 1996; Crouch, 2006). In addition many researchers have identified that stakeholders influence the Board, CEO and top management team of an organisation (c.f. Clarkson 1995; Mitchell et al. 1997; Polonsky, Carlson and Fry 2003; Maignan and Ferrell, 2004; Brammer and Millington 2005; Maignan et al. 2005).

In response to stakeholder pressure and in order to differentiate their company and improve competitiveness, corporations are beginning to “redesign … corporate policies to include some type of guidelines for appropriate responses to corporate social responsibility (CSR) issues (Miles, Munilla and Darroch, 2006, p. 196).

Galbreath (2010) demonstrates that formal strategic planning is linked to CSR and he suggests “a firm’s culture can impact on the degree to which socially responsible practices are demonstrated or not” (p. 520).

### 3.3.3 Using CSR policy as corporate strategy

Munilla and Miles (2005) believe management must understand the claims made on an organisation, and the legitimacy of these claims, from their owners and other stakeholders. They suggest that “a strategic CSR perspective helps immunize the firm from subsequent pressure … and allows the firm to exploit its investments in CSR for the development of distinctive competencies, resulting in superior, sustainable performance” (p. 385). Maon at al. (2010) take this one step further by suggesting that CSR is strategic nature and that it “highlights a stockholder culture” within the firm (p. 22).

This growing stakeholder influence on the organisations behaviour and in particular how it manifests itself in the organisations CSR policy is important in any conceptualisation of corporate giving behaviour.

In their study of European and US firms, Maignan and Ralston (2002) found that significant numbers of firms are increasingly including CSR in their communications with external and internal stakeholders. In addition, stakeholders are increasingly calling on them to create
behaviours in business that are seen as socially responsible (McAlister and Ferrell, 2002). Brammer, Pavelin and Porter (2009, p. 591) reported that “corporate charitable giving plays an important strategic role for many businesses”; with their research suggesting firms “may seek to use greater levels of charitable giving to offset the concerns of stakeholders”.

A number of studies have identified stakeholders as a key driver for environmental/sustainability management in general (c.f. Henriques and Sadorsky, 1996; Fineman and Clarke, 1996; González-Benito and González-Benito, 2006). Brammer et al. (2009) suggest consumer oriented firms typically provide more support for NPO’s in the UK, and propose that “charitable donations may be an important part of the competitive armoury of firms in these industries” (p. 592). Some support for this proposition is provided by (Belz and Schmidt-Riediger, 2010) who found consumers strongly support the business case of corporate sustainability with environmental and sustainability issues being key areas for CSR activities.

Previous studies have revealed that the organisational objectives for NPO support decisions had changed from less directed giving (e.g., to whoever asked) to a more strategically driven program, with the giving strategy consistent with the core values the company wished to project to their key stakeholders (c.f. Morris and Biederman, 1985; Smith, 1994; Saiaia et al., 2003; Ricks and Williams, 2005). They show that giving by major organisations is becoming increasingly strategically driven with clear expectations of a “return” to the organisation. It is suggested that one of the major “returns” to the organisation is the successful management of stakeholder concerns regarding the “socially responsible” behaviour of the organisation and it is captured in this model by placing the giving manager as responsible for many of the decisions involving corporate giving as an important, and often indistinguishable, component of CSR.

While CSR is presently a “voluntary action,” increasingly it is becoming expected by a wider range of stakeholders (Polonsky and Jevons, 2006, p. 346). Maignan, Ferrel and Ferrel (2005, p. 974) state “Far from being a luxury, CSR has become an imperative to secure stakeholders’ continued support, and ensure a desired identification and reputation among customers, employees, shareholders, NGOs, and governments”. These authors developed a theoretical approach to implementing CSR that takes into account the significant influence of
stakeholders. This is reproduced below as Figure 3.2 as it was a significant input into the theoretical model developed and can be seen, using stakeholder-agency theory, to describe how the giving manager performs their role through developing relationships with stakeholders in developing an understanding of their issues, determining the salience of the different stakeholders and controlling corporate decision making through implementing CSR.
Figure 3.2: A step-by-step approach to implementing CSR

Maignan, Ferrel and Ferrel (2005, p. 966)
3.3.4 A theoretical model of the general influences on the corporate giving manager

From the research reported above it can be seen that both internal and external stakeholders do indeed influence corporate strategy. In addition, it can be seen that CSR is becoming a strategic tool aimed at stakeholders in order to assist in securing their support for the organisation in order to maximise the returns of the organisation. The model captures this complex process through conceptualising the development and implementation of the organisation’s CSR policy as a response to legitimate and salient stakeholder issues and changing community and social values.

Thus it can be seen that as a manager within the organisation, the giving manager is influenced by the organisation, its CSR policy and company stakeholders. In addition through stakeholder-agency theory it can be seen how the giving manager interacts with and also influences the stakeholders themselves, CSR policy and the top management of the organisation. This is represented in diagrammatic form below as Figure 3.3.

**Figure 3.3: The general influences on the role of the giving manager**
The diagram assists in gaining a clearer understanding of the general influences on the role of the giving manager. It shows that stakeholders influence all aspects of the corporation depicted, from the top management, to the CSR policy and the corporate giving manager. It suggests the corporate giving manager is an obvious key component to corporate giving, being in a position to interact with stakeholders and top management and to assess the meaning of CSR and to implement CSR policy. It also suggests the giving manager is an integral part of the long term feedback loop to top management. Also introduced into this model is the concept of the firms resources, following the previously noted findings of Buchholtz, Amason and Rutherford (1999), that a firm’s size and resource levels are indeed important determinants of corporate philanthropy, although they note that “their effects are not substantial and are mediated by the effects attributable to managerial discretion and values” (p. 181).

3.4 Conclusion

This chapter presented and explained the theoretical framework for this research of stakeholder-agency theory. It demonstrated that this theory is a reasonable framework to consider the role of the corporate giving manager as a nexus between the internal, external and top management stakeholders in their company in the field of corporate NPO support.

The chapter also introduced a conceptual model to assist in understanding the general influences on the corporate giving manager. This was developed from a review of the literature of both stakeholder-agency theory and the literature of corporate giving. The model presents an understanding of the initial influences on the giving manager.

The next Chapter outlines the ontological and epistemological foundations for this research. It explains the qualitative, constructivist-interpretive approach taken, and justifies and describes the use of semi-structured interviews with corporate giving managers. The analysis of these interviews provided significant new findings of the influences on the decisions of the giving manager and the processes of support of NPO’s used by many large organisations in Australia.
CHAPTER 4: METHODOLOGY

“We call it a grain of sand,
But it calls itself neither grain nor sand.”
(Excerpt from “View with a Grain of Sand”, Szymborska, W., 1995)

4.1 Introduction
The purpose of this study is to gain an understanding of the giving behaviour of large corporations, and in particular describe the factors that influence the decisions made by the corporate manager of support programs of large organisations in Australia. This chapter serves the purpose of linking the theoretical framework which underpins this research, set out in the previous chapter, with the empirical work which follows. This is an exploratory piece of research, aimed at gaining an understanding of, and extending our knowledge about, the influences on and the motivations of the corporate giving manager. The conceptual approach to the research design follows the processes developed by Creswell (2003):

“A qualitative approach is one in which the inquirer often makes knowledge claims based primarily on constructivist perspectives (i.e. the multiple meanings of individual experiences, meanings socially and historically constructed, with an intent of developing a theory or pattern) or advocacy/participatory perspectives (i.e. political, issue-oriented, collaborative or change oriented) or both” (Creswell, 2003, p. 18).

The study is thus qualitative in nature and uses a holistic approach producing “exploratory and highly descriptive knowledge” (Hesse-Biber and Leavy, 2006, p. 5) with inductive reasoning applied in a constructivist/intrepretivist format (Creswell, 2003, p. 50-51).

The research commenced with a thorough review of the literature (Cantrell, 2005) to properly understand the information that was published and known at that time and to stimulate theoretical sensitivity (Strauss and Corbin, 1998). The data gleaned from this initial literature review was used to develop a form of skeletal framework for the field research that was undertaken (Miles, 1979). This framework was used to develop a protocol for the initial
round of interviews and further developed as a result of the first study when several additional issues were identified for further investigation.

The next section of this Chapter describes the philosophical approach (the ontology) adopted in this research, which is further expanded in the section following that which discusses the design of the research (the epistemology). The approach taken to the research and the methodology of conducting the research is discussed next, and followed by a detailed discussion on data collection. This chapter concludes with a description and explanation of data analysis techniques and validation of the data, followed by concluding remarks on the methodology adopted in this study.

4.2 The philosophical approach

4.2.1 A social research framework (ontology)

Ontology has been described as the conceptualization of what is assumed to exist (Gruber, 1993). Burrell and Morgan (1979) argue that in social sciences there are subjective and objective approaches to understanding “what is”, with a continuum bounded by two extreme approaches, these being realism and nominalism. At one extreme, pure nominalists assume social reality is relative, that there are no real structures, but only names, labels and concepts which are used to describe and also make sense so as to be able to negotiate around the world. At the other end of the continuum the realist assumes the social world exists separate from the individual’s perception of it, and that it consists of tangible and also immutable structures. The extremes of this continuum ask if social reality is a product of individual consciousness or is external from conscious.

<table>
<thead>
<tr>
<th>Continuum of ontological approaches</th>
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<tbody>
<tr>
<td>Nominalism</td>
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<tr>
<td>Reality is a product of the individual</td>
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Adapted from Burrell and Morgan (1979)
Morgan and Smircich (1980) demonstrated how social science ontological assumptions can suggest epistemological and methodological positions, and a part of their work is summarised in the Table below.

Table 4.2: Network of basic assumptions characterizing the subjective-objective debate within social science

<table>
<thead>
<tr>
<th>Core ontological assumptions</th>
<th>Subjectivist approaches to social science</th>
<th>Objectivist approaches to social science</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reality as a projection of human imagination</td>
<td>Reality as a social construct</td>
<td>Reality as a realm of symbolic discourse</td>
</tr>
<tr>
<td>Reality as a social construct</td>
<td>Reality as a realm of symbolic discourse</td>
<td>Reality as a contextual field of information</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Assumptions about human nature</th>
<th>Man as pure spirit, consciousness, being</th>
<th>Man as a social constructor, the symbolic creator</th>
<th>Man as an actor, the symbolic user</th>
<th>Man as an information processor</th>
<th>Man as an adaptor</th>
<th>Man as a responder</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic epistemological stance</td>
<td>To obtain phenomenological insight, revelation</td>
<td>To understand how social reality is created</td>
<td>To understand patterns of symbolic discourse</td>
<td>To map contexts</td>
<td>To study systems, process, change</td>
<td>To construct a positivist stance</td>
</tr>
</tbody>
</table>

Adapted from: Morgan and Smircich (1980, p. 492)

In researching corporate giving, it seems logical to do much more than merely determine and measure the nonprofit support programs that companies have in place – for example it would be useful to do more than determining the existence and magnitude of giving programs, or corporate social responsibility departments within large organisations. Although there are many tangible outcomes that can be achieved by such research, such as recording that some organisations provide less support than others with different corporate structures, these observation and measurements are not capable of answering the basic question of ‘why is it so’?
In particular it can be seen that the corporate motivation and intent of their non-profit support programs is a social construction, with actors and stakeholders both within the organisation and outside the organisation. To begin to understand “how and why” involves a deeper knowledge of the issues and actors involved, which is more aligned with the “subjectivist” approach as described by Morgan and Smircich (1980). This approximates their ‘social construction’ ontological assumption i.e. seeking to gain an understanding of how social reality is created, using a constructive-interpretive paradigm as described below.

4.3 Designing of the research

“A research design describes the flexible set of guidelines that connects theoretical paradigms first to strategies of enquiry and second to methods for collecting empirical materials. A research design situates the researcher in the empirical world” Denzin and Lincoln (2005, p. 25).

In considering the methodological choices within this research study there are a range of approaches proposed by various researchers, e.g. Denzin and Lincon (2005) suggest there are five steps that can be followed, Crotty (1998) suggests four questions that can be asked, and Creswell (2003) develops a summary position of Crotty’s model involving three questions regarding research framework elements that are generally followed by many researchers. These are: Elements of Inquiry, Approaches to Research and Design Processes of Research, as detailed in Figure 4.1 below.

Creswell (2007) explains these are not steps in a process, but are a conceptualisation of the interrelated levels of the decisions. He notes the elements of enquiry lead the researcher to decisions on how to approach the research problem which in turn leads to how the research will actually be carried out and analysed. His steps in designing a research proposal are:

1. To assess the knowledge claims brought by the researcher
2. To consider what strategy of enquiry are best for the research project
3. To identify the specific methods that are recommended by the chosen strategy
(Creswell, 2003, p. 5)
In the next section, alternate knowledge claims including the theoretical perspective, or the research paradigm, and the reasons for choosing an inductive and constructivist/interpretivist position, are discussed. Some possible approaches to this particular research problem will be then discussed and the reasons why a qualitative approach to data collection was selected. Following that, the guiding principles of qualitative interview research will be analysed based on the theoretical lens of stakeholder-agency theory developed in the previous Chapter 3, including discussing the sampling procedures adopted. The chapter concludes with an examination of the data collection and data analysis methods used in the two separate studies conducted, and notes some of the limitations of the study.

### 4.3.1 Reasoning and research design – the knowledge claim (epistemology)

Creswell (2003) states that the “knowledge claim” is the set of beliefs or assumptions on *how* the researcher will learn during the research process. Guba and Lincoln (1994) describe it as the nature of the relationship between the knower and what can be known. A knowledge claim influences the way research questions are developed, research is carried out, and research is interpreted and understood. Others have called this basis of knowledge a paradigm.
A research paradigm has been described as a “way of knowing” by Hesse-Biber and Leavy (2006, p. 320), which is a guide to the way we interpret reality, and paradigms are often used to “frame the particular questions we seek to answer” (Hesse-Biber and Leavy, 2006, p. 49). This knowledge claim, or set of beliefs and assumptions, is important as it positions the researcher in their research field – that is, their philosophical leanings often impact on their decisions concerning their research methodology. Guba and Lincoln (1994) state “Paradigm issues are crucial; no inquirer, we maintain, ought to go about the business of inquiry without being clear about just what paradigm informs and guides their approach ( p. 116).

Qualitative research incorporates a variety of strategies of inquiry to answer the questions posed. Following Creswell (2003), given that the knowledge claim (epistemology) and the research strategies are so interwoven or interrelated, it is logical to discuss several paradigms and research strategies together, as typically strategy follows epistemology. This discussion then leads to a determination of both research paradigm and research strategy for this project.

4.3.2 Epistemology and the link to research strategies

4.3.2.1 Deductive reasoning and positivism

Creswell (2003) suggests that epistemology is embedded within the alternative knowledge claims, and Hesse-Biber and Leavy (2006, p. 17) extend this to state that epistemological beliefs are “enacted through a theoretical frame”. Researchers use processes that are generally divided into two distinct categories: deduction and induction (Ketokivi and Mantere, 2010).

In a deduction process, the researcher commences with a theory or a set of general premises (for example hypotheses) which become the framework for the study, and then the researcher tests that theory – with the constraint that the conclusion must follow from the theory or hypotheses (Ketokivi and Mantere, 2010). This moving from the more general to the more specific is a theory driven "top-down" approach. Deductive reasoning is narrower in nature than other forms and is concerned with testing or confirming hypotheses (Hesse-Biber and Leavy (2006). As detailed in Figure 4.2 below, the process begins through development of a
theory about our topic of interest, which is then narrowed to more specific hypotheses that can be tested with specific data with a confirmation (or not) of the original theories.

**Figure 4.2: The deductive research process**

![Deductive research process diagram](image)

Developed from: Blaikie, 2000; Hesse-Biber and Leavy, 2006

In deductive reasoning if a researcher has a belief that causes determine outcomes, then they are more likely to use a scientific or experimental approach to their research to attempt to determine what causes produce specific outcomes in the belief that observation and measurement produce theory verification. This is termed a positivist philosophical position (c.f. Tashakkori and Teddlie, 1998; Phillips and Burbules, 2000), and historically, badly done qualitative research was defined as being of the positivist paradigm (Denzin and Lincoln, 2005, p. 11). It is a philosophy that believes the goal of knowledge is simply to describe the phenomena that we experience, or “deal(ing) with what is” (Campbell, Craven and Lawler (2002, p. 271), and the positivist epistemology has been described as the “cornerstone of the quantitative paradigm” (Hesse-Biber and Leavy (2006, p. 13). In the positivist approach to understanding social reality, knowledge is a reflection of reality; with a direct correspondence between elements and the knowledge of the real world (Kvale, 1995), with actors seen to be responding or adapting to this world.

The practice of corporate support is changing, and is being driven to change by the stakeholders of the firm. As stated earlier, it is believed that in order to more fully understand
corporate support of nonprofit organisations a deeper and richer study is required than that suggested by a positivist and deductive approach, and identity and meaning of data must be obtained through a study of the complex web of relations that define the situation. An interpretivist perspective better fulfils the needs of this research project.

4.3.2.2 Constructivist/interpretivist perspective and inductive reasoning

4.3.2.2.1 Interpretative perspective
The interpretative perspective, also termed the hermeneutic tradition (Hesse-Biber and Leavy, 2006) is fundamentally a rejection of the central tenets of positivism. Interpretative studies are built on the analysis of a certain social or organisational context to seek particular insights and do not often seek concrete findings that are true for all time (Hackley, 2003), they seek to understand social, economic and political phenomena (Burrell and Morgan 1979). It takes the position that social reality does not exist as an absolute waiting to be discovered, but that it actually needs to be interpreted from several positions in order to construct some understanding. This interpretation can be seen as the clarification of meaning, with the resulting understanding gleaned from interpreting the meaning that actors involved felt and expressed (Denzin 2001). This clarification of meaning is more than simple analysis of data. It is an elaborate sense-making activity whereby meaning is given to complex, and often unordered, data (Daft and Weick, 1984; Weick, 1995).

There have been few comprehensive studies of corporate support of nonprofit organisations from a qualitative perspective - that move beyond aggregate statistics or surveys. In the management of corporate giving, the organisational processes and decisions made by corporate giving managers are not objective phenomena with known properties or easily measured dimensions. The corporate world is extraordinarily complex, and as demonstrated in Chapter 3, influenced by many social actors. “Reality” is interpreted by people in the context of historical and social practices and social and other stakeholder influences, and is a product of interpretations, interventions and individual decisions (Rowlands, 2005). It is best understood in terms of the giving managers’ subjective meanings rather than any objective definitions. This perspective is obviously leaning towards nominalism, where social actors understand their reality differently and no meaning is singular or concrete.
4.3.2.2.2 Inductive reasoning

As nominalism can be seen to be at the opposite end of the spectrum to realism, similarly, inductive reasoning works the opposite way to deductive reasoning. Instead of commencing with deductive theory, inductive reasoning progresses from the “bottom” up - moving from specific observations to broader generalizations and conclusions. By its very nature, it is more open-ended and exploratory (Hesse-Biber and Leavy, 2006). Inductive reasoning begins with knowledge gathering and data gathering, with the results then subject to enquiry and analysis to detect patterns and regularities. Themes are then developed from these patterns, with the researcher moving back and forth between the data and the themes to develop a comprehensive set of themes (Creswell, 2007) which then form the basis of some general conclusions, models or conceptual frameworks (Blaikie, 2000). This process is depicted below in Figure 4.3.

Figure 4.3: The inductive research process

![Inductive research process diagram](image)

Developed from Creswell, 2007; Hesse-Biber and Levy 2006, Blaikie, 2000

4.3.2.2.3 Constructivism

Qualitative researchers believe they are better able to understand the actor’s perspective through detailed interviewing and observation (Denzin and Lincoln, 2005, p. 12), with the
activities of the interpretive researcher, such as developing research questions, making sense of fieldwork interviews, analysing themes and writing the research report, being framed by a constructivist perspective on knowledge (Denzin and Lincoln, 2005).

“Constructivist inquiry follows the assumptions of the emergent or constructivist paradigm; uses inductive analysis; rejects a priori theory as a source of categories for deductive analysis; and observes designated procedures including co-constructed interpretation and human-as-instrument approaches.” (Manning, 1997, p. 95). Constructivism refers to the social construction of knowledge (Guba and Lincoln 1994), and Denzin and Lincoln (1998) refer to a constructivist-interpretive approach as one of the three important interpretative paradigms in qualitative research. “The world is brought forth, and what you eventually see of the world depends on who you are. Your knowledge allows you to act effectively in the world that you gradually bring forth.” Von Krogh (1998, p. 134) states “To the constructionist, some knowledge is explicit, but some is also tacit, highly personal, not easily expressed, and therefore not easy to share with others”.

Social constructivism is the epistemological foundation for an interpretative research perspective. Although the term itself is used in many differing ways, and it can be seen from a metaphysical, epistemological or semantic perspective (c.f Kukla, 2000), the term is often used to describe the outcomes of social interaction, analysis and understanding without there being some form of ‘objective truth test’ (Adams, 2006, p. 244). Because perception and observation is fallible, the constructions must necessarily be imperfect but it relies on the trustworthiness and credibility of the actors and information, and the accountability and confirmability of data and analysis (Denzin and Lincoln, 2005, p. 24) to form credible conclusions, substantive theories and models.

Miller and Crabtree (1999, p. 10) depict the constructivist methodology through the metaphor of Shiva’ circle, an “ongoing and iterative dance of discovery and interpretation” as represented below as Figure 4.4:
4.3.3 The epistemological position of this research

Epistemology is the rationale for conducting research. Constructivism as a research paradigm is distinguished from other paradigms by its relativist stance, which holds that realities are capable of being understood through multiple, intangible mental constructions that are socially and experientially based (Guba and Lincoln, 1994). The literature review in Chapter 2 demonstrates that corporate motivations for giving are multiple and complex, and an understanding of these corporate motivations needs some knowledge of context and both the social and historical construction of corporate giving. In addition, corporate giving involves multiple actors. An understanding of the corporate giving managers and the people and organisations that influence them is both necessary and necessarily subjective in nature, as each actor responds individually to their influences.
The degree of uncertainty surrounding the research topic of the corporate giving manager supports a decision to use a qualitative, inductive, constructivist-interpretive stance. This research is seeking understanding through looking at a complexity of views, based on a belief that experience determines meanings, and meanings are varied and multiple (Creswell, 2003). For example, there is little prior research investigating the decisions made by corporate giving managers, the influences on them or the complex multifaceted issues involved in their decision-making process. Of the research that has been undertaken in the field of corporate giving, the dominant paradigm had been positivist with an emphasis on factor analytic studies and surveys as the main methods of data collection and analysis. The review of the literature of corporate giving has identified previous research to be over-reliant upon mail surveys and telephone interviews.

While a positivist perspective does suggest that various factors were influential or positively associated with corporate giving — "the what", it cannot not tell us “the why” of managers acting as they did. It cannot provide an in-depth look at the worldviews that sat behind the data generated and shared by the giving managers. There has been very little attention given to the intentions, actions, context or processes surrounding corporate giving that could explain how these issues interact and how and why giving decision outcomes were associated. This research is developing an understanding that is reflective of what actually happens at this particular time and place in order to better understand how nonprofit marketing can be more effective.

The next section will discuss how the research questions provide directions for the procedures to be used in the research design, that is, how needing to understand the different individual interpretation of influence and the calculated responses by giving managers suggests a particular strategy of enquiry for this research project.

4.4 Approach to the research and methodology

4.4.1 Qualitative strategy of enquiry

A strategy of enquiry is a collection of skills, assumptions and practices the researcher employs as they move from the paradigm to the empirical world. They set in motion
paradigms of interpretation, and connect the researcher to specific methods of collecting and analysing empirical material (Denzin and Lincoln (2005, p. 25).

There is almost always a “best way to do any research project” (Morse and Richards, 2002), and the choice of method is best determined by the research problem (c.f. Kvale, 1996; Stake, 2005; Holliday, 2007). The philosophical approach of this research demands the adoption of qualitative research methodology. Strategies of enquiry or methodologies as some describe them (c.f. Collis and Hussey, 2003) are the third element in Creswell’s (2003) “Elements of Inquiry” described earlier in this chapter. (Some researchers (for example Blaikie, 2003) suggest strategies of enquiry are the different types of reasoning - inductive, deduction, abductive and retroductive.) Many researchers take their lead from Creswell and suggest that in qualitative research the strategies of qualitative enquiry include focus groups, interviews and observation.

This research was conducted using continuing literature reviews combined with in-depth semi-structured interviews. It follows the ontological approach nominated earlier in this Chapter, of having a more nominalist or descriptive world view, influenced by an inductive reasoning process approach that is “real-world practice oriented” (Creswell, 2003). Using a constructive-interpretative philosophy is very similar to developing grounded theory, with the predominant difference being how the research is approached. Constructivism requires a “rough working frame” (Miles, 1979, p. 151) to be developed near the beginning of any field work. Grounded theory involves approaching the research through field work without any preconceptions or assumptions (Miles, 1979, p. 151). Given my working life history as a middle level marketing manager who was exposed to corporate giving programs, and my volunteer history as a Director of a small non-profit organisation, it was impossible to approach this field of research with no preconceptions.

In this thesis the research questions seek to develop a framework around the factors that influence the corporate giving manager. These factors in turn are influenced by the giving manager’s experience of dealing with corporate guidelines and many different corporate stakeholders and the NPO’s themselves. Different social actors may understand social reality differently, producing different meanings and therefore analysis (Hesse-Biber and Leavy,
In order to understand the analysis and intent behind corporate support for NPOs it is necessary to ask the corporate managers involved how and why they make the decisions they do. Gubrium and Holstein (2001, p. xi) recommend interviews as “the method of choice for obtaining experiential information from individuals”.

Semi-structured interviews were chosen as the interview method as, whilst guiding the interview along common themes, the respondent(s) have latitude to describe what is important in their particular circumstance, with space for the conversation to move to previously unexplored topics (Hesse-Biber and Leavy, 2006).

4.4.2 Design of the processes of qualitative research

4.4.2.1 Research questions

It quickly became obvious in the initial literature review and identification of the field of corporate giving that quantitative donor identification alone does not produce fundraising results. It appeared from the literature review that many fundraising professionals and their organisation were asking how and why does one large corporate organisation provide support while another organisation of similar size does not? It was believed that more qualitative information was needed for nonprofit organisations to achieve improved success from their support requests. Qualitative research questions need to be exploratory and descriptive and thus often involve open-ended questions that allow the researcher to explore in depth what is happening and how it is happening (Creswell, 2007). Asking why one organisation provides support when others do not directly led to the focus of this research project being the corporate giving managers as these positions were seen to be very knowledgeable and influential in the actual processes of corporate support.

There was a dearth of research to help assist understanding of this key role and there currently exists no conceptual framework of the influences on the corporate giving manager and in particular of the stakeholder influences on this key pivotal role in corporate giving. This study aims at achieving some understanding of this under researched area of corporate support for nonprofit organisations by incorporating both the external and internal stakeholder influence.
Creswell (2007, p. 108) recommends distilling a study to “a single over-arching question and several sub questions”. Following Creswell (2007) the question that is central to this research was therefore developed out of the initial literature review and can be re-stated as:

“What are the influences on the decisions made by the corporate giving manager in their management role of developing and implementing nonprofit support decisions?”

In thinking about this key question, several sub-questions became obvious, as within the literature there were no obvious detailed answers. These were:

a) What is the role of corporate giving within CSR?
b) Is stakeholder influence significant?
c) How does the giving manager select any particular NPO to support?
d) How is corporate giving implemented and what is the giving managers’ role in this?
e) What implications result for nonprofit fundraising?

From these initial questions an interview protocol was developed that had as its aim the “what”, “why” and “how do you decide” of the corporate giving managers’ decisions. (This protocol forms Appendix 1 of this thesis.) An initial study was carried out with nine managers from eight organisations, using the protocol as the basis for semi-structured in-depth interviews. This first study provided the initial coding structure to analyse and understand the motivations of, and influences on, the giving manager.

A revised interview protocol was developed that was intended to explore in more depth the areas of stakeholder influence and NPO selection for inclusion in a corporate support program. (This protocol forms Appendix 2 of this thesis.) A question was also included as to the effects of the Global Financial Crisis of 2008 on corporate giving. This slightly revised protocol formed the basis for interviews with an additional 17 managers involved in the management of corporate giving.
4.5 Data-collection procedures

Creswell (2007, p. 118) describes data collection as a circle – “a series of interrelated activities aimed at gathering good information to answer emerging research questions” that goes beyond just collecting data. There are 7 steps in the data collection circle:

1. Locating the individuals
2. Gaining access to and establish rapport with participants so that they will provide good data.
3. Purposeful sampling - a group of people that can best inform the researcher about the research problem.
4. Development of protocols for collecting the data and carrying out the data collection
5. Recording the information collected
6. Resolving field issues
7. Storing data

4.5.1 Locating the interviewees

As discussed in Chapters 1 and 2, large corporations support nonprofit organisations in different ways and for different reasons to small organisations. Most of the prospective companies were drawn from companies on the “S&P/ASX 200” register as at July 2005. The S&P/ASX 200 is a list compiled by Standard and Poor’s of Australia’s top 200 stocks by market capitalisation (S&P, 2005). This ensured the companies all had greater than 200 employees and avoided the “owner/owners wife influence” syndrome typical of organisational giving in the early days of organisational development. Several other large companies not listed on the Australian Stock Exchange were also included in the data set to check that Australian companies were not operating significantly different to other companies operating in Australia. These companies had greater than 200 employees in Australia and were not owned or controlled by an individual.

For this research project giving managers themselves needed to be interviewed as they were the individuals most likely to properly understand the complexities of their role. Anybody more senior (for example their supervising manager) would likely be only able to describe the generalities of the day to day influences on the giving manager and the reasons for individual
decisions, and those more junior would have similar problems and in addition would be unlikely to be aware of broader organisational issues.

The individual giving managers were selected on the basis of being a manager in a large organisation operating in Australia that had an active corporate support program in place. Large organisations are defined by the Australian Bureau of Statistics as those having more than 200 employees (ABS, 2002). The selected manager also needed to have primary day to day responsibility for the management of their company’s NPO support program. This process is further described in Section 4.5.3 “Purposeful sampling”, below.

One concern was including companies where the owner or predominant shareholder heavily influenced the corporate giving decision process. Prior research in Australia (Smith, 2006) had demonstrated the motivations of these organisations and how they these companies were effectively used as an extension of their owner or primary shareholder. This giving decision process is perhaps more aligned with organisation giving and organisations at the beginning of corporate history as described in Chapter 2. Corporate giving as described by Smith (2006) is demonstrably atypical of the giving by large modern organisations with a broad shareholding, as for example her corporate interviewees were “company owners, shareholders, chief executive officers, and board chairpersons” (p. 160). Indeed, she states “one of the difficulties encountered in this research is that of distinguishing between corporate and individual giving, particularly in the cases where the individual who either established or developed the company makes a corporate gift or grant” (p. 11). While she did note that “some CEOs were not as powerful as they may have been in the past in terms of decision making about gifts” (p. 308), giving managers were seemingly categorised under the phrase “Staff members would prepare background material for the boards or committees in the same way that they would for any other matters on the agenda” (Smith, 2006, p. 308). This grossly underestimates the influence and decision making capabilities of the modern giving manager.

Locating the relevant individuals came about through several methods, but all were pre-screened for eligibility by number of employees and ownership. Some of these individuals were interviewed as a result of referrals from other giving managers and some were interviewed as a result of discussions with attendees held at a nonprofit marketing conference
in Sydney in 2009. The remainder were selected by internet based secondary research to discover the nature of the organisation, what they publically promoted as their non-profit support programs, the manager nominated as being directly responsible for the corporate giving programs (if provided), their position in the organisation and the organisation unit and manager they reported to. In many cases exploratory telephone calls were necessary to establish the relevant manager within the organisation. Much of this secondary information was available on individual web pages on the company web site, or in public reports available online such as “corporate social responsibility”, “sustainability”, “community involvement or annual reports. Very few organisations had printed public information documents that were additional to those available for downloading from their web site. This secondary information was obviously prepared for public consumption, but it was used for background information only, for example as to the amount and type of giving provided, not as an indicator as to why the support was given. Procedural and other intra-company documents were very rarely available online, and printed copies of many were able to be sighted but generally not made available to be taken away.

Another concern was that only interviewing one manager from each organisation may provide an incomplete view of the giving of that organisation. This was overcome through an analysis of other data sources in order to clarify, both in the researchers mind and in fact, the forms and amounts of giving, and to whom the giving was directed. These sources included company annual and other reports and web sites of both the organisation itself and their donors. In some instances the initial interviews and additional research were insufficient to properly gain a full understanding as there was a multi-tiered giving structure in these organisations. While the manager initially interviewed was responsible for the majority of support provided other managers were responsible for some portions of support provided to some NPO’s. In two instances, with the giving manager’s knowledge, a second manager was interviewed from each company in order for the data set to be more complete. This is further described in Chapter 7.
4.5.2 Gaining access

Miller and Crabtree (2004, p. 195) describe pre-interview contact as requiring six goals (a) introduce the interviewer, (b) identify sponsorship, (c) explain the purpose, (d) explain the selection of respondents, (e) ensure anonymity and (f) obtain informed consent.

Before commencing the contact and interview stages of this research, approval was sought and obtained from the University ethics committee. This process involved developing several documents that were proposed to be sent to potential interviewees. The documents reviewed and accepted by the ethics committee included letters of introduction, a research project information sheet and an informed consent form, for completion prior to the interview taking place. In addition the material also covered the method of interviewing including some typical/generic questions; areas of potential discomfort for the interviewee the expected benefits of the research and contact details in the event further information was needed before the interview or if a complaint was wished to be made. (These documents are included as Appendices 3-6 of this thesis.)

Initial contact with the prospective interviewees was predominately by telephone as prior industry experience had shown that the results obtained would be improved with this technique. Several other initial contacts were made at a non-profit marketing conference. Once initial tentative acceptance of the concept of the interview was obtained, a follow up email was sent with the University approved introductory letter, consent form and information sheet. All the goals required of the pre-interview stage were therefore met and informed consent to be interviewed was therefore obtained before the interview took place through the signed consent form.

4.5.3 Purposeful sampling

Patton (2002a p. 230) states “purposeful sampling is one of the core distinguishing elements of qualitative inquiry” and that it is composed of information rich data from sources where “one can learn a great deal about issues of central importance to the purpose of the inquiry, thus the term purposeful sampling”. Creswell’s (2007, p. 117) defines a purposeful sample as “a group of people that can best inform the researcher about the research problem under
consideration”, rather than one which will enable statistical inferences. It is closely related to his first step in the data collection circle (locating the individuals).

Miller and Crabtree (2004) suggest that respondents for depth interviews be selected so as “to maximise the richness of information obtained” (p. 191) and highlight sampling strategies suggested by Patton (1987) and Kuzel (1999). Several of these strategies were incorporated in the sampling strategy for this research, namely:

<table>
<thead>
<tr>
<th>Sampling strategy</th>
<th>Reason chosen (From Kuzel, 1999, p. 39)</th>
<th>Examples from this research</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homogenous</td>
<td>Useful for focusing, reducing and simplifying</td>
<td>Choosing to interview only giving managers</td>
</tr>
<tr>
<td>Criterion</td>
<td>All cases meet some criterion</td>
<td>Only giving managers from large organisations were interviewed</td>
</tr>
<tr>
<td>Snowballing</td>
<td>Identify subjects of interest from those who are more likely to know information rich sources</td>
<td>Referrals received from interviewed giving managers and attendees at an industry conference</td>
</tr>
<tr>
<td>Combination/mixed</td>
<td>Triangulation, flexibility, meets multiple interests</td>
<td>Interviewing several “regional” giving managers found to be responsible for some portions of the giving program.</td>
</tr>
<tr>
<td>Stratified purposeful</td>
<td>Illustrates subgroups</td>
<td>Interviewing giving managers from employee managed company foundations.</td>
</tr>
</tbody>
</table>

In this research project, it was soon discovered that many large organisations operating in Australia did not publically disclose or describe their nonprofit, community support or CSR programs, which suggests that perhaps these organisations had no formal NPO support programs. Several exploratory telephone calls to these companies also suggested this may be the case. Given this, and the fact there has been no analysis as to which companies do or do
not provide support (which was beyond the scope of this research project), statistical inference was not considered to be relevant to this research.

In-depth research interviews were chosen as it was necessary to construct the social reality surrounding the decisions of the corporate giving manager. This initially meant that not every large organisation in Australia could be a subject of the study because of logistic and other resource limits, and as described previously a short-listed sample was chosen for pre-screening purposes – the ASX 200 as at July 2005. Individual giving managers were thus purposively selected as noted in Table 4.2. They were all responsible for the corporate giving programs, their company had greater than 200 employees (that is, large by Australian definition), they were not owned or controlled by an individual, had an active corporate support program in place and the responsible manager was willing to be interviewed.

As noted previously, the inclusion in particular of organisations not listed on the ASX provides a benefit in a diverse sample that overcame one initial blind spot or limitation of the initial list of potential companies. One other pertinent fact came to light in the selection process. This was the fact that several companies in Australia had employee managed Foundations. Most Foundations operate at arm’s length to the company or individual that predominately funds them and their giving motivations and processes are different to large corporations (PC, 2010). In the Foundations discovered, the Foundation managers and employees were all company employees and the Foundation was totally funded by the company, so they there were included in the sample. From these examples it can be seen that several latent assumptions that may have otherwise guided my interpretations and analysis were overcome.

There was no pre-determined number of giving managers to be interviewed. Kuzell (1999) notes that the sample size in a qualitative study is typically small, “between 5 and 20 units of analysis” (p. 34), Gaskell (2000) suggests that there is a practical limit to data management of between 15 and 25 interviewees, while McCracken (1988) suggests as few as eight can be sufficient and Miles and Huberman (1994) find twelve to be an acceptable number. The sample size was determined on the concept of theoretical saturation (Creswell, 2007), that is, interviews continued until no significant new concepts emerge from several interviews. The
exception to this was the employee managed Foundations where the absolute number in Australia is very small and thus the limit was reached when there were no more that could be interviewed given the permissions and resources available. In addition, several giving managers suggested that one consultant in particular be interviewed. This interview was valuable as it resulted in data that was used to evaluate some of the findings from the research and added to the emergent framework.

4.5.4 Development of protocols for collecting the data and carrying out the data collection

As noted previously an initial interview protocol was developed as a result of consideration of the research questions that needed to be answered following the major initial review of the literature in the field of corporate giving. The questions were designed to discover the “what”, “why” and “how do you decide” of the corporate giving manager’s role. Both the style and nature of the questions were built on an analysis of semi-structured interview techniques and my industry experience of competitive analysis. The design concept was to ask fewer, broader questions and let the participants mostly carry the interview, with the researcher probing on topics requiring clarification or company procedural in nature.

After the first round of interviews was completed time was taken to analyse the results of the interviews. The results were also used to slightly modify the interview protocol to focus on several emergent issues both in the giving managers’ role and the general environment the companies were operating.

Even though there is often a best way to conduct research there is no right way, or one single way, to doing in-depth interview (Miller and Crabtree, 2004). The aim of the interview protocol was for it to be the “research instrument, not the research guide” (Miller and Crabtree, 2004, p. 196). During both rounds of interviews the interviewees were encouraged to provide as much detail and information on their own, but some aid was provided in order to fully explore many topics as suggested by Gaskell (2000). There are several risks with individual interviews, particularly when only interviewing one company representative. One is that the respondent only provides information that they think the researcher may want to hear, and another is that they are merely providing comment based on corporate public
information – following the “corporate line”. The interview protocols were designed to overcome this, for example leading questions were not asked so no predisposition to any particular answer was given. Some participants did ask about “industry averages” or made comments such as “you have probably heard this before”, but little feedback was provided in these instances. The full interview protocols form Appendices 1 and 2, and include notes on the content and timing of the various prompts that were employed by the researcher, but as an example on planned probing to provide richer data:

(Q10) Is there a corporate policy on measuring the outcomes from supporting nonprofits? (If yes – ask for a copy)

Probe if necessary: How do you measure the outcomes? Formally or anecdotally? What is measured? How is it measured?

(Q11) Who makes the decision on HOW MUCH is given: in total?

Examples - DO NOT initially prompt (only prompt if no reasons are given):
- CEO
- Board
- Management team
- Special selection panel (staff AND management, or one or the other?)
- Individual (Role / title?)

Additional questions if not previously answered:

How do they make the decision? Does the amount change from year to year?

Researcher objectivity was established from the outset. It was clear the interviewer was an outsider, albeit with some knowledge of their industry and with some general knowledge of their role and some of their issues. Active listening was practiced and surface level discussions rapidly give way to deeper motivations. Digressions from the protocol were encouraged (in line with it being the research instrument) as those digressions were obviously topics the participants wanted to be heard and thought were important. In summary it is believed the amount of “company line” was minimal. The giving managers were all very busy people, who interrupted other planned events to make time to speak to the interviewer, but it was evident that the giving managers really
wanted to talk about what the researcher wanted to hear about, and they were very open in their responses (and aware anonymity was guaranteed), regularly passing judgement on some part of company policy, not all of it positive. It is believed that a trusting relationship was developed in all interviews and that they rewarded the researcher with candour. As a result, the end product of aggregating all the interviews was far more robust.

After the first few interviews, they actually progressed in the form of a semi-guided conversation, with the protocol commonly used towards the end of the interview to confirm that all relevant topics had been covered. Many times after the initial questions were asked the researcher had the next question ready in mind, but before it could be asked the giving managers had progressed naturally to the topic to be solicited. This provided some evidence that the interview protocol had been reasonably well designed and structured. The time taken for interviews was never a constraint for the researcher, and all the interviews ran over the initially projected 30-45 minutes.

4.5.5 Recording the information collected
At the time of the interview, all but one of the giving managers consented to a tape recording of the interview. This one giving manager requested that only notes be taken during the interview and this was done. Notes were taken in all interviews to assist in information recall as to the intent of sections of the conversation.

Once recorded the interviews were listened to as soon as practicable to confirm the discussions could be reasonably heard and a backup made. The recordings were then transcribed word for word by professionals who specialise in transcription. The early transcriptions were immediately audited against the actual recording by the researcher to ensure accuracy of the transcription process. Later transcriptions were checked against the original recording over time. With the exception of some industry jargon the transcription quality was generally excellent.
4.5.6 Resolving field issues

As noted above, in one instance the giving manager requested that no tape recording of the interview be made. In one other instance there was an operational error before the interview that resulted in no recording being produced. In both cases, a recording was made immediately after the interview using the interview protocol as the structure for the recording, with information taken from notes made during the interview supported by the researcher’s memory of the interview. It is believed no significant information was lost in this process.

In one early case the background noise to the interview was intense. This lack of quality recording was noted at the time and notes were made from memory. The recording was transcribed as much as possible by a professional, and transcribed again by the researcher using the professional transcription as the basis for the result. A compilation of these three sources of information was then put together as a reasonable record of interview. It is believed no significant information was lost in this process.

4.5.7 Storing data

The interview is stored in two different formats and four different media. The original recordings were kept in their original format. A copy was made of these original formats and stored on compact disc and also on a removable hard disc drive. A copy of the transcription is held in both paper form and in Word © format. As required by the University of Wollongong, copies of the interviews will be kept for five years in a secure environment before being destroyed.

4.6 The achieved sample

There was a very high level of response to the requests to be interviewed. The reasons various respondents volunteered for this included that the managers were proud of their personal and company achievements and were receptive to any outlet to promote their activities (albeit with confidentiality). In addition, it was explained that the researcher had previous experience as a marketing practitioner, a lecturer in marketing and Director of a small NPO (never named). Many giving managers also mentioned there was little research
available in the field for them to access and they welcomed more research. Several also had completed higher degrees and recognised the difficulty of research students in gathering data.

As mentioned previously, the giving managers were purposefully selected on the basis that they were primarily directly responsible for the company’s NPO support programs. Table 4.3 below summarises the industries that were included in the research and provides some general information on the companies that were interviewed.
Table 4.3: General information on the respondent companies in this research

| Industry Sector (ASX descriptor\(^2\)
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees (^4) 5</td>
<td>Turnover (SA,000,000) (^3) 4</td>
<td>Wholly Australian owned or subsidiary of multinational (MNC)</td>
</tr>
<tr>
<td>Consumer Discretionary</td>
<td>1,000 - 5,000</td>
<td>250 - 500</td>
</tr>
<tr>
<td>Consumer Discretionary</td>
<td>5,000 - 10,000</td>
<td>1,000 - 5,000</td>
</tr>
<tr>
<td>Consumer Staples</td>
<td>&gt; 10,000</td>
<td>&gt; 10,000</td>
</tr>
<tr>
<td>Financials</td>
<td>1,000 - 5,000</td>
<td>250 - 500</td>
</tr>
<tr>
<td>Financials</td>
<td>5,000 - 10,000</td>
<td>5,000 - 10,000</td>
</tr>
<tr>
<td>Materials</td>
<td>&gt; 10,000</td>
<td>1,000 - 5,000</td>
</tr>
<tr>
<td>Commercial and Professional Services</td>
<td>&gt; 10,000</td>
<td>1,000 - 5,000</td>
</tr>
<tr>
<td>Commercial and Professional Services</td>
<td>1,000 - 5,000</td>
<td>250 - 500</td>
</tr>
<tr>
<td>Real Estate</td>
<td>1,000 - 5,000</td>
<td>1,000 - 5,000</td>
</tr>
<tr>
<td>Utilities</td>
<td>1,000 - 5,000</td>
<td>5,000 - 10,000</td>
</tr>
<tr>
<td>Financials</td>
<td>&gt; 10,000</td>
<td>5,000 - 10,000</td>
</tr>
<tr>
<td>Financials</td>
<td>&gt; 10,000</td>
<td>&gt; 10,000</td>
</tr>
<tr>
<td>Commercial and Professional Services</td>
<td>1,000 - 5,000</td>
<td>500 - 1,000</td>
</tr>
<tr>
<td>Financials</td>
<td>1,000 - 5,000</td>
<td>1,000 - 5,000</td>
</tr>
<tr>
<td>Commercial and Professional Services</td>
<td>5,000 - 10,000</td>
<td>1,000 - 5,000</td>
</tr>
<tr>
<td>Commercial and Professional Services</td>
<td>1,000 - 5,000</td>
<td>1,000 - 5,000</td>
</tr>
<tr>
<td>Diversified Financials</td>
<td>500 – 1,000</td>
<td>500 – 1,000</td>
</tr>
<tr>
<td>Commercial and Professional Services</td>
<td>500 – 1,000</td>
<td>1,000 – 5,000</td>
</tr>
<tr>
<td>Consumer Staples</td>
<td>5,000 - 10,000</td>
<td>1,000 - 5,000</td>
</tr>
<tr>
<td>Health Care</td>
<td>200 – 500</td>
<td>250 - 500</td>
</tr>
<tr>
<td>Industrial</td>
<td>5,000 - 10,000</td>
<td>1,000 - 5,000</td>
</tr>
<tr>
<td>Industrial</td>
<td>5,000 – 10,000</td>
<td>5,000 – 10,000</td>
</tr>
<tr>
<td>Materials</td>
<td>5,000 – 10,000</td>
<td>1,000 – 5,000</td>
</tr>
</tbody>
</table>

(Note: Anonymity was a condition of interview.)
Giving managers were interviewed in Sydney and Wollongong (NSW), Melbourne (Vic) and Canberra (ACT).

\(^3\) Companies that have been involved in a merger, take over, or subject to a significant change in circumstances since the interview are described as applicable at the time of the interview.
\(^4\) Latest available as at December 2011
\(^5\) Australian operations, except where noted
\(^6\) Asia-Pacific data available only
\(^7\) Interpolated from consolidated company data and regional percentages
Table 4.4 below presents data on the giving managers interviewed, noting the managerial position super-ordinate to the giving manager. It also provides the location within the organisation the giving manager position was situated. Several other regional or SBU managers were also interviewed in order to corroborate the giving managers’ description of their regional role in corporate support of NPO’s. Because anonymity was a condition of the research and reporting, and because Australia has a small pool of giving managers, the individual position titles are not listed as this would immediately identify a significant number of interviewees.

Table 4.4: Respondent manager identifier / department and reporting level

<table>
<thead>
<tr>
<th>Identifier used within thesis</th>
<th>Giving manager corporate department</th>
<th>Giving Manager reports to</th>
<th>No of interviewees</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1</td>
<td>Management</td>
<td>Board of the company</td>
<td>1</td>
</tr>
<tr>
<td>A2</td>
<td>Management</td>
<td>General Manager or equivalent (not CEO level)</td>
<td>1</td>
</tr>
<tr>
<td>A3</td>
<td>CSR</td>
<td>CEO/General Manager (or equivalent)</td>
<td>1</td>
</tr>
<tr>
<td>A4</td>
<td>Public Relations</td>
<td>General Manager or equivalent (not CEO level)</td>
<td>2</td>
</tr>
<tr>
<td>A5</td>
<td>Public Relations</td>
<td>General Manager or equivalent (not CEO level)</td>
<td>3</td>
</tr>
<tr>
<td>A6</td>
<td>Marketing</td>
<td>General Manager or equivalent (not CEO level)</td>
<td>1</td>
</tr>
<tr>
<td>A7</td>
<td>CSR</td>
<td>Senior manager</td>
<td>1</td>
</tr>
<tr>
<td>A8</td>
<td>Human Resources</td>
<td>Senior Manager</td>
<td>1</td>
</tr>
<tr>
<td>A9</td>
<td>Employee Foundation</td>
<td>Board of the company</td>
<td>3</td>
</tr>
<tr>
<td>B1</td>
<td>Marketing</td>
<td>Marketing Manager</td>
<td>1</td>
</tr>
<tr>
<td>B2</td>
<td>Human Relations</td>
<td>General Manager or equivalent (not CEO level)</td>
<td>1</td>
</tr>
<tr>
<td>B3</td>
<td>Human Relations</td>
<td>Senior Manager</td>
<td>1</td>
</tr>
<tr>
<td>C1</td>
<td>Corporate Affairs</td>
<td>General Manager or equivalent (not CEO level)</td>
<td>1</td>
</tr>
<tr>
<td>C2</td>
<td>Corporate Affairs</td>
<td>Corporate Affairs manager</td>
<td>3</td>
</tr>
<tr>
<td>C3</td>
<td>Public Affairs</td>
<td>Public Affairs manager</td>
<td>1</td>
</tr>
</tbody>
</table>
4.7 Data-analysis techniques

Patton (2002b p. 276) suggests “the challenge of qualitative analysis lies in making sense of massive amounts of data. This involves reducing the volume of raw information, sifting trivia from significance, identifying significant patterns and constructing a framework for communicating the essence of what the data reveal.”

Creswell (2003) suggests there are 6 generic steps to qualitative data analysis, which is an iterative, non-linear process. These are discussed below.

4.7.1 Organise and prepare the data for analysis

This is the process of obtaining the transcriptions and then organising both those and the field notes taken during and after the interviews. A paper copy was used for interpretation of the results. The use of analysis software such as NVivo was considered, but was largely unsupported by the University at the time of beginning the research. In addition anecdotal comments from other early researchers suggested the new users are unlikely to know what they needed to know to get the most from the software, and that there was a “coding trap” in that the software invited a tendency to over-code. Computer software was therefore not used in the analysis process except to organise the results in both word processor and spread sheet formats.

4.7.2 Read all data, get a sense of the whole

This step is necessary to obtain a general understanding of the totality of the messages from the giving managers, and to begin to develop ideas to facilitate detailed analysis and coding. This step was conducted in two stages – one for the initial interviews and later one for all the interviews – and was useful in understanding the totality of the messages that had been received.

4.7.3 Begin detailed analysis with coding process

Ideas that were formed from this initial reading of individual interviews were jotted down on cards that eventually became a list of topics that were then formed into clusters of similar topics, or themes. As more interviews were listened to and read and re-read, additional topics
emerged. Many of these were interrelated and the organisation of the interrelationships began to develop through the listing of the topics and themes.

Once all of the interviews were initially read the list of ideas, clusters of topics and themes were studied. From this study the most descriptive wording for the individual topics became the general headings for separate categories or “chunks” (Creswell, 2003, p. 192) of data.

4.7.4 Generate a description of categories or themes for analysis
The overall list of ideas and themes were thus distilled and reduced by merging similar concepts into general categories. Creswell (2003) suggests five to seven categories is reasonable. This distillation process involved making headings on post-it notes and spending many afternoons sifting, sorting and re-sorting the themes until a comprehensive categorisation was developed. A coding system was developed for both the general themes within the interview results and the more distilled categories, and all of the transcriptions were analysed and coded in accordance with this system.

These categories which are interrelated appear as the major findings in Chapters 5, 6 and 7 which describe both the categories (findings) and attempts to explain the interrelationships of the categories to understand the complexity of the corporate giving manager’s role in the process of corporate giving.

4.7.5 Represent themes
The most common form of representation of themes and categories is through “qualitative narrative” (Creswell, 2003, p. 194) – passages of transcribed conversation that describe what is happening and the interviewees explanation and point of view of these happenings. Obviously there were many different perspectives from the giving managers as each role is specific to the company and the person fulfilling the role, but the concept of themes and categorisation means these different perspectives can be grouped into “like minded” ideas and explanations.
‘Qualitative narrative’ is used extensively in Chapters 5, 6 and 7 to display the level of rich data obtained as well as to provide examples to illustrate the themes and categories developed.

### 4.7.6 Interpret and make meaning out of data

This final step in the process is the personal interpretation of the data as presented by the giving managers. The words are their own, but the interpretation of those words and the development of the themes and categories is the work of this researcher.

In this research project the interpretation and meaning from the data resulted in an understanding of the key elements in the corporate giving managers’ role, an understanding of some of the interrelationships within corporate giving and an overarching model of influences on the corporate giving manager.

### 4.8 Validation

Crewsell (2003, p. 195) notes that validity is a “strength of qualitative research”, and that it is not measured in the same way as for quantitative research, “nor is it a companion of reliability of generalizability” which only play a minor role. Qualitative researchers study things in their natural settings, attempting to make sense of or interpret phenomenon in terms of the meanings people bring to them (Denzin and Lincoln, 2005, p.3). Denzin and Lincoln (2005, p. 21) also note that in the constructivist paradigm “terms such as credibility, transferability, dependability, and confirmability replace the usual positivist criteria of internal and external validity, reliability, and objectivity.” Each of these will be addressed in the following section.

### 4.8.1 Credibility

Credibility is an internal validity measure and assuring credibility is establishing confidence in an accurate interpretation of the meaning of the data, ensuring the results of the research reflect the experience of participants or the context (Lincoln and Guba, 1985). The aim of this research was to obtain an in depth understanding of the factors that influence the corporate giving manager in order to obtain the best estimation possible as to the motivations for corporate giving in large organisations in Australia and how and why corporate giving managers make the NPO support decisions they do. In-depth research interviews with
corporate giving managers was the chosen research method as it was necessary to construct
the social reality surrounding these decisions and listening to corporate managers that were
specifically employed to manage giving programs ensured the credibility of the process and
the data. Thick description (most important for achieving credibility in qualitative research,
Tracey, 2010), demonstrable detail, and explanation of the tacit knowledge of the giving
managers are employed.

Obviously not every large organisation in Australia could be a subject of the study because of
logistic and other resource limits, and as noted previously many large organisations operating
in Australia did not publically disclose or describe their nonprofit, community support or CSR
programs. As a result a wide range of industry categories were covered, but some company
categories in the ASX 200 are not represented or underrepresented in this study. This affects
one aspect of the sample representativeness, but not the credibility as the results obtain are a
reflection of the practices of those companies that do employ giving managers. For
completeness the study includes some companies operating in Australia but not listed on the
Australian Stock Exchange. The inclusion in particular of organisations not listed on the
ASX provides a benefit in a diverse sample that overcame one initial blind spots or limitations
of the initial list of potential companies. Individual giving managers were purposefully
sampled, not selected in the sample as "representative" of some particular variable, other than
their company had greater than 200 employees (that is, large by Australian definition), were
not owned or controlled by an individual, had an active corporate support program in place
and the responsible manager was willing to be interviewed.

In addition, coding was done by the researcher and the use of a single coder enhances the
internal credibility of the coding framework through consistency of coding. Knowledge of
the field following the literature review, combined with the researchers personal knowledge of
the field and extensive interviewing means that the coding and analysis is more insightful than
that of multiple coders with less knowledge of the field (Milne and Adler, 1999).

4.8.2 Transferability
Transferability can be both an internal validity check and an external validity check. In
constructivist research, transferability refers to the notion that one question should have the
same meaning to different respondents. With an emphasis on dialogue, constructivism assumes that no two interview encounters will ever be the same, and in this research where the interviews were semi-structured and in-depth the answers were never the same. Even if the same questions were to be asked of the same respondent, on another day the answers might be slightly different depending on contextual factors of the interview at that time, contact with other people or later experiences that shape an interviewee's views. This is not to say that there is no baseline for examining whether or not a statement is a reliable representation of a person's views or a trustworthy account of their experiences; it is simply to recognise that all such self-reports must be understood as constructed within a specific context and for a particular audience. Such an approach makes it more difficult to establish reliability and contributes to the challenges of interpretation that are central to the qualitative approach.

From an external viewpoint, knowledge gained can be transferred and/or used in other settings, populations, or circumstances. As noted in Chapter 2, Australian corporate life and corporate giving has its roots in both the United Kingdom and the United States of America. Good qualitative studies have “findings [that] can be extrapolated beyond the immediate confines of the site, both theoretically and practically” (Charmaz, 2005, p. 528), and are useful in making sense of similar situations or people in similar positions (Maxwell, 2002). External validity is obtained predominately through purposeful sampling as well as rich description (Lincoln and Guba, 1985, Maxwell, 2002).

4.8.3 Dependability
Dependability in qualitative research relates to consistency. Miles and Huberman, (1994) suggest dependability refers to whether the study has been carried out with reasonable care. In this research project, dependability is demonstrated through “establishing a chain of evidence” (Sinkovics, Penz and Ghauri, 2008, p. 703) to assure stability in identification and interpretation.

The first link in this chain was the in-depth literature review conducted initially before the study commenced and completed as the final draft was prepared. This ensured that the most common forms of identification and interpretation of corporate giving and the corporate giving manager were understood and used in the correct context. The second link in the chain
was the development of an interview protocol which increased the dependability of the study and facilitated repeatability of procedures. There were several years between the timing of the first interview for this project and the last. The initial protocol was revised slightly to take into account different operational and environmental circumstances, but the core concepts and questions of the research project remained as true and meaningful to the later interviewees and the first and the changing environmental factors were proven through the responses to have not impacted significantly on corporate giving practices or procedures. The final links in the chain involved the use of professionals to transcribe the interviews verbatim and the auditing of these transcriptions by the researcher.

In constructivist approaches, the dependability or validity of a study is not determined with reference to scientific methods or a study's replicability, but on how a given interpretation may be judged. Through the use of this chain of evidence, coherency and comprehensiveness of data were achieved and thus the research may be seen to be dependable.

4.8.4 Confirmability
Confirmability is what objectivity is to quantitative research (c.f. Erlandson et al., 1993; Sinkovics et al., 2008, p. 699). One goal of this type of research is to seek out and interpret common meanings held by people in similar situations within their organisation – the giving managers. These intersubjective meanings are "constitutive of social life" (Schwandt, 1994, p. 226). Thus, by suggesting an interpretation of how people make things mean, the research offers a generalisation about the possibilities and processes within the field of the corporate giving manager. This is not advocated as the only interpretation, but they are among the possible ones, and they are given credibility by the depth of the research interviews with the giving manager. The “chain of evidence” methods and steps in analysis also assist confirmability.

4.9 Conclusion
This chapter has outlined the ontological and epistemological pillars of this research, and detailed the qualitative, constructivist-interpretive approach taken to this research and the methodology used.
The connection of the analysis to the framework presented in Chapter 3 has been explained together with the development and use of coding, in order that understanding can be gained as to how the coding was derived. The quality assurance built into the research process to ensure validity of the data has also been explained.

The next three chapters present the descriptive results of the research and Chapter 8 will then draw the conclusions from these analyses.
5.1 Introduction to the chapters covering the results of this research

The remainder of this thesis is structured in the following manner. The next three Chapters present, explain and justify a conceptual model developed from an analysis of interviews undertaken with the giving managers of large organisations in Australia. This model summarises the influences on the modern corporate giving manager. It is based on significant new information found in the interviews on the detail of the influences on the giving manager and the process of NPO support by large organisations in Australia. The approach taken here is to present the model in its entirety and then address the key elements of the model individually and support their inclusion with the findings of the interviews. To assist the reader Figure 5.1 (below) portrays the flow of the chapters that report the results of this research.

Figure 5.1: Presentation of the results of this research

<table>
<thead>
<tr>
<th>Chapter 5 – The conceptual model and an explanation of the major strategic elements</th>
<th>Chapter 6 – Understanding the decisions of the giving manager (Sub-element 4)</th>
<th>Chapter 7 - Understanding the corporate process of NPO support (Sub-element 5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 5.2</td>
<td>Section 5.3</td>
<td>Section 5.4</td>
</tr>
<tr>
<td>A Model of Stakeholder influence, CSR policy and NPO support: a giving managers perspective</td>
<td>Sub-element 1: The role of the giving manager – a stakeholder nexus</td>
<td>Sub-element 2: CSR evolution &amp; the Giving Managers’ decisions: Initiator, Influencer, Decision Maker or Responder?</td>
</tr>
<tr>
<td>Section 5.4</td>
<td>Section 5.4</td>
<td>Sub-element 3: Recognition of salient stakeholders – the prime influence</td>
</tr>
<tr>
<td>Why giving managers give – Perception of corporate motivation</td>
<td>Perception of NPO fit with CSR strategy and objectives</td>
<td>Micro influences on NPO support decisions</td>
</tr>
<tr>
<td>Section 6.2</td>
<td>Section 6.3</td>
<td>Section 6.4</td>
</tr>
<tr>
<td>Factors in implementing NPO support</td>
<td>A Tiered structure of NPO support</td>
<td>A step by step approach to implementing NPO support activities</td>
</tr>
</tbody>
</table>
5.2 A model of stakeholder influence, CSR policy and NPO support: a giving manager’s perspective

5.2.1 An overview of the model

The conceptual model developed for this research (Figure 5.2 below) specifically focuses on the role of the giving manager as the key actor involved in corporate giving, which in large organisations in Australia is in the process of being subsumed, or has been entirely subsumed within CSR related programmes. In addition to capturing the vital importance of CSR policy to the corporate giving manager, the model presents the giving managers’ integral role as the nexus of a network of giving. It portrays the interactions and communication flows between the key organisational actors, external and internal stakeholders and NPO’s that have been found in the research.

Figure 5.2: A model of stakeholder influence, CSR policy and NPO support: a giving manager's perspective
The concept of the giving managers lying at the central hub, or nexus, of corporate giving, implies that they have some reasonable power that accompanies their managerial position. This was specifically analysed in this research and the findings suggest that the amount and type of power exerted by the giving managers differed with the wider organisational commitments to CSR by the company. For example, those giving managers where CSR was nebulous were seen to have greater influence on corporate policy decisions and NPO selection than those giving managers where the commitment to CSR was more mature. This is detailed in depth in Section 5.4 and Chapter 6 below.

In general, in their nexus role the giving managers interpret and actualise corporate giving policy, respond to internal and external stakeholder influence and pressures, and evaluate potential NPOs for the best strategic fit. After the NPO evaluation process the giving manager would typically design support programs for the best “return” for the company and the NPO, and predominately make the support decision or recommendation to senior management as to which NPO to support and what form this support should take. This model allows for a more realistic conceptualisation of the dynamic nature of these relationships and the role of the giving manager in balancing the needs of the organisation with competing and often conflicting demands of stakeholders.

Demonstrated for the first time is the differing amount of influence on CSR strategy and policy from the giving manager, the focus of giving on salient stakeholders and the importance of “micro-influences” on the choice of NPO and NPO support decisions. These micro-influences on the giving decisions are at a lower level than CSR policy, but they play a significant role in implementation decisions. Also included in the model is an understanding of the implementation decisions made by giving managers incorporating the tiered structures used by corporations in responding to stakeholders.

5.2.2 Major elements of the model
The discussion of the model is divided into several subsections describing the major elements. This Chapter discusses the strategic corporate elements influencing the giving manager namely (Section 5.3) the giving manager – as a nexus of NPO support (5.4) the giving manager’s influence on CSR policy, and (5.5) NPO support – recognition of salient
stakeholders. The following two chapters will focus on the elements of the model concerning the giving manager and the decisions and processes in corporate giving, namely Chapter 6: decisions of the Giving Manager, and Chapter 7: implementing NPO support.

5.3 Sub-element 1 – A nexus for NPO support

5.3.1 Overview – a stakeholder nexus

This sub-element of the model (Figure 5.3 below) captures the strategic interplay of stakeholders (internal and external) with the organisation and the modern giving manager as the nexus of these relationships. Giving managers are a key decision maker or influencer in an organisation’s choice of an NPO to support. In addition, the role of the giving manager is that of a boundary spanner - managers who operate at the periphery of the organisation, performing their tasks “including relating the organization to elements outside it” (Leifer and Delbecq, 1978, p. 41). They are increasingly communicating with, interpreting and responding to the requests, concerns and pressures of the organisations overarching environment as well as both internal and external stakeholders. How they interpret and respond to requests from NPOs and the concerns and pressures of both internal and external stakeholders, and their interpretation and actualisation of corporate policy in response to the various stakeholders of the corporation plays a vital part in the implementation of corporate giving and CSR.
Using the model, stakeholder-agency theory is drawn upon to better explain how managers interact with key organisational stakeholders compared to prior conceptualisations involving stakeholder theory. These prior conceptualisations have focused mainly on identifying who are the important stakeholders and their potential effects on the organisation, rather than on how they actually engage with the managers of the organisation. Hill and Jones (1992) suggested that conceptually the manager is the focal point of a nexus of contracts (both informal and formal) between a firm’s stakeholders and this suggestion is firmly supported by the findings of this research.

For example this giving manager can be seen as responsible for internal management of NPO support and communication:

So that was what my role (was) to do: to pull it all together. I was to develop a strategy in relation to this. I formed a sustainability leadership group, which was key functional people in senior roles. (A part of my role is) all about influencing
and understanding what stakeholder needs are, and how … you communicate and engage with them. (C1)

The same giving manager is acting on behalf of the company in initially rejecting an NPO request, but also intending to act as an agent of the NPO at a later point in time:

(I receive) at least three to five requests a week. We do prefer longer-term commitments. We lock in usually three to five years … and because we’ve got those locked in, there’s not a lot left to be able to give. But there’s a bit there to do some of the smaller ones, but we do relate it back to the criteria. For some of them recently that I said ‘no’ to, I have said I’m keeping the information on file, because once we go through the review, I can see that what they’re doing does fit with our criteria, it’s just we’re not in a position now to support them. (C1)

The giving managers identified the social influence, community expectations and stakeholders concerns as important aspects of their work. It can thus be seen the corporate giving manager is influenced significantly by many different stakeholders and stakeholder groups, and is the nexus for these groups. Developed from the interviews, Table 5.1 details the stakeholder groups and the overarching corporate environment issues – that is the influencers and members of the web of giving.
Table 5.1: Members of the web of giving with the giving manager as the nexus

<table>
<thead>
<tr>
<th>Corporate giving manager – a stakeholder nexus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stakeholder groups and issues in the corporate environment mentioned by giving managers as influential to some degree in the decision making by the giving manager for NPO support.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>External stakeholders</th>
<th>Internal stakeholders</th>
<th>Corporate environment</th>
</tr>
</thead>
<tbody>
<tr>
<td>NPO’s</td>
<td>Employees</td>
<td>Political</td>
</tr>
<tr>
<td>Shareholders</td>
<td>Middle management</td>
<td>Economic</td>
</tr>
<tr>
<td>Customers</td>
<td>Senior Executive</td>
<td>Social</td>
</tr>
<tr>
<td>Local Community</td>
<td>Board</td>
<td>Technological</td>
</tr>
<tr>
<td>Government (Federal, State and Local)</td>
<td></td>
<td>Regulatory/Legal</td>
</tr>
<tr>
<td>Special Interest groups (e.g. environmental)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Giving Managers</td>
<td>Analysts</td>
<td></td>
</tr>
<tr>
<td>Analysts</td>
<td>Labour groups</td>
<td></td>
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<tr>
<td>Labour groups</td>
<td>Land Holders</td>
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<tr>
<td>Land Holders</td>
<td>Media organisations</td>
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<td>Media organisations</td>
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</table>

Evidence from the giving managers to support the relationships with both primary internal and external stakeholders depicted in the model is presented in the following section.

5.3.2 A nexus for internal and external stakeholder groups
As a part of their everyday activities the giving managers are a point of contact for the community in general as well as identified internal and external stakeholders and thus act as a nexus for all parties concerned with the giving program of the company. They actively
engage with and monitor the external environment, assess the salience of stakeholders, develop, review and implement giving policies based on corporate guidelines, pursue relationships that will meet stakeholder expectations and screen unsolicited requests for assistance. This suggests an interaction of this role that is not captured with existing conceptualisations and is typified by these comments from one manager:

Primarily I look after our CSR program …. to ensure that there are three main areas which the program is - the purpose of the program is …(number one is) to engage our employees; number two is strengthening to build our brand reputation as well as (number) three, strengthen our business. (A10)

For nonprofit support relationships, the giving manager in large corporations in Australia is an archetypical example of Hill and Jones (1992) central “node”. Hill and Jones state it is the manager’s perceptions of stakeholder influence that will determine which stakeholders are considered important. The conceptual framework captures the description the giving managers provided - of their own role within the organisation, their understanding of community values, communication with external and internal stakeholders and the evaluation of stakeholder priorities that influence their decision making. The range of stakeholders and the conflicting priorities is exemplified by the comment from this manager:

When you’ve got your stakeholders ranging from - we list them in our (CSR policy) – customers, colleagues, suppliers and partners, shareholders and the communities that we live and work - there are always going to be tensions between what you do for one stakeholder and why, and they are the decisions we need to make. (C2)

Whilst the Australian market is too small to list the position descriptions of the managers interviewed as this would immediately enable identification of many individuals as well as companies (anonymity was a condition of interview and reporting), descriptions of the roles by some of the giving managers’ themselves, which include responsibilities, adequately describe both the breadth and depth of the complexity of the modern giving manager:
My role in corporate affairs is to, from a group level, look at where we sit in the community. (A7)

Yes, community relations is part of my role yes, which includes receiving and responding to requests for donations and sponsorships, and then I suppose managing the relationships that we do have, the organisations that we do sponsor and the community groups that we do support. (C4)

(As well as NPO support) … There’s also the production of the annual report and sustainability report. ….. We also have a quarterly magazine for staff that I produce. And the branding and the corporate identity, I’m responsible for that. And some of our shareholder publications, so the…..oh well, obviously the annual report, but we have an interim report we send to shareholders and welcome letters and packs, and so forth. So I think that’s it in a nutshell (A6)

My job is to manage all the staff giving at (company) so facilitate staff to support causes they would like to engage with……However it’s not reflected in the title (but) there is also a part of my time allocated towards co-ordinating our CSR reporting. Because these two areas are seen to fit together. One actually feeds into the other. (B7)

The giving managers always have multiple stakeholders in mind, even if, as described in Section 5.5 some are seen to be more important than others. These giving managers were responding to internal stakeholders when developing a portion of their NPO support program:

We had state and national partnerships, but nothing at a local level – so that was how it was started. What our staff were wanting was to be able do something in their local community. (A5)

We said (to the NPO) - well we need to talk a little bit more because we want staff involvement, we want this, we want to start off small and - I mean it’s still a
A decent amount that we give them, but I guess we potentially may give them more once we’ve worked out how this is going to work out. (A7)

We are aligned to children; youth, and we want … to have a simple message … one message out (there) to our internal stakeholders, so it’s kind of simplifying the message (A3)

The following giving managers were discussing their programs aimed at external stakeholders, albeit if some were not the prime target, some halo effect (Leuthesser, Kohli, and Harich, 1995) was anticipated, whereby there was expected to be a global impression on stakeholders from a key supporter or their combined corporate giving program, rather than each program needing to be distinctly evaluated to obtain a positive impression of the company:

You know, it’s nice for the Premier to see, and the media that will obviously follow the Premier to see that we have this partnership. (A6)

So we … developed … a community investment program that was strategically focused, one that we could actually leverage with external stakeholders, demonstrating our corporate citizenship. (C2)

Then there’s the (support program with one particular NPO). That is very much the external focus with the, you know, the partnership through (NPO) - so employees probably aren’t as in touch with that. (A10)

Sharma and Starik (2004, p. 1) believe the “role of stakeholders and society in general is integral to corporate sustainability” and that the diversity of groups representing civil society has increased dramatically in recent years. Representative of the role of the giving manager and the multiplicity of societal influences were evident in the following comments from giving managers in the study:
Any support we provide must show a broad benefit to the community ……. (we aim to) build stronger communities ……. our [company] values must be community values, and stakeholder approval and positive perceptions of corporate giving is seen as vital. (C5)

People were scared of big business coming in here ….. so (we) decided to set up a reading friends with the local school so that (we) could show, hey we’re not that bad a big corporate citizen. (B2)

The feedback we have from customers and shareholders, the general consensus that we have been getting, is that while we are a large national organisation making profits and we have to provide dividends to shareholders, we still have a commitment, a responsibility, to the general community. From an investor perspective, generally speaking those companies that are performing better are the ones that are involved with the community. (A5)

There’s also been the push for a response to this notion of corporate social responsibility. I think we get pushed but we also (act when we) see an opportunity. At the end of the day (the community) see that within the organisation people do actually believe in what the organisation stands for. (C2)

In addition, the amount of power and influence exerted by the giving managers was partly a function of the stage of evolution of CSR within the company, that is the “manager’s perceptions of stakeholder influence” was more able to influence giving policy and implementation where CSR was nebulous. This is detailed in Section 5.4.

A useful clarification system for the various actors described by the giving managers in their macro environment can be drawn from organisational theory, that of PESTL (c.f. Elliott et al. 2010). Various managers described their interaction with each of these elements, for example:
**Political**

Organisations can engage with politicians and can seek to influence policy and stakeholders in their operating environment (Elliott et al. 2010).

Yes, ……. we struggled a lot bit with politicians and the media, so I do a lot of political work, a lot of Canberra work (B1)

The premier of (the state is) opening it, which is quite a coup for us. You know, we don’t always get high-ranking politicians (A6)

**Economic**

Economic forces affect the amount of money people and organisations have and influences how they spend it (Elliott et al. 2010).

We want … the outcome to be that it creates local indigenous employment and brings money into the local economy. (C1)

(We were) not badly affected by the GFC …, there were redundancies and (there) was cost cutting and so on but they left largely the philanthropic and community area alone. The management committee said you know we know that whilst we’re doing it hard nonprofits are doing it ten times or more hard, so we want to continue supporting them. (B8)

**Sociocultural**

These forces include social and cultural factors that affect individual attitudes, beliefs and behaviour as well as society in general. They can “comprehensively and pervasively” change values and attitude (Elliott et al. 2010, p. 50).

Over time I suppose you know we did develop some guidelines around this project network and I was the representative … as well as overall facilitator, but representative for the community and social bits and pieces. So from that point, you know, I developed community support guidelines and criteria. (A4)
Connecting with the community is the major corporate initiative – a “social” agenda – e.g. homeless people, health related issues and smaller NPO’s (are) favoured/supported (B4)

Stakeholder perception is crucial – perception and understanding of what and why we are doing, what we are. Social and corporate responsibility is important to our Board, our employees, our customers (A5)

**Technological**
This is a broad concept of a “better way to do things”. It can change expectations and behaviour (Elliott et al. 2010, p. 50-51).

We took the school down there and explained to them what we were doing, how it was being done, what the impact was, and so they did that as a science project. We bought flip cameras, which are little cameras that can record, and we’ve given a whole lot to the school and they’re doing a memories project where they’re going talking to the elders to capture the stories from the elders. And that’s building that engagement between the younger and older generation (C1)

**Regulatory / Legal**
The creating and changing of laws. These govern what an organisation can and cannot do and detail obligations to both government and society (Elliott et al. 2010).

License to operate! (Our) company and can only continue to operate if the community and regulators allow it to. (C5)

The conceptual model presented here captures the way that outside influences affect the development of CSR policy. The giving manager is a comprehensive influence on CSR policy and as will presented in the next section, uses CSR to reflect the values the company wishes to project to its stakeholders and society in general. The model captures dynamic
nature of these relationships and the role of the giving manager in balancing the needs of the organisation with competing and often conflicting demands of stakeholders.

To date there has been little direct evidence regarding the extent to which the giving manager is actually involved in the development of CSR policy. The research in this area infers that the Board, CEO or senior management executive are the ones who develop the CSR policy as part of their normal policy making function. Recent research by Brammer et al. (2006) provides some insight but no direct evidence as to the development of policy and management of corporate giving. They found that “the main board of directors, or a subset of it, is involved in deciding the corporate giving budget in over three-quarters” of their sample companies, and that there was a “significant number of companies where the top management team is involved in the management” of corporate giving (p. 239).

In this thesis the findings suggest that giving managers are, to varying degrees, intimately involved in CSR, with the amount and type of their influence on CSR depending upon the stage of evolution of CSR within the company. This ranges from companies with emergent CSR using their giving managers to develop policy around provided strategy, to giving managers in companies with mature CSR programs mostly being involved in implementing and reporting CSR activities including NPO support. A small number of companies with very mature CSR programs also involve their giving managers in CSR strategy and policy development.

5.4 Sub-element 2 – CSR evolution and giving managers’ decisions: Initiator, Influencer, Decision-maker or Responder?

5.4.1 Giving managers' influence on CSR policy
This next sub-element of the model (Figure 5.4 below) describes a part of role of the giving manager as an initiator, influencer, decision maker or responder to CSR policy.

CSR is increasingly being “perceived as a strategy of corporate concern for deepening both employee and consumer commitment and relationships with organisations over time” (Powell, 2011, p. 1369). In Maignan et al. (2005) comprehensive stakeholder model for implementing socially responsible marketing, they identify that CSR policy is developed by
the organisation as a response to stakeholder pressure and influence, but they do not examine the micro-level development of the CSR policy. They also suggested there would be some feedback as to identifying stakeholders and their issues, but this research has shown the giving manager is much more influential on CSR policy than previously thought.

**Figure 5.4: Sub-element 2 – the giving manager and CSR policy: Initiator, Influencer, Decision-maker or Responder?**

![Diagram showing the giving manager's role in CSR policy development](image)

It has been found in the interviews that this aspect of the giving managers’ role is significantly dependent upon the stage of CSR evolution within the organisation. This evolutionary process parallels the introduction of marketing into the modern organisation where it initially needed resources, both organisational structures and human capital, to develop a foothold and then develop into a key unit for many organisations. As Maon et al. (2010, p. 34) describe, “CSR development represents a dynamic, continuous process”. Table 5.2 below describes
several stages of CSR evolution in large organisations in Australia and the role of the giving manager in CSR policy development and implementation. They range from what has been termed for the purposes of reporting as “emergent” to “mature”. This terminology has been developed from an initial analysis of several factors including the number of employees spending the majority of their time in CSR/NPO support activities, the processes in place within the organisation, the influence of the giving manager on the development of CSR policy and the amount of influence of the giving manager on CSR/NPO support activities. They are analogous to several of the stages described by Maon et al. (2010) and obviously lie with their “cultural grasp” and “cultural embedment” phases. These different stages found in this research will be explained and justified in the following sections.

Table 5.2: The evolution of CSR and related giving-manager activity within organisations

<table>
<thead>
<tr>
<th>Stage of CSR evolution</th>
<th>Emergent</th>
<th>Developing</th>
<th>Mature</th>
<th>Employee managed Foundations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Companies interviewed</td>
<td>n=4</td>
<td>n=11</td>
<td>n=5</td>
<td>n=3</td>
</tr>
<tr>
<td>Typical giving Structures</td>
<td>Single functional manager with state / regional based NPO support</td>
<td>Manager plus one to two - with coordination developing</td>
<td>Multiple employees and embedded CSR responsibility within org. units</td>
<td>Multiple employees and embedded CSR responsibility within org. units</td>
</tr>
<tr>
<td>Giving manager involvement in developing CSR policy</td>
<td>Developing CSR policy and strategy</td>
<td>Mid to High Influence and further formalisation of CSR policy</td>
<td>Lower Influence - Refining CSR policy</td>
<td>Very high</td>
</tr>
<tr>
<td>Giving manager involvement in implementing CSR/NPO support activities</td>
<td>Limited NPO giving decision making and implementation actions</td>
<td>Increasing NPO giving decision making and implementation actions for those decisions</td>
<td>High NPO giving decision making. Many implementation actions have devolved to organisational units.</td>
<td>Very high NPO giving decision making. Implementation actions by Foundation and company staff.</td>
</tr>
</tbody>
</table>
Although CSR has been widely reported for many decades, as previously noted the number of companies within the Top 200 companies listed on the Australian Stock Exchange with no CSR activities reported in their company reports or on their web sites was relatively high. Homburg, Workman Jr., and Krohmer (1999, p. 12) state that “one of the fundamental observations of institutional theory is that social systems do not change as rapidly and as continuously as their environments” and this would seem to be the case for CSR in large Australian organisations. Obviously the giving managers interviewed worked for organisations that had some CSR activities, and NPO support activities within these, but there was a wide range of CSR “evolution” found, from giving managers working for large companies that were in the early stages of accurately recording all of their corporate wide NPO support and developing CSR policy to provide future direction for the support, to very sophisticated procedures and policies being embedded in the organisations.

In general, companies in the early stages of adoption of formalised CSR policy heavily involved their giving manager in policy development while their implementation activities were limited, with most of their effort being spent on coordination and reporting NPO support activities. In companies where CSR was more mature, the giving managers naturally played a less significant part in policy development and were relatively more involved in implementing NPO support. Several organisations had developed Employee Managed Foundations, and whilst relatively rare in Australia, these Foundations, along with the companies with more mature CSR programs they can be seen to have the most formalised structures and corporate resource support. In these organisations, CSR was embedded (Katz and Kahn, 1978; Maon et al., 2010) within the organisation with the giving managers describing support of NPO’s as inherent within, and representative of, the values of the organisation.

5.4.2 Giving managers in companies with emergent CSR

In some organisations the visible external evidence of CSR activities was very small, typically with examples of some community assistance mentioned on their web site. In this research it was found that if companies are in the early stages of CSR policy development (as was the case in four of the interviewed companies) the giving manager is very much involved and
influential in the development of the policy. This suggests this involvement of the giving manager allows them to influence CSR policy to a greater amount than those in companies where CSR is more developed.

This giving manager works for a multinational company where CSR is just being introduced to the Australian business.

In reality each country is at a different point. So in Australia we’re baby, baby steps in terms of where we’re at. I’m looking at it at the moment more from a strategic plan - in terms of corporate strategic plan, and these are the sorts of things I want to cover with each of the general managers, and then filter down. And they’re the sorts of things: such as what’s our policy on - working with the community and gift giving, donations and sponsorships (A8)

For this company this reveals that while there is a world-wide CSR policy, the localisation of that policy in developing strategy and tactics is very much in the hands of the Australian managers. This giving manager then continues describing the NPO support process which is in a state of flux, moving to a more nationally focused, strategic response to their NPO support. This demonstrates the currently limited capability of the giving manager in making NPO support decisions:

And in Australia that’s how it’s been, but not formalised, so what you tend to find is that the branches within their own budgets will allocate, depending on the branch manager. There are the sorts of calls I’ve been getting from a national level where they say “oh last year you supported us” …. but it’s really been at the branch level. At the moment I don’t have a budget for that. I would have more of a budget for things like the next level up. (A8)

The next giving manager is in an Australian company which is just developing a corporate response in the field of social responsibility and the giving manager is very involved in strategy development,
We don’t have corporate social responsibility programs. At the moment I’m just trying to build the function from the ground up. … we’re now moving into a different era where we’re (putting) more process around these types of things, as in strategy. In the past definitely (CEO) would have said I’m giving to this cause, that cause, I used to go to school there, whatever, it would have been very much on that basis of handing out whatever donations. But because we’re now moving into a different era where we’re (putting) more……process around these types of things - as in strategy. (A7)

For this company this engagement was being driven by the coincidence of the popularity of CSR within the Australian corporate marketplace and a new CEO in the organisation. This is consistent with some the drivers of CSR development discussed by Maon et al, 2010. The manager continued:

You really do have to look at all your stakeholders and the whole………is a huge area that… because we’re dealing with the clients we’re dealing with, those clients have CSR programs in place and they have reports and they are looking I guess now to suppliers to see how they meet them on that level. (A7)

We got a new director …… last year so he’s been here for about 12 months and he is obviously putting strategy around everything not just this area. (A7)

In this company much of the day-to-day giving was located at the branch level:

That’s the way it works at the moment … we’ve obviously got branches all across Australia. The general managers in different states make (decisions) at the local level as opposed to it always being made at the corporate level. (A7)

One of the early tasks this same giving manager reported was finding out how much the organisation actually provided in total for NPO support. In addition, a national NPO support program had been launched and as noted in the previous comment, strategy was being introduced to the NPO support:
At this stage because once again because (Director) and I are quite new, we are testing the waters a little bit, ….. so (NPO) is our first initiative. There is a strategic link with that, but it also comes back to the way we can utilise it within the company. (A7)

Similarly, this next giving manager describes how the organisation was in the process of understanding what was provided in total by the organisation and coordinating their giving:

About two years ago I started setting up a program for the operating centre called community engagement. So that we could put all of the donations that we were making and all of the other things that staff were doing on behalf of the company for not profits into one program. (B5)

From a company resources perspective, these giving managers were generally working on their own with CSR, albeit with interaction with SBU and other managers. As can be seen from the above, in organisations with emergent CSR, the giving manager was in the very early stages of being responsible for NPO support and was more involved, that is they were exerting power with some authority, in the developing of policy and strategy in conjunction with senior management and less involved in the actual NPO support decisions.

5.4.3 Giving managers in companies with developing CSR

In other companies interviewed there was a more visible presence of CSR, with CSR or community involvement mentioned on their web site, and in several cases also mentioned in company annual reports.

One of the giving managers in this group of companies worked for a large multinational company that had just been through the process of centralising CSR related activities that the emergent companies were beginning:

Basically, as of 1st January this year, all our corporate giving comes under our department. Prior, approximately 4 years ago we looked at setting up, and I see
you’ve got information there on the work in community programs, our community investment program. What we’ve found, like many (industry) companies, the corporate affairs, government affairs, function is relatively new, and what we’ve found … was that there was a fair amount of giving, if you like, or support of non-profit organisations …. but it wasn’t certainly wasn’t a coordinated or strategic approach. (C2)

This same giving manager also reported the scarcity of information that was available internally before the restructure:

We had no idea of the amounts of money that was going out, so it’d be going out of different departmental budgets. (C2)

The company responded to this diverse and unstructured giving program by beginning to use their support of NPO strategically:

So we thought that, that sort of spurred us to look at developing what you would say …. a community investment program that was strategically focussed. (C2)

That giving manager’s involvement with CSR policy was less intensive than managers in the emergent stage. The company has a documented overarching international philosophy and the Australian arm of the company was in the process of localising that philosophy. The company had worked with an external consultant in developing their policy and choosing their first national NPO support partner:

We had a consultant that helped us develop our program. That consultant worked to understand our business and also knew (the NPO segment), so we sort of “match made” if you like. (C2)

The giving manager was involved in strategy rather than policy and was now advising senior management on the suitability of the initially developed strategic direction of their company giving:
(I am looking to) further leverage some of that support and also to advise the management committee on whether the support that we’re giving is appropriate - that we’re giving support to the appropriate organisation and in an appropriate manner. Could we be doing it better or getting more, crudely put, more bang for our buck. So we’ve taken control of that. (C2)

The manager quoted above was a part of a relatively new small corporate affairs team and the company could be placed approximately within the “capability-seeking” phase as described by Maon et al. (2010, p. 32).

A different Australian company with CSR policy that was evolving was one where there was an active national and regional NPO support program in place, but it was recognised that what was needed was a national overarching CSR strategy. While perhaps not being as fully developed in the “strategizing stage” as envisaged by Maon et al. (2010, p. 33), they can be seen to be moving in this direction:

Because we have all these things going on. We want some strategy around it. It’s not just say that once we do have that strategy that we won’t support random things out in the community we will we always will, but at the same time we will have this overarching approach. (A9)

There was recognition that even though the company was doing some good things individually they needed to be coordinated in order for the company properly communicate with their stakeholders what the company stood for. The giving manager continued:

We want to start doing that because we are doing all the great things and we want to start telling people about it. Not as a pat on the back, more as just - this is what (the company) stands for (A9)
From a company resource perspective, this manager was working individually managing the national support program but was also responsible for coordinating corporate programs in conjunction with national teams:

So my role entails looking after all of our charity programs and running what we call giving and volunteering committee and we have a volunteering program (and) the giving side of that is work place giving, payroll giving program. (A9)

It can be seen from the above comments that these giving managers also had some power in influencing corporate strategy and also were developing more authority in the actual provision of NPO support by their company.

5.4.4 Giving managers in companies with mature CSR
Companies with more mature CSR initiatives can be seen to at various stages of the “CSR cultural embedment” phase described by Maon et al. (2010, p. 32). In these organisations, the giving manager provides feedback to senior management on the policy and its implementation and in addition can provide some influence on future strategy direction. This giving manager describes how her role involves not just the implementation but suggesting strategy to her senior manager on how the NPO support program could be improved:

(My role is) not just doing the implementation of the CSR activities and the program but also set the direction, put forward strategy, make sure that it is aligned with the company’s business priorities (A10)

This following excerpt from the interview with a manager of a multinational company describes how she had a role that required her to strategically manage the national NPO support program in conjunction with state based NPO support “champions”:

As a CSR Manager, I am in charge of that company’s overall CSR strategy as well co-ordination of the programmes and the reporting around them. The state manager’s (formal CSR) roles have all gone away (via restructure) and everything has been centralised out of Sydney. What that has done is the state manager is one
of the leaders in the states and would really champion the community aspect and have their tie to the charity partner (B6).

Another giving manager describes how a team initially strategically designed the company NPO support program,

The community relations team basically decided the rules and guidelines, including for outcomes. The change to the (NPO support program) was developed internally then recommended to the Board as a philosophy; and they approved. (A5)

She then describes how now her staff of 4 in head office and 5½ staff in various states plus an NPO support committee in each state is involved in managing the sophisticated support programs that have been developed. The nature of the involvement changes from direct involvement of the giving manager to committee decision to state or regional office, depending on the actual support decisions required. This tiered concept is described in greater depth in Chapter 7:

(We) ensure that community partners align with corporate objectives. We have national and state based partnerships and community grants. H.O. manage the corporate programmes. A committee from each state works out the details of the workplace giving programme and for the smaller grants etc. we let them (branches and states) do their own thing, and (they) also provide written feedback on their programs. The way we prefer it is for requests to come via our local branch or local office, because we encourage our branches to have an input and ownership. We have a kit for them. They can have a look at the applications and do an assessment. We have a check list for them to work through. (A5)

We survey our customers and our staff. We have a data base of all the applications, support, amount of publicity and media, survey results, staff involvement etc. (A5)
Several of those companies with long established CSR policies had a very different method of implementing their CSR. The original CEO’s/owners of the company had a strong sense of community responsibility and had put in place a Foundation that was totally managed by employees of the company. These operated within the organisation and can be seen to totally different to the traditional Foundation which is independent and operates at arm’s length to any one company. As such the giving managers of these Foundations were direct employees of the organisation and the interviews and the results were included in this study.

5.4.5 Giving managers in companies with mature CSR – the employee-managed foundation

Employee managed Foundations are a much underreported concept within the scope of corporate giving. Typically an employee managed Foundation is different to a more traditional philanthropic foundation in that it is inward looking, aligned with the corporation’s culture and strategic aims and is a structure that in managed totally by employees, as this manager of an employee-managed Foundation explained:

for the benefit of company employees, their families and the communities in which we operate (B2)

A Foundation may or may not have separate legal status, but all of the three Foundation Managers interviewed stated their Foundation was managed as an integral sub-entity of their company, not separate; all were totally funded by the company and all three stated that corporate culture was a leading contributor to their Foundation, and the Foundation to the company, for example:

… the Foundation is the glue that keeps (the company) together (B2)

It’s a very core part of the organisation” (B1)

In all respects the giving managers provided very similar responses to the other giving managers interviewed, including views on stakeholders, programs developed, assessment of NPO’s and the decision and implementation processes followed, but these managers had
significantly more influence on policy and strategy compared to the giving managers in companies that had mature CSR programs, for example:

So I head it up globally, so I am responsible for everything, so I in consultation with the board determine the strategic direction (and) the objectives where all of the management practices that we have set in place (B1).

This research is partly responding to calls from academics, for example where Himmelstein (1997) noted that the corporate world was changing rapidly and that corporate giving and corporate giving managers needed to and were adapting to these changes. He suggested several outcomes of this were that giving managers were becoming more strategic in their outlook and more professional in their decision making as one method of protecting their positions as giving managers. More recently, Brammer et al. (2006) stated they provided the “first direct evidence concerning how UK companies manage their corporate philanthropy” (p. 235) where they found that companies are beginning to employ skilled professionals in externally focused departments to manage their corporate giving.

The results of this research clearly demonstrate giving managers are both professional and strategic when developing their giving programs, but as described in the next section, the giving programs they develop are not just externally focussed, but are primarily focussed on those stakeholder groups considered as salient.

5.5 Sub-element 3 – recognition of salient stakeholders: the primary influence

While the giving manager is a comprehensive influence on CSR policy and strategy as demonstrated above, this sub-element (Figure 5.5 below) exhibits this manager as interpreting CSR and providing support to NPO’s based on their interpretation of salient stakeholders and the requirements of their CSR policy and strategy.

Shareholders were only infrequently nominated as the most important stakeholder although most giving managers specifically recognised them as having legitimate and legislated power, and most included them in their second tier of nominated stakeholders. Fry and Polonsky (2003, p. 1305) suggested that the organisations need to “recognise the interdependence of
itself and the stakeholders in their external environment, and then ensure inclusion of these external stakeholders in strategy development”.

**Figure 5.5: Sub-element 3 – NPO support – a strategic response to salient stakeholders**

The giving managers are cognisant of their role in helping to meet the needs of stakeholder groups, and to present the corporation in the best light that is reflective of the company’s values, as these typical quotations clearly show:

Interviewer: “Can you remember the criteria that you used to shortlist them?”
Giving manager – “Yeah …… essentially it was - does it meet (our company) values.” (B5)
In terms of the programmes that they had; their philosophy and approach, ..... we aligned with our core purpose and values, and we do that with any partnership – does this partnership fit with our core purpose and values in the way they’re doing things. (C1)

... so you know that’s just showing again that it doesn’t have to be a big community building something that’s just a small project (but) it ticks one of our core values (B2)

While wishing to project the company’s values, the giving managers never forget their key stakeholders. Polonsky and Scott (2005) reported that “managers view some stakeholders to be more (or less) important than others and thus there seems to be some perceived inherent influencing abilities” (p. 1210). Berry (2010, p. 38) states “Organisations have the freedom to be selective regarding the stakeholders they consider important enough to merit a response (and) selective in the actions they undertake to satisfy these stakeholders”. This is supported by an analysis of the results of this research, where it was clear that NPO support programs were being developed and implemented primarily for those stakeholders considered as salient. There was a distinct delineation in the direction of the corporate giving between focusing the corporate giving at either external stakeholders, or internal stakeholders or a mixture of both groups.

5.5.1 The giving manager and stakeholder salience
Determining stakeholder saliency involves evaluating groups as more or less significant to the firm (and therefore the corporate manager) by measuring the attributes of power, legitimacy and urgency of the various groups (Mitchell et al., 1997). Mitchell et al. (1997) suggested the managers’ perception and evaluation of these three factors determines each stakeholder’s salience, and that an understanding of stakeholder salience “contribute(s) to the potential effectiveness of managers as they deal with multiple stakeholder interests” (p. 880).

From Mitchell et al.’s (1997) findings, in suggesting it is the firms’ managers who determine saliency and therefore “the degree to which managers give priority to competing stakeholder claims” (p. 854), the giving managers were specifically asked about which groups they
perceived as being most important to them and their organisation. An evaluation of their understanding of salience combined with a general appraisal of the company and of industry each organisation operates in became a useful exercising in understanding their responses.

In considering stakeholders and corporate behaviour through support of NPO’s, one measure that can be used is that of organisational visibility (Brammer and Millington, 2006). This can be taken to be how visible, or exposed, the stakeholders are to the company and the company to the stakeholders. Useful parameters for exposure are the size of the company (Henriques and Sadorsky, 1996; Videras and Alberini, 2000), and its brand awareness (Arora and Cason, 1996; Spar and La Mure, 2003). The larger the company, combined with higher brand awareness and higher consumer awareness of the company, the greater the likelihood will be that the company is closely watched and the greater the likelihood the company forms a prominent target for activists’ campaigns (Elliott and Freeman, 2004; Brammer and Millington, 2006). The size of a company can be measured in terms of sales or employees, and as stated previously this study focused on large companies in Australia. In a study by Brammer and Millington (2006, p. 14) they suggest they found “powerful evidence that organizational visibility, a variable absent from most analyses of firm philanthropy and social responsiveness, plays a significant role in shaping firm behaviour”.

As noted previously, in addition to size, previous studies have shown that stakeholder demands vary across industries, and findings also suggest that generally, producer goods industries face less ecological and social market demands than consumer goods industries (Belz and Schmidt-Riediger, 2010).

This knowledge and research, combined with the results of the interviews with giving managers in this study, can be used to construct a view of the significance of the role of the corporate giving manager and their interpretation of their salient stakeholders. Every giving manager interviewed was able to nominate their most important stakeholder group or groups. The managers were able to describe how their NPO support programs were predominately focused on those stakeholders considered as salient and how the programs were developed and implemented with those stakeholders in mind. This rich description overcomes some of the limitations imposed in previous studies – that of researchers making assumptions of
stakeholder pressure. It can be seen that the first decision the giving manager makes is that of determining the salient stakeholder group(s), and NPO support activities are guided predominately by this determination. Thus it can be seen that CSR is becoming a strategic tool aimed at stakeholders in order to assist in securing their support for the organisation in order to maximise the returns of the organisation.

In contrast to previous studies conducted by email or post (for example Brammer and Millington 2004b), there was not a clear delineation of only internal versus external focus of stakeholders, but internal, external and a new classification, those with a balanced approach to their NPO support.

Table 5.3 below details those organisations considered to have a balanced, internal and external focus to their NPO support. The description of the support programs of typical companies in each of those three groups follows in the sections after the table.

There was a clear delineation on the basis of external stakeholder salience where companies were in high visibility and sensitive industry types, and this is consistent with previous findings by Brammer and Millington (2004b). Also consistent with Brammer and Millington (2004b) findings was that the departments responsible for the corporate support in these companies were all externally focused, that is, corporate affairs or public affairs.

For other companies, the customer base can be seen to be an important delineator. In companies in relatively benign industries with few consumer or small business customers the salient stakeholders were considered to be internal. Consistent with previous findings of Brammer and Millington (2004b), these organisations primarily used internally focused departments to manage their NPO support, that is, predominately Human Relations and CSR. In the one case where Marketing was the location, CSR and coordinated corporate support was in the very early stages of development.
Table 5.3: Giving managers delineated by the focus of their NPO support programs

<table>
<thead>
<tr>
<th>Giving Manager reports to</th>
<th>Giving manager department</th>
<th>Identifier used within thesis</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GROUP A: NPO support programs are balanced between external and internal stakeholders</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Board of the company</td>
<td>Management</td>
<td>A1</td>
</tr>
<tr>
<td>General Manager or equivalent (not CEO level)</td>
<td>Management</td>
<td>A2</td>
</tr>
<tr>
<td>CEO/General Manager (or equivalent)</td>
<td>CSR</td>
<td>A3</td>
</tr>
<tr>
<td>General Manager or equivalent (not CEO level)</td>
<td>Public Relations</td>
<td>A4 A5</td>
</tr>
<tr>
<td>General Manager or equivalent (not CEO level)</td>
<td>Corporate Affairs</td>
<td>A6 A7</td>
</tr>
<tr>
<td>General Manager or equivalent (not CEO level)</td>
<td>Marketing</td>
<td>A8</td>
</tr>
<tr>
<td>Senior manager</td>
<td>CSR</td>
<td>A9</td>
</tr>
<tr>
<td>Senior Manager</td>
<td>Human Relations</td>
<td>A10</td>
</tr>
<tr>
<td><strong>GROUP B: NPO support programs are focussed predominately on internal stakeholders</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Board of the company</td>
<td>Employee Foundation</td>
<td>B1 B2 B3</td>
</tr>
<tr>
<td>Marketing Manager</td>
<td>Marketing</td>
<td>B4</td>
</tr>
<tr>
<td>General Manager or equivalent (not CEO level)</td>
<td>Human Relations</td>
<td>B5</td>
</tr>
<tr>
<td>Marketing Manager</td>
<td>CSR</td>
<td>B6</td>
</tr>
<tr>
<td>Senior Manager</td>
<td>Human Relations</td>
<td>B7</td>
</tr>
<tr>
<td>Senior Manager</td>
<td>Human Resources</td>
<td>B8</td>
</tr>
<tr>
<td><strong>GROUP C: NPO support programs are focussed predominately on external stakeholders</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Manager or equivalent (not CEO level)</td>
<td>Corporate Affairs</td>
<td>C1</td>
</tr>
<tr>
<td>Corporate Affairs manager</td>
<td>Corporate Affairs</td>
<td>C2 C3 C4</td>
</tr>
<tr>
<td>Public Affairs manager</td>
<td>Public affairs</td>
<td>C5</td>
</tr>
</tbody>
</table>
Those companies in relatively benign industries with many individual customers tended to have a balanced approach to their corporate support activities. The location of the department within the organisation where there was a balanced focus to their corporate support was not an indicator of those stakeholders considered salient by the giving managers.

5.5.2 A balanced focus to NPO support

In this study it was found that companies that had many direct individual consumers or small business customers, but who operated in more benign industries (such as general retail or accommodation) typically responded in a similar way when the giving manager developed their corporate giving programs. These companies predominately had a mixed focus to their support programs, where the giving programs could be seen to be balanced between internal and external stakeholders. Their programs were strategically designed to appeal to multiple stakeholder groups, for example improve the attractiveness of the company as an employer, provide a means for employee engagement (particularly within the employees local community), and improve the external stakeholders’ view of the company e.g. improve company’s reputation. This is evident in the responses from the giving managers from these organisations:

There are three main areas which the program (addresses) … engage our employees… Strengthen our brand reputation as well as …. Strengthen our business (A10)

I’ve got one of my staff here who’s very actively involved in the Anglican Church himself. And he does that automatically as part of his personal life. So if we can support him within the church, and obviously support the church, it’s good for all concerned (A1)

What we are seeing is that by supporting some of the big national charities who have really strong links and really strong networks into local community groups. The third pillar is our volunteering pillars so that’s team volunteering and personal volunteering. (A9)
I think that the (company) really sees this (as) an important engagement program for their employees …… But it does look better and work better for us if we’re supporting something that is seen to be important by our (external) stakeholders (A4)

Those organisations that had few if any individual consumer customers had a much more polarized strategic response which can be seen to be related to their salient stakeholder groups, through either a predominately internal (staff) focus to their support programs, or a predominate external focus to their support programs. Those with an internal stakeholder focus will be discussed next, followed by those with an external focus.

5.5.3 An internal stakeholder focus to NPO support
Companies that had fewer direct individual consumers or small business customers and who operated in industries where stakeholders often do not have sufficient power to directly affect corporate decision making (such as financial services or commercial law) typically focused much more on internal stakeholders, and the giving manager’s responses can be seen to be representative of this. This is not to say they do not publicise their programs, as external stakeholder support is still necessary, but that their programs are internally driven.

The focus of community involvement is totally aimed at staff …. The main objective is to get our people involved at the local/community level … There is no pressure from any stakeholder to measure the external results of the support. (B4)

Staff would probably be peak, absolutely peak, they are our key stakeholder……. So underlining all our giving is, the first test is, is this an organisation that staff are involved with and the rationale behind this is not only about the organisation, it's actually about our people, we want (company) staff to be engaged in the community, to be giving, to be looking beyond the walls of the (company) to their communities, so we are actually using the (NPO giving) as a staff development. (B1)
I would say the first priorities are employees, our community programme, well the communities are obviously an important stakeholder there, I think the employee engagement piece is the reason why we do it, it's the driver of why we do it. (B6)

My job is to work out what staff want to give to and facilitate that. We get absolutely no pressure from (external stakeholder) groups to do any of the things we do. It’s …… people coming to us and saying I’ve had an involvement with this organisation …… so it’s the causes that effected people (staff) personally. (B7)

This giving manager continued:

We’re not doing the giving because you know, we’re not doing as a branding and a marketing exercise. We feel that it’s consistent with our branding and our reputation, supports our reputation, but we’re not doing it for that reason. We’re doing it to support our staff. (B7)

For these giving managers, the focus on staff is reflected in several of their major methods of staff engagement - employee volunteering and gift matching. 100% of these companies were involved in gift facilitating schemes (payroll deductions) and all but one were involved in employee volunteering, with that remaining one company being in the process of introducing volunteering at the time of the interview. Staff volunteering will be discussed further in Chapter 6 and gift facilitating will be discussed further in Chapter 7.

Although the absolute number of companies demonstrating characteristics of emergent CSR was very small, interestingly these late developers in the CSR field had an internal or balanced focus to their support. In addition, only 1 of the companies considered to be in the emergent phase of CSR development considered being seen as socially responsible as a motivation for giving and none considered building stronger communities or creating company supporters as important motivators. There appears to be little international research on internally or balanced focused CSR, with most researchers focusing on external stakeholders (Hansen et al., 2011). The findings of this research, perhaps lend some support
to the findings of Hansen et al. (2011) - that because CSR is important to employees, it is becoming important to employers.

5.5.4 An external stakeholder focus to NPO support

Companies that also had fewer direct individual consumers or small business customers but who operated in more potentially harmful industries, where external stakeholder pressure has previously been reported as having a high threatening potential (Freeman, 1984) for example pharmaceuticals (van de Poll and de Bakker, 2010) and mining (Hall and Vredenburg, 2005), also tended to respond in similar ways to each other. They can be seen to be responding through corporate giving programs that are focused much more on the external stakeholders because of the company association with their particular industry, and generally stronger stakeholder groups because of the “harm” potential of their industry. In other words, their business exposure is higher and they “face greater scrutiny from a broader range of stakeholders” (Saiia et al. 2003, p. 175).

License to operate! We are a mining company and can only continue to operate if the community and regulators allow us to. (C5)

This manager then continued, describing the fundamental evaluation criteria for her programs:

The basic guidelines for support are: Must be NPO, Support must show a broad benefit to the community, Must be “profiling building” for (company) in the local or wider community, Must be of mutual benefit, May be supported if it “opens doors” for example, (it) improves (company) profile within government, May be supported if it increases the profile of (company) within their various stakeholder groups. (C5)

100% of these giving managers noted corporate reputation as an important motivation to provide NPO support. Following are three further extracts demonstrating the external stakeholder focus for NPO support:
We … developed a project … that we could actually leverage at an external level, with external stakeholders saying, demonstrating our corporate citizenship (sic). It (CSR) is not used to sell our product per se and the audiences that would be most interested in it – including government and NPOs are the audiences that corporate affairs deals with … there’s more support … with consumer organisations (that are in the areas) we work. (C2)

(Interviewer): Is there any one of those stakeholder groups that’s more powerful than the other? (Giving manager): I guess the shareholders are pretty powerful a stakeholder in our business. So certainly keeping shareholders happy and informed is a big part of what we do and we communicate the message of what we’re doing in this community investment space to shareholders on a quarterly basis. (C3)

Absolutely, consumers - to make sure they want to continue to buy our products and it’s not got any negative association. Government’s (also) a very important stakeholder. (C1)

This is not to say that the programs developed by these companies ignored their staff, but that the predominant focus of their programs was external. For example, two managers from the companies above also stated:

It was evident that there was (a) potential recruitment attraction or retention element there too, you know, keeping the workforce happy. (C2)

Our people are extremely important because we are affecting their lives every day, it’s how we treat them, and how we behave as a company has an effect on their own well-being and whether or not they want to work here as well. (C1)

In each case it can be concluded the corporation has deliberately structured their corporate giving strategy, and the corporate giving manager is effectively managing, to address the stakeholders the corporation has perceived as being most important.
5.6 Conclusion

This chapter has presented a conceptual model that adds to the existing knowledge through providing a more nuanced, detailed conceptualisation of the influences and stakeholder relationships from within and outside the corporation. It has been developed from an analysis of the results of a series of 27 interviews with managers involved in the field of corporate support for nonprofit organisations.

The relevant issues were presented in a sequence moving from presenting the model, from demonstrating the giving manager as the nexus of a web of actors in the field of corporate support for NPO’s, to explaining the relationship between the giving manager and CSR policy, and concluding by highlighting and explaining the vital importance of understanding the interpretation and actualisation of CSR policy by the corporate giving manager is a response to those stakeholders considered as salient.

This presentation utilised current theory and extensively used direct quotations from the interviews in order that the model be constructed and presented from the respondents’ point of view using their own language to emphasise the constructs and element of the model.

In the following Chapter, the influences on the decisions of the giving manager are detailed, beginning with how the perception of the giving manager of the NPO “fit” with CSR strategy and objectives influences their decision making on what NPO to support and how, when and in what form the support is provided. Following this description, what have been termed the micro stakeholder influences are described. These are effectively second order effects that impact on what NPO’s receive support and how and when corporate giving is implemented. The chapter also briefly describes how the impact of proposed corporate support is considered by the giving manager in their decision making and discusses how managerial values are a factor in corporate support and while predominately subordinate to corporate policy they can be an important consideration in the final decisions made.

The presentation of the results of this research will then be concluded in Chapter 7, where the process of nonprofit support by large organisations in Australia is explained.
RESULTS FROM THIS RESEARCH (II)

CHAPTER 6: UNDERSTANDING THE DECISIONS OF THE GIVING MANAGER

“I don’t think that’s the way that giving works these days”
Giving Manager – personal interview, 2010

6.1 Introduction
In 2003 Saiia et al. suggested corporate decision making regarding giving was being pushed further down the organisation which allowed greater responsiveness to stakeholders, with outcomes achieved becoming the basis for evaluation and corporate recognition of professional performance. The modern corporate giving manager is generally a manager positioned below the executive management team level who provides that greater responsiveness for their company.

This chapter is focussed on the giving manager of the company. (In large companies in Australia, regional and/or local managers also provide some NPO support, and this will be discussed in Chapter 7.) In this Chapter 6, the emphasis is on understanding the influences on the individual support decisions of those giving managers. The preceding chapter discovered that the key to understanding NPO support decisions by the giving manager is that their decisions are initially motivated by CSR policy, and targeted at those stakeholders considered as salient. In most situations the individual corporate giving choices are not mandated by a clear policy and the decision to provide support has largely been delegated to the giving manager. This chapter will describe a sub-element of the overall model presented in Chapter 5. It assists in understanding some of the other influences on the giving managers’ decisions and is demonstrated below in Figure 6.1.

The research demonstrates that NPO support decisions are influenced by the giving managers’ perceptions of why their company provides NPO support. In this research it is the giving managers themselves who were asked, and therefore it is their personal responses that are recorded. They are not formal company responses. This is informative because, while focussing on salient stakeholders, the giving managers’ support decisions can be seen to be
related to their perception of the motivations of their company to give. The predominant corporate motivation for giving suggested by the giving managers was to improve the company’s reputation. In this chapter an analysis of this perceived motivation is used to explain the complexity of the issues and influences on the support decisions of the giving managers. In addition, their responses provide an insight into the continuing problem presented by the term “corporate philanthropy” and the divergence between what previous research suggests as to why companies give, and what companies actually do in the field of corporate giving.

Figure 6.1: Sub-element 4 – Understanding the decisions of the giving manager

Section 6.2 builds on the findings of Section 6.1 and describes how the giving managers’ perception of “fit” of the NPO is based upon the requirements of CSR strategy and objectives. While Section 6.1 helps explain the complexity of the decision making process, Section 6.2 examines the giving managers’ interview responses to obtain an understanding of how they
choose NPO’s. The findings highlight that NPO’s need to be seen to be congruent with CSR and the giving manager’s interpretation of the company position.

The final section (Section 6.3) examines how other “micro-influences” play a minor but consequential role in the NPO support decisions. These micro influences include the need for opportunities for employee volunteering, geographical relationship of both internal and external stakeholders, the connectedness of internal stakeholders to individual NPO’s, and the importance of rational decision-making in the corporate environment including how the giving manager’s personal thoughts and feelings can both moderate and mediate support decisions but are not a major influence on these decisions.

This data provides a much better explanation of the influences on corporate giving managers than is currently available and when combined with the results presented in Chapter 5, provide a much better understanding of the influences on the corporate giving manager and their decision making processes. (While analysis of the data using the lens of stakeholder focus is considered to be the most significant, there are some elements of decision making that appear to be different when analysed by the stage of CSR development in the company. Comment is provided in these instances. Where there is no commentary, little difference was perceived in the qualitative analysis when using a CSR development lens.)

6.2 Why giving managers give – Perception of corporate motivation

Although the question of corporate motivation for NPO support has been widely researched, as detailed in Chapter 2, this is believed to be one of the first studies of this type in Australia to specifically ask the actual decision makers for their opinion of why corporations give. Typical examples of the target of previous studies is “the person in charge of the finances of this business’, or by someone who knows about the ‘giving’ and community involvement of the business” (ACOSS. 2005a p. 31), or the “CEO and/or managers of Corporate Community Involvement” (Cronin and Zappalà, 2002, p. 2). The managers previously researched are not the corporate managers who have the responsibility for the actual giving decisions.

The results from this research demonstrate the primary influence of salient stakeholders, and it can be seen that it is through this lens that the giving managers view the motivation for
corporate giving. It is also this lens that colours the individual NPO support decisions of the giving manager. The giving managers are more likely to choose NPO’s that provide support for the giving manager’s perception of the company’s motivation for giving.

In the interviews conducted, multiple reasons were provided by each manager to the question as to why their company gives. The major reasons provided by the 23 giving managers (excluding the regional or SBU managers) are detailed below in Table 6.1.

Table 6.1: Giving managers’ perception of their company’s motivation for giving

<table>
<thead>
<tr>
<th>Giving managers perception of their company’s motivation for giving</th>
<th>Percentage of all giving managers with this response</th>
<th>External Focus</th>
<th>Internal Focus</th>
<th>Balanced Focus</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% (n=23)</td>
<td>% (n = 5)</td>
<td>% (n = 8)</td>
<td>% (n = 10)</td>
</tr>
<tr>
<td>Improve company reputation</td>
<td>82</td>
<td>100</td>
<td>38</td>
<td>100</td>
</tr>
<tr>
<td>Improve employee morale</td>
<td>64</td>
<td>60</td>
<td>75</td>
<td>50</td>
</tr>
<tr>
<td>Involve employees in community</td>
<td>59</td>
<td>20</td>
<td>75</td>
<td>60</td>
</tr>
<tr>
<td>Be seen as socially responsible</td>
<td>55</td>
<td>50</td>
<td>60</td>
<td>50</td>
</tr>
<tr>
<td>Employee engagement</td>
<td>50</td>
<td>20</td>
<td>50</td>
<td>60</td>
</tr>
<tr>
<td>Build stronger communities</td>
<td>36</td>
<td>60</td>
<td>25</td>
<td>30</td>
</tr>
<tr>
<td>Create company supporters</td>
<td>36</td>
<td>40</td>
<td>13</td>
<td>50</td>
</tr>
<tr>
<td>Give something back to community</td>
<td>36</td>
<td>40</td>
<td>38</td>
<td>30</td>
</tr>
<tr>
<td>Recruitment</td>
<td>32</td>
<td>10</td>
<td>50</td>
<td>40</td>
</tr>
<tr>
<td>License to operate</td>
<td>32</td>
<td>40</td>
<td>25</td>
<td>35</td>
</tr>
<tr>
<td>Improve profits</td>
<td>32</td>
<td>0</td>
<td>13</td>
<td>60</td>
</tr>
</tbody>
</table>
The interpretation of the data is based on percentage of giving managers that mentioned this item, with the overall result further delineated by the focus of the support. From this Table it can be seen those giving managers responsible for a balanced or external focus to their NPO support were very conscious of the corporate reputational aspects of their support. In contrast those giving managers of internally focussed programs were more conscious of employee related motivations.

When analysing the data according to the stages of evolution of CSR, as noted above, there is perhaps a slight correlation between emergent and developing companies having an internal focus, perhaps reflecting an increased recognition of the salience of internal stakeholders, but the primary difference appears to be in the power and authority on CSR policy, decision making and implementation processes.

The focus on reputation by the giving managers is in alignment with the recommendation of Orlitzky, Schmidt and Rynes (2003, p. 425) that, “managers must learn to use corporate social performance as a reputational lever”, but the results from these interviews suggests a lens for the interpretation of data on corporate giving that has not been used before – that of the corporate context. 82% of the interviewed giving managers mentioned that corporate reputation was important to some degree, but an analysis of this data suggests the importance of “reputation” depends upon the stakeholder focus of the support programs of the corporation. In quantitative surveys, giving managers may be able to respond to questions by providing a weighting of importance to corporate reputation (for example, through a Likert item, Allen and Seaman, 2007) but unless these can be analysed in the context of the focus of NPO support programs, the resulting conclusion(s) may be misleading.

As an example of these differences, the motivation response of “corporate reputation” is examined below in depth, using excerpts from interviews with different giving managers to show how their individual decisions are influenced by their perception of their company motivation to give and the stakeholder focus of their company giving.
6.2.1 The importance of reputation

Corporate giving to NPOs is thought to provide benefits to the organisation, for example Andreasen and Kotler (2003) identify many benefits such as employee satisfaction through to purely commercial gain. Lichtenstein, Drumwright, and Braig (2004) suggest that companies are recognising that corporate giving can be one of the keys to corporate success through brand equity development.

Improving the reputation of the organisation was the most common motivation given by giving managers for their corporate NPO support and examining this motivation in detail provides a good example of the complexity of the decision process. Whilst a positive influence on corporate reputation is an important benefit for many of the giving managers, it appears as though the influence this benefit actually provides depends on the primary focus of their NPO support.

Those companies with an external or balanced stakeholder focus to NPO support were more cognisant of their reputation, with the giving managers with an external focus placing a positive and strong emphasis on reputational motivation, for example:

It’s good from a reputational perspective. It’s reputation, management. (C1)

I think all companies want the recognition for doing it. You want the recognition from your shareholders and from your clients you want to be able to say to them hey we’re not just a big company that makes a lot of money, we actually give money back to the community and these are all the various forms in which we do that. (C3)

It’s in the guidelines - we wouldn’t support anything that would appear to harm the company’s reputation (C4)

For those with a balanced focus to their support programs, although 100% of these managers mentioned this item, their views were tempered somewhat through their recognition of balancing the demands of both internal and external stakeholders:
I look after our CSR program. It’s really to engage our employees. Number two is strengthening to build our brand reputation as well as three strengthen our business. So those are the three main purposes of the program. (A10)

So you’ve got employee benefits coming out it (and) you’ve got a corporate reputation, I guess I would call it, coming out of that as well. (A7)

We say to our staff if you would like to do it, that would be fantastic, there is no pressure, so it's really absolutely volunteering (and) we will just (provide) other staff so business operations still carry on. If it is after hours we will give time in lieu and so on. We (also) have to be a little bit more structured about it and make sure that community involvement and community responsibility and community payback still continues. (A1)

In contrast, those with an *internal* focus, if they mentioned corporate reputation at all, have a different viewpoint:

We’re not doing it as a branding and a marketing exercise. We feel that it’s consistent with our branding and our reputation. It supports our reputation but we’re not doing it for that reason. We’re doing it to support our staff. (B7)

(Interviewer) OK, If you had to rank those three, staff retention, getting staff involved and getting (company) reputation to be seen the way you thought it should be; which of those three would you put first?  
(Giving manager) Well probably the first would be team work respect and integrity (staff involvement). And then it would have been staff retention and then getting new staff. (B5)  
(Note: Reputation was not included in her explanatory answer even though it was one of the initial three motivations mentioned by her.)
Regardless of their recognition of positive benefits to corporate reputation, all the giving managers that mentioned “reputation” had a strong sense that NPO support for CSR reasons was being different to NPO support for marketing reasons, for example:

But you’re not looking for sales …. because that type of thing - they come out of the marketing budget (A7)

A part of my job is also involving our brand marketing and so on - which is another side of it, more related to our commercial sponsorships (B8)

… so if we sponsor something, that doesn’t come out of the community budget. It comes out of the marketing budget. (B5)

My job title is National Sponsorship and CSR Programs Manager. I describe my job as looking after the national sponsorship program which is any type of event or activity initiative that the (company) sponsors, and then with CSR program management that would be … the community engagement programs … the social engagement with community. (A4)

Yeah the way we capture our data is (that) there’s community development and there’s community investment. So community development will quite often be commercial benefit attached to those such as naming rights, whatever the case maybe, while community investment is far more about supporting charities and supporting community groups. (A9)

My budget is split into sponsorship and donations for our accounting purposes, which have two cost centre numbers; and out of sponsorship comes our partnership.

(Interviewer) So thinking about that, in your mind is there a difference between sponsorship, the commercial sponsorships, and sponsorship of the (NPO), do you see them as different?
(Giving manager) Yes I do see them as different but in this organisation we tend to use the terms interchangeably. (C3)

Reporting of data is obviously a significant issue and will be covered in more depth in the next Chapter 7, but the above excerpts suggest that not all company data is reported as researchers would desire when they use and rely on public company reports.

6.2.2 Understanding corporate “philanthropy” and social responsibility

In addition to providing data on motivation, the research provides some insight into the conundrum well described by Sargeant and Crissman (2006, p. 489) in their question “is there a gap between what (managers) say and what they do? …. They say they give because it’s good to do, but do they mean something else”. This research involved responses from giving managers and not finance managers or CEO’s so is not directly comparable to other results, but only two of the giving managers mentioned that NPO support was “a good thing to do”, with both qualifying their comment:

So I think that the (company) really sees this as an important engagement program for their employees. I don’t want to dismiss the fact that the company thinks it’s a good thing to be doing this and helping that for the sector. (A4)

Some people say, ‘Oh, you do it because it’s the right thing to do’. And there’s an element of that, but I think leaders genuinely understand the really compelling reasons, beyond just the right thing to do. So I just think it really helps to go beyond just giving some money to a few different charities when you’ve got (a CEO) who really sees the strategic long-term advantages. (C1)

The closest responses the giving managers provided to “a good thing to do” may be the responses of “Be seen as socially responsible”, “Build stronger communities” and “Give something back to community”, in Table 6.2. However, a closer analysis of the data is vital to understanding these responses, for example:
“Socially responsible” to this giving manager means not only support for nonprofits, but a coordinated, rational program with a return expected to the company:

I mentioned corporate socially responsible program management …. (that is) It’s really to engage our employees … (and) strengthening … our brand reputation as well as …. strengthen our business. (A10)

“Build stronger communities” to this giving manager means providing support in such a way as to maximise the impact of the NPO support programs in the eyes of their stakeholders:

We’re very proud in fact that we build positive communities and that we want to sustain a positive community. So if we can do work within our communities we would rather do that than having random charities that we’re supporting and not really getting a lot of traction. (A9)

“Give something back to community” to this giving manager means providing support to the community in which they work, with one benefit to the company (being) of building company supporters:

(If) you’ve got a vocal, well-educated, affluent community base, who are quite vocal about, you know, (company project) or whatever, …. we have noticed over the years that being seen as a company that supports the local community, puts money into, you know, rebuilding a walking track or whatever it is, it does have benefits for us in the community liaison side of things. (A6)

On the specific topic of philanthropy, several giving managers mentioned their company had a separate, independently managed Foundation that engaged in philanthropic giving. Although some researchers appear to define elements such as “improve the company image” and “improving employee morale” as philanthropic, and only seem to consider items such as “improving financial performance” as non-philanthropic (Cronin and Zappalà, 2002, p. 8), the giving managers interviewed had their own definition for corporate philanthropy, for example:
Philanthropy (is like) a foundation giving a grant (B7).

There has been a definite change from cheque book philanthropy to having a strategic direction to our support. Any support must match one (or more) of our key areas (A5)

It (CSR) was considered a tool to increase employee engagement but now we’re trying to broaden that to try, as I said, to build the brand reputation of (company) (A10)

Companies have to look beyond their philanthropic footprint. I think (our company) particularly has seen an opportunity to differentiate itself from other companies as a global brand (through CSR) (C2)

These giving managers, perhaps, provide the most succinct description of NPO support by large organisations:

So it's philanthropy but its corporate philanthropy. We are always looking for some kind of recognition to the corporate name, entity (and) our return is very much around, it's not a measurable return so much as a perceived return either to staff or (the company). (B1)

(Interviewer) So being separate (to your Foundation giving), does (your company) do any giving on their own for purely philanthropic reasons.

(Giving manager) Just because it’s a good thing?

(Interviewer) Yes because it’s a good thing. Because there are good causes out there.

(Giving manager) I don’t think no, and I don’t think that’s the way that giving works these days. (B7)
This research demonstrates that being socially responsible is firstly not the main motivation for the corporate giving manager, and secondly that “socially responsible” or “a good thing to do” is not necessarily philanthropic or benevolent, even though corporate support of NPO’s may be a good thing to do.

Previous researchers have reported on the outcomes of NPO support, with better results obtained for the NPO and the company if there is some association evident between the for-profit brand and the NPO that reflects the core values of the donor organisation (Bednall et al., 2001; Genest, 2005; Dickinson and Barker, 2007). Others suggest the impact of corporate giving will depend on its alignment (fit) with the expectations of stakeholders (Dawkins and Lewis, 2003). The next section discusses in detail the concept, and the importance, of alignment or fit from the giving managers’ perspective, and provides some insight into the selection process used by giving managers to determine which organisations they will choose of the multitude of NPO support opportunities.

6.3 Selecting an NPO – Perception of NPO fit with CSR strategy and objectives

In 1995, Hibbert suggested that environmental changes were forcing charities to fight for funds and recognition, and that charities offer donors largely intangible benefits. She also suggested that charities need to develop a distinct image and position themselves to have a particular appeal to target segments of donors. Hankinson (2001) supported this by suggesting NPOs need to understand how internal and external stakeholders perceive the NPOs values. Ewing and Napoli (2005) reported that NPOs that become adept at managing the marketing program for a brand, understand stakeholders’ brand attitudes and monitor changes in the environment, achieve higher levels of performance, while Bennett and Sargeant (2005) believe the trend towards marketing orientation among charitable organisations has been accompanied by a concern for the effective management of their external images.

These all suggest that the fit between the company and the NPO partners could be an important variable in a corporation evaluating which NPO to support. Berger, Cunningham and Drumwright (2004, p. 59) suggest “few know how to span the boundaries between the corporate and nonprofit sectors”. With little prior research conducted on this topic from the...
giving manager’s perspective, this element of enquiry was included in the interviews with the giving managers. While Berger et al. (2004) do provide some insights into fit and compatibility and a framework for potential partners, and Brammer and Pavelin (2004, p. 712) “highlight the strategic importance to a firm of correctly identifying the appropriate scope and extent of its CSR activism”; Zdravkovic, Magnusson and Stanley (2010, p. 151), in a study involving consumers, stated that while there are “no clear guidelines to help (corporate) managers assess whether a certain cause may be a good fit with their brand”. They found that “consumers have a high evaluation of brands when those brands are involved in (NPO) partnerships that make sense” (emphasis added) and “consumers who are familiar with social causes seem to care little about the origin of support when evaluating sponsorship relationships” (p. 158).

This study suggests that giving managers are seeking out relationships with NPOs based on their perceived fit, that is, relationships that do “make sense”, with their company’s CSR goals and societal expectations, as demonstrated by:

“(The company) has been moving from supporting NPO’s that did not fit with (its) core business and values, to the current model where (company) values are now the prime driver for determining NPO’s to support. At a national (giving manager) level the decisions are now always strategically evaluated.” (C5)

We look at alignment, the shared values or a shared vision, a shared agreement on what we want …. We saw that the company was doing bits and pieces, wanted to bring it together, be more strategic, aligned with the business, be able to leverage it more, particularly with external audiences …. we making sure we are aligned globally with what the company’s doing. (C2)

The (company) … ensures that community partners align with corporate objectives”. (A5)

I think if every company supported organisations that were relevant to their business, everyone would be looked after. (A6)
This philosophy, which can be seen to be similar to “mission fit” as described by Berger et al. (2004), was repeated in many different ways by most of the giving managers interviewed, regardless of the stage of evolution of CSR within the company. While this suggests a level of sophistication through the development of criteria and evaluation methods for assessing potential NPO relationships, some of the organisations with what are considered to be mature, formal and structured giving programs, also used relatively simple methods of evaluation. For example, this manager from a company with one of the highest levels of NPO support explains how she evaluates requests from staff for NPO support:

(Interviewer): Is that a check list?  (Giving manager): No it's not a check list, I wouldn’t use that word, it's really just, I cast my eye over it, it's a smell test.  It has to be an organisation that’s registered for tax deductibility and all those sorts of things ….. (and) we do due diligence to make sure that it's a reputable organisation, that it does exist. (B1)

6.3.1 The influence of CSR focus
An important antecedent of the fit of an NPO and therefore the evaluation methods for NPO selection used by giving managers can be identified to be the focus of the CSR programs. Those companies with an internal (staff) focus for the CSR programs tended to have less formal, less frequently publically stated programs. They often provided some general information about their support programs but often had little information for NPO’s on how to apply. This can be seen to be aligned with the concept of Berger et al. (2004, p. 71) of “workforce fit”. There were often internally focused methods of evaluation and internally focused methods of adding new NPO’s to those already supported, as these extracts demonstrate:

So, underlining all our giving is the first test; is this an organisation that staff are involved with? There is a simple form that they fill in …. they send that to my office and there is a process where that is assessed, …. (and) do due diligence to make sure that it's a reputable organisation, that it does exist. We trust staff but
there is certain checking and then the cheque is then drawn and sent to that charity. (B1)

In addition, where xx (number removed) people in the one office would like to support a specific NPO, (the company) will match donations and (provide other support). (B3)

We (also) made a rule that we would add a charity if at least xx (number removed) people (staff) were prepared to give to it. (B8)

For companies with an external or balanced focus for the CSR programs, both the NPO support application processes and guidelines were much more clearly stated on their company websites. In addition, the selection criteria tended to be more transparent with detailed information available on their web sites. As demonstrated previously, these companies were more mindful of their corporate reputation and they were also more likely to relate their NPO support activities to what was seen to be important to their salient stakeholders. This can be seen as being loosely in conjunction with “target market fit” described by Berger et al. (2004, p. 72). While those companies with more mature CSR programs had publically available guidelines, the companies with nascent or developing CSR (with an external or balanced focus) were still in the process of developing such guidelines.

These comments on their NPO selection criteria are from giving managers of companies with nascent or developing CSR programs:

I guess integrity is very important. They don’t have to be very well publically known, but the reputation is important. It (should be) reflective of our values and core purpose … I give them the chance to demonstrate that … I suppose it more subjective than objective. (C1)

The (SBU manager) decides for the adhoc giving and the (giving manager) for the employee related gift giving. For staff related activity the planned giving (theme) from corporate is sponsoring children … but there are no particular criteria. (We
are) looking for an organisation that has a good image, a good reputation that will reflect on (the company) …. and impact on the (company) brand in the area and the image of the (company). (We) would not choose a charity that’s on the edge of public opinion …. They would need to have good public support. (A2)

There was a contrast between the companies with a balanced focus of support and the five companies considered to have an external focus to their CSR providing further support for the importance of the focus of CSR. While staff were included in their NPO programs, and volunteering and gift facilitating were used by these organisations, in companies where the focus is external there did not appear to be a process whereby staff can volunteer a particular NPO for support except via the staff gift facility. For these companies, there were very clear guidelines on company web sites for NPO support application (outside of gift facilitating), but these needed to be completed by the NPO themselves and they would be evaluated with corporate guidelines in mind. This giving manager describes the change in focus of their giving, and the resultant change in their NPO support activities:

What we had was a thing called the employee giving committee and it would assess requests for small donations, particularly from employees, and it would assess those on criteria. We dissolved that as part of the review. Essentially at the moment we are reviewing and putting forward the donations particularly on whether they comply or not with our …. policy. We look at alignment, the shared values or a shared vision, a shared agreement on what we want. (C2)

6.3.2 Similarities in large organisation selection of NPOs
Whilst there were differences in the type of fit recognised by giving managers, there were also many similarities in how giving managers evaluated potential NPO partners. These evaluation methods can be seen as predominately looking for stereotypical “fit” – there being congruence between the company and the NPO, although the meaning of “fit” was not explicitly explored. Many giving managers used various forms of expression to describe this fit or congruence between the attributes of their preferred NPO and their needs, for example:
(Employee involvement) would be the first thing (we look for), the second thing then would be of national significance. Because we are a national organisation, (we need) organisations that are going to have an impact on a section of the community that maybe others aren't and things that fit our brand. (B1)

(The company) has been moving from supporting NPO’s that did not fit with (company’s) core business and values, to the current model where (company) values are now the prime driver for determining NPO’s to support. (C5)

Well we evaluate them against whether we think that they’re a good fit with what our business does in terms of, you know, are they more of a national focus, are they more of a local (NPO) around where we are particularly (are located). (C3)

It’s just that ….. “employee engagement”, it just didn’t fit right with (NPO) (A10)

They (NPO) offered this (support) program and …. I thought, well that’s got a likely fit for our business. (A4)

Okay we’ve got a strategy, these things fit in it, and you’re getting more and more being added into the program (A3)

(Giving manager) we approached (the NPO)
(Interviewer) How did you select them?
(Giving manager) Just by looking at what our selection criteria was. We thought that they were a really good fit with our business, in the sense of brand as well as what they did. (A5)

Some giving managers did not use the term “fit”, but used other similes that included descriptions of the different types of fit possible such as:

That consultant worked to understand our business, so we sort of “match made” if you like. We were moving back into the (cause) area and here was an organisation
that looked after (that cause), so there was that sort of synergy. There’re also (other) synergies, they were fairly innovative particularly at that time, you know using the internet, we saw ourselves, see ourselves as an innovative company, so there was a nice, you know some synergy there. (C2)

(Interviewer) why did you choose (NPO)? That’s new you said and you were involved in the process.

(Giving manager) Yes, because it fits very well with our company in terms of obviously skill shortages …. so we can promote ourselves and be connected to younger people - if there’s some link with that; we certainly thought that was good (A7)

Each relationship’s slightly different. For instance we’ve got a long term relationship with the (NPO) … that’s been going for 12 years, and that’s very much a joint one. We produce (some material for sale), then the NPO will contribute (through) their PR machine. (A3)

I have on my desk probably five, six, seven (requests for support) currently at the moment, which have approach us, and unfortunately we probably can't deal with everyone because again there is a limit to, so then it becomes a case of selection. Culturally is there a good fit between that organisation and our organisation? What are the NPO’s objectives, goals, how do they fit in with our objectives and goals? You sort of walk through those principals. As I say probably not as structured, it is not a mathematical equation, but you sort of walk through them and see how can their organisation benefit and how can we benefit and is there a synergy between the two organisations. So that’s I suppose what I am looking for, what synergy there is. (A1)

Giving managers from companies in each stage of CSR development specifically discussed the concept of fit, which suggests the concept is ubiquitous.
Another way of considering the concept of fit is to take the reverse approach, “Who or what would you not support”, and this concept was mentioned by many of the giving managers also.

### 6.3.3 Which NPOs they would not support

The question of what NPO’s the giving managers would not support was not specifically included in the protocol developed for these interviews. However, 70% of the giving managers interviewed mentioned one or more reasons for not supporting a cause or type of NPO. Table 6.2 below summarises their most common responses on what would not be appropriate for them to support. The comments here effectively summarise what the giving managers feel would not provide congruence with their company and its reasons for supporting NPO’s.

“Harming the corporate reputation” is an obvious, most common, response as it is the direct opposite of the giving managers’ perception of the main corporate motivation to support NPO’s. Interestingly 67% of those giving managers with an internal (staff) related focus mentioned they would not support anything that harmed their corporate reputation, as compared to 40% of those from an externally focused CSR program and 43% with a balanced program.

<table>
<thead>
<tr>
<th>What the giving managers would not support</th>
<th>Percentage of giving managers who mentioned this topic with this response % (n=16)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Would harm company's reputation</td>
<td>56</td>
</tr>
<tr>
<td>Do not fit with company values</td>
<td>50</td>
</tr>
<tr>
<td>Anything suggesting product/consumer marketing</td>
<td>44</td>
</tr>
<tr>
<td>Do not fit with core business</td>
<td>31</td>
</tr>
<tr>
<td>Not a registered charity</td>
<td>31</td>
</tr>
</tbody>
</table>
Only one giving manager from a company with a balanced CSR program mentioned they would not support a cause or NPO that did not fit with their company values, but as detailed previously, many of the giving managers from these organisations mentioned a NPO that does reflect “company values” is one of the factors involved in there being good fit between the company and the NPO.

The fact that 44% of giving managers who mentioned reasons for not supporting a cause or NPO specifically noted that “anything related to marketing”, further highlights the earlier proposition that the giving managers interviewed understood and were conscious of the need for corporate support for NPO’s not be seen as a marketing exercise. Although several authors have suggested strategic and corporate marketers should evaluate Corporate Social Responsibility (not cause related marketing) as a potential marketing strategy (c.f. Piercy and Lane, 2009 and Hildebrand, Sen and Bhattacharya, 2011), these responses suggest that at least some giving managers would resist the use of NPO support as a deliberate marketing strategy. This is potentially a dichotomous position given they also do not see corporate giving as pure philanthropy, and it is one that needs further exploration in future research.

It can therefore be seen that, while the information obtained is very general, it is very informative. By understanding what giving managers would not support, NPO’s can both save valuable resources and time through better selecting their initial targets, and in addition, can better present their proposals to giving managers by including information that may be more likely to appeal to positive motives and reduce the negative motives. To illustrate this point, these giving managers explain that they would prefer a request from NPO’s that is specific to their company and not just a form letter:

(They) send something in writing, but without any thought. You often get the ones where people have already put the company name in a form letter they bring. You just get this out of the blue ….. “here’s your chance for (company) ……”

(C4)
More and more it’s about, it is about partnerships. We get letters, thousands of letters every year, and if they just send a form letter, they tend to get a “no” letter back. I mean it’s very simple. (A3)

(Some NPO’s) obviously have no understanding of (company) and what we do. “It’s just your standard letter, you’ve put us there”. So, you know, take that bit of time to maybe see how you would specifically fit with us. We evaluate any partnership – does this partnership fit with our core purpose and values in the way they’re doing things? (C1)

In addition to the motivations to support discussed above and in Chapter 5, there were several other factors that were common in the responses from the giving managers. These have been termed “micro influences” as they can be important reasons for selecting one NPO over another but they are generally not the predominate reasons. These are discussed in the next Section 6.4

### 6.4 Micro-stakeholder influences on NPO support decisions

There were many other criteria that giving managers often use to help differentiate one NPO from another when making support decisions. The major ones of these are detailed in the following Table 6.3 below. As for Table 6.2, this data set consists of responses from the prime giving manager in the organisation, not regional or SBU managers.
Table 6.3: Micro-influences on NPO support decisions

<table>
<thead>
<tr>
<th>Micro factors that also influence NPO support decisions</th>
<th>Percentage of giving managers with this response % (n=23)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provides opportunity for volunteering</td>
<td>91</td>
</tr>
<tr>
<td>Geographic relevance of NPO to salient stakeholders</td>
<td>73</td>
</tr>
<tr>
<td>Employee connectedness to cause or NPO</td>
<td>55</td>
</tr>
<tr>
<td>Do not fit with core business</td>
<td>31</td>
</tr>
<tr>
<td>Not a registered charity</td>
<td>31</td>
</tr>
</tbody>
</table>

The first three of these micro influences will be discussed below, and following those one other micro influence identified in previous research by others, that of managerial values.

6.4.1 Employee volunteering

Berger et al. (2006, p. 135) suggest corporate and NPO “alliances can be important means whereby employees identify more closely with their organizations while gaining a greater sense of being whole, integrated persons.” As noted in the above Table 6.3, providing the opportunity for staff to volunteer was important for many giving managers.

The term “employee volunteering” encompasses a range of topics, and Table 6.4 (below) highlights the main aspects of volunteering specifically mentioned by the managers interviewed.

From Table 6.4 it can be seen that companies with a primarily internal focus to their giving, highly value employee volunteering. All of the companies interviewed provide, or were in the process of instituting, the opportunity to volunteer, actively including this element in the NPO choice decision and providing paid company time to volunteer.
Table 6.4: Elements of employee volunteering

<table>
<thead>
<tr>
<th>Elements of employee volunteering</th>
<th>Percentage of all giving managers with this response</th>
<th>External Focus</th>
<th>Internal Focus</th>
<th>Balanced Focus</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% (n=23)</td>
<td>% (n = 5)</td>
<td>% (n = 8)</td>
<td>% (n = 10)</td>
</tr>
<tr>
<td>Provide the opportunity to volunteer</td>
<td>91</td>
<td>60 $^3$</td>
<td>88 $^1$</td>
<td>100</td>
</tr>
<tr>
<td>Include opportunity to volunteer in NPO choice decisions</td>
<td>73</td>
<td>60 $^3$</td>
<td>88 $^1$</td>
<td>60</td>
</tr>
<tr>
<td>Provide 1 paid day per year to volunteer (or more)</td>
<td>54</td>
<td>60 $^3$</td>
<td>75 $^2$</td>
<td>50</td>
</tr>
</tbody>
</table>

Notes to the table:
1: The one remaining company was in the process of instituting a proactive volunteering policy
2: One of the remaining two companies was in the process of instituting a proactive volunteering policy. The other remaining company was in the second year of a formal proactive volunteering policy with a budget of ½ day volunteering per employee.
3: Of the companies with an external focus, two of the three that supported employee volunteering organise specific and companywide special event volunteer days as their paid volunteer day.

These managers from companies with an internal focus that offered volunteering explained their rationale for seeking volunteering opportunities:

Employees are given the opportunity of taking 1 day off a year on community related projects. About 25% of staff participates. NPO projects are selected on the basis of (cause) and corporate driver of (removed to preserve confidentiality). The major aim is to encourage staff involvement and improve staff development and morale. (B4)

We can’t provide a whole lot more cash or indeed any more cash. But we’ve got (an) extremely skilled work force here, and we can provide pro-bono’s. I’m trying to match make them (with our) various teams. I’ve got about three (NPO’s) that are active. (B7)
The main part of my job would be running our staff volunteering program. Any staff member who’s got an involvement with a community organisation and would like to get people volunteering puts it in. They just give me a name at the charity and I’ll go up and talk to them about it. We’ve got some pretty rigid forms and guidelines that I send out, they all have to fill in for OH&S and all those reasons. This year’s program we had 55% of staff (take) part in it so it, just so you know it works. (B8)

The remaining company with an internal focus was in the process of implementing a staff volunteering policy at the time of the interview as their giving manager explained:

We haven't done a lot of staff volunteering in the past due to not having a policy and risk and insurance off site and things like that, although it has happened. What we are doing is we have just established a national committee (and) we want opportunities for employee engagement, locations where (the company) is operating.

(Interviewer): Do you think you will introduce employee volunteering?
(Giving manager): Yes. I will take you through the plan. (B6)

Companies with a balanced CSR focus also use employee volunteering as a major method of engaging their internal stakeholders, but they also recognise the externalities of the support programs are important. These giving managers describe the change to their volunteering program:

Every employee gets two volunteering days per year and they can volunteer for any charity they choose. Which is fantastic in one regard, in that it engages employees to volunteer because they can choose a charity that they are passionate about. The other side of that though is you then have employees volunteering randomly so there’s not really any business case or business strategy around that. We are at the stage though now that we are trying to direct teams to volunteering...
in communities around our assets, because there is a stronger business case for that. (A9)

There is a strategic link with that, but it also comes back to the way we can utilise it within the company, so in terms of having volunteer days where people can volunteer …. there’s that link as well in terms of (being) able to introduce programs that we can get staff volunteering. (A7)

There has been a definite change from cheque book philanthropy to having a strategic direction to our support. Any support must match one (or more) of our 4 key areas. This philosophy and the publishing of it, has reduced the number of requests we receive and also made the requests we do get much more relevant to our business. If two (proposals) came to us that met the criteria and were of the same quality – and one was staff nominated and one was not – we’ll support the one with staff interaction. (If they both fit the criteria) a part of the objective of the programme is not only to provide support at the local level, but to get our people involved. It establishes a better relationship with the community. (A5)

Companies with a predominately external focus to their support look at employee volunteering slightly differently, as these giving managers explain:

Groups of (xxx number removed) or more (company) employees in any facility around the world can design a (volunteer day). It must be profiling building for company in the local or wider community and must be of mutual benefit. The company also provides a small cash donation to the NPO. In addition there is an international volunteering month that the company participates in. (C5)

We’ve encouraged it. We have had a couple of …. backyard blitz type things …. 2 or 3 through (NPO), but at the end of the day that’s something that people were paid to do - it was like a team building activity. Real volunteering is essentially people turning up in their own time and doing something, and we’ve facilitated a couple of those opportunities. Take-up hasn’t been great, however we’ll persist in
it. What we’re looking to do is just to identify opportunities for people to make connections. (C2)

When analysing by stage of CSR development, companies in the mature phase are providing more time off for volunteering. This appears consistent with the concept that these companies dedicating significant resources to CSR.

Associated with the opportunity for employees to volunteer is the factor of geographical relevance. Obviously where it is desired that employee’s volunteer, it is also desirable that the NPO is reasonably geographically close to either the employee’s place of work or residence. Another related factor is the employees’ connectedness or relationship quality with a particular NPO. Volunteering is increased when there is a higher quality relationship between the donor employee and the NPO (Skarmeas and Shabbir, 2011). Both of these factors are discussed in the following sections.

6.4.2 Geographic relevance
The organisations interviewed were targeting specific (if different) sets of stakeholders with their CSR and NPO support, and the choice of NPO was heavily influenced by those stakeholders targeted. In addition, the relationship of geography to stakeholders was one criteria considered by the giving managers, with 73% of all giving managers noting they prefer NPO’s that operate in areas relevant to the company’s operations.

For giving managers with an internal focus, as detailed in the previous Section 6.3.2, geographic correlation with staff location was mandatory for some of their NPO’s, as staff volunteering was an important part of the NPO support activities.

When the stakeholders were external to the company most interviewees expressed the wish or need for the major partner NPO(s) to have a similar geographic coverage as their expected target stakeholders. For example, if the target stakeholders were national then giving managers saw a better fit with a national NPO, for example:
There would be certainly consistency across the board that we could have you know a retail centre in Perth a retail centre in Sydney who are both supporting the same organisation - an umbrella perspective. (A9)

When you look for an organisation to partner with (it needs to) be of national significance because we are a national organisation. (B1)

So we are the national overarching parent company and we don’t tend to sponsor you know the (state) something or other, we tend to sponsor you know the national (NPO’s) which brings in kids nationally and so it’s more of a bigger picture. (C3)

I suppose we’re probably more nationally focused – we’re certainly not that focussed in our local, very local community. And that’s the beauty of our relationship, (NPO) is an Australia wide organisation, and on the internet … because the idea (is) that the program is leveraged externally … much more aligned with our business. (C2)

When a national NPO was preferred, a geographically specific NPO (for example only in one state) would have limited appeal as a major partner, unless there were mitigating circumstances, as this giving manager explained:

We did a major project with (state based NPO), but the reason we did it with them was because it was actually to develop an internet site. So in fact the project was national, so that was the beauty of that, that it had a national impact. (A3)

In addition to targeting national stakeholders, national NPO’s also carry additional advantages to large organisations. While not a significant influence in the selection decision, they are further examples of how national NPO’s can provide value, as these giving managers explained.
It’s also more cost effective (through) putting the resource (donation) in the service provision and not so much in (NPO) administration. We do look for national partners. (A3)

I saw a real need to readdress our community and our strategy and bring it more nationally ….. and then I would be able to take advantage of (integrated) reporting. (B6)

What we are seeing is that by supporting some of the big national charities who have really strong links and really strong networks into local community groups you get the professionalism and the cut through, and the, you know, the strategy that you get with a national partnership. But you also get the opportunity to link in with community groups who operate in the same areas as you are. (A9)

The giving manager quoted immediately above is from a company with a balanced focused to their support. She demonstrates how, when the target stakeholders were internal (for example employees), even with a national NPO it was preferred if the NPO had a similar geographic “spread” as the company’s offices – and this was essential if employee volunteering was being considered. Other giving managers had a similar philosophy, for example:

The main objective is to get our people involved at the local community level. It establishes a better relationship with the community and is what our staff tell us they are looking for. (B4)

We are trying to direct teams to volunteering in communities around our assets, because there is a stronger business case for that. … seeing how we could get involved with community groups we rely (on) within those areas around in our communities. (A9)

There has to be some link, not between the business so much, but between the staff and the (NPO) organisation. For example, (NPO) called out of the blue, and normally it would be like no, there’s no money – but they made such a case for
what they were doing and it struck a chord with something we were trying to do (for staff) … that was just timing, that worked. (B7)

These comments from the giving managers suggest an inherent understanding of the concept of NPO-corporate fit, and are consistent with the findings of Zdravkovic et al. (2010) that geography and target market were important factors in having good fit between a company and a NPO.

6.4.3 Employee connectedness to NPO

Another example of fit is the relationship between company staff and particular causes, or specific NPO’s, and this was also one criteria commonly used in selecting NPO’s. Regardless of the prime focus of their NPO support programs, staff are also stakeholders of corporations. 55% of all giving managers mentioned they choose some NPO’s based on staff preferences. In many cases this involved a selection process by staff survey to determine the cause, but not always the specific NPO. Changes in support for a specific NPO by staff are also sometimes encouraged. Extracts from the interviews with these giving managers explain the processes used:

The focus is totally aimed at staff and the major method is through encouraging staff involvement through 1 day per year volunteering … with projects selected on the basis of (cause) related issues and the corporate driver of (cause). (A third party provider) generally manages the NPO support. All NPO requests are directed to (the third party provider). (B4)

Our work place giving is entirely staff driven. We surveyed the staff and said what cause areas do you like first and foremost? Then we went (to third party provider) with a list of potential (causes) to find out what NPO’s (third party provider) is supporting those areas. (B8)

Our staff want to see us supporting (cause 1), (cause 2) and (cause 3) …. so I’m looking at those three core areas, looking at all of (company) assets … (to) get involved with community groups … within those areas. (A9)
In 2000 the organisation had re-structure and with that came a reorganisation of (NPO support activities) to focus on national themes. The national themes were selected at the time via staff survey. (B3)

In addition, nine giving managers mentioned they chose some NPO’s because of a connectedness between their staff and the NPO. Only two of these also choose NPO themes through staff survey. Examples of the giving managers’ views on connectedness can be seen in these comments:

Then we also have (company program), which is more our employee, our people program, which is mainly internal, staff-related activities. (It) involves grants for projects/groups nominated by staff, staff volunteering, workplace giving (and matching of staff donations). (A5)

We had (an external) consultancy (recommend that) it’s time to change, move with the times. It was like the consultant saying, don’t even listen to your employees because they’re just going to want you to support, you know, the seagulls in Western Australia which has got nothing to do with us. We just said we hear what you’re saying, where you’re coming from - but we listened to our employees as well because employee engagement is a huge objective (and a) strategic priority as well. If we hadn’t gone down that path of asking our employees I think that we would have certainly lost (our employees). (A10)

Every (company centre) has a community fund champion. (The centre) adopts a charity for a year and a project and raises funds for that charity … and some of those store champions have been raising funds for over 20 years. We find that the team members like to know exactly where their dollars go. (A3)

A lot of the (staff) are involved in that because they want to be, because they identify with the cause and with what the (NPO) is trying to do. (A1)
Our staff donate to any charity they want to donate to, provided that - we’ve got guidelines in place … the organisation that the staff member wants to donate to it fits within all the criteria (C3)

We look at them (NPO’s) from the perspective of where have staff been giving, you know where are staff on the boards or where do we think we want staff to be on the boards of, are staff volunteering for this organisation and so it's sort of becomes a very much a multi layered approach and a multi layered, very different layers of touch points within the community organisation. (B1)

A final micro-influence to be explored through this research was that of managerial values, and this is discussed in the next and final section of this chapter.

6.4.4 Managerial and corporate values
While research in the 1980’s suggested the personal interests of the corporate giving manager played an important role in corporate giving (c.f. Navarro, 1988; Haley, 1991), this study provided no evidence that modern giving managers were significantly influenced by the status, power or prestige of their giving to individual NPO’s. Of more significance perhaps, are the personal values of the giving manager. Buchholtz et al. (1999) studied the effects of managerial discretion and values on corporate philanthropy. They compared responses from the CEO and several top management team members of 43 US firms in the food service and software development industries, including one question concerning managerial discretion in decisions regarding charitable contributions, and their personal values as determined by relative importance of six different organisational goals. Jones (2000) has further studied the topic of influence of the personal values of individual senior executives on a firm’s philanthropic decision-making processes and developed a general theoretical decision-making model for an individual, based on the premise that corporations are the sum total of their individual decision-makers. Different in scope, it nevertheless provides additional understanding of the theory behind the “managerial values” aspect of the Buchholtz et al. (1999) model, thus adding further depth to the topic area.
What is considered to be missing from the discussion to date, and overwhelming the influence of the personal values of the individual giving manager, is the influence of modern corporate pressures of achieving concrete outcomes from their giving behaviour and the strategic intent of the support of the modern corporation that is being applied to the managerial discretion. This research found that giving managers believe their managerial decisions must be independent of their own preferences, but once the corporate requirements have been met, personal values play a part in the decision process. The comments below demonstrate that corporate requirements are predominate:

It’s usually pretty easy just to distance yourself because I’ve been saying ‘no’ to so many people for 17 years here, and I just know that there isn’t the money, and I’m always very honest and say, ‘we’ve got a very small budget compared to (higher profile companies)’. (A6)

I was having this conversation yesterday with someone, about me sitting on the boards for not for profits, and I don’t. I would certainly put (company) staff on the boards that we fund, absolutely. But it's not appropriate for me and I always raise my eyebrows when I see colleagues on the boards of not for profits because I just think it's compromising a little bit. (B1)

I guess one thing I tried to do is not influence who we were going to support. (I) had associations with (a NPO) in terms of like going to their events, supporting, recognising what they do. So that’s one that we chose. I was quite stunned when (my) manager (suggested) we should probably support (that cause). So once someone else has made that decision I was quite happy to keep going along with that. (B5)

I mean if it was up to me I’d just pick them all - I’d just give, give and give. (When I) put (a proposal) to the committee, (it’s) like almost a business case really, for why we would support that program. (B7)
It is hard saying ‘no’, but what I do is then look at how much we are doing. So if I start feeling really bad, I look and go, ‘Wow, we’re really doing a lot’. And we can’t possibly say ‘yes’ to everyone, and that’s the third arm of the sustainability, is the economic sustainability. If I was there saying ‘yes’ to everyone, we wouldn’t have an economically viable business, then we wouldn’t be able to support people in the future. So it’s that balance. (C1)

Do you know what, that is also why we are implementing a workplace giving programme, like I look (NPO), I am a supporter, (but) it is not a right charity for the company to support even though we are involved (in the industry), but if that’s who I want to support, I will do that through my payroll giving. (B6)

Over a long time of setting up policies and so on here, we’ve got reasonably good guidelines in place so it’s relatively easy to say no if it simply doesn’t fit. Totally different, different criteria, different dynamics (to personal giving). (B8)

I think you just have to put your personal views aside. It might tug at the heart strings sometimes but you have to put that aside. It’s pretty easy to tell at first if this is going to fit with the business, with where we’re going - does it fit with our strategy, does it fit with our core values. (C3)

This is not to say that managerial discretion is non-existent. In support of the model developed by Buchholtz et al. (1999), the decisions of the giving manager may be taken rationally, in line with corporate guidelines and procedures, but these decisions, and indeed the policies, can be seen to be influenced by the giving manager’s own values. Many of these giving managers developed or were involved in developing corporate policies. As discussed in Chapter 5 and within this Chapter, all of the giving managers are making decisions every day that are influenced by their interpretation of corporate intent, and their decision making is influenced by who and what they are. These managers describe their giving decisions and the processes involved:
So we will be undertaking a review … which will include a staff survey, it will include me scoping, what types of models are out there for work place giving so looking outside of (third party providers). In my personal opinion there is a lot of things that probably need to be addressed. I think there’s inequity in some things we do. (A4)

There were just a few challenges around that but yeah I pushed definitely. But so I guess you could say there was some personal feeling there but I still did the right thing by the program requirements and the criteria. I mean I would not have pursued it had it not met what we were looking for. (A4)

Yeah, so at the end of the day it is about relationships. I mean I personally I like to meet as many people as I can because I like to know who’s doing what out there, and you find, like any business, you find the people who think oh I can work with these people and there’re people you think, ah no, we just don’t gel. So it is, the relationship thing does come into it and then in terms of what we are trying to do with it (A3)

Thus it can be seen that NPO support decisions are both moderated and mediated by the personal values of the giving manager. The initial criteria are the corporate guidelines, the corporate strategic intent of NPO support and the resources available. Once these criteria have been met, the giving manager can influence the choice of NPO that will receive their company support.

6.5 Conclusion
Chapter 6 provides an understanding the influences on the individual support decisions of giving managers in large corporations in Australia to whom the decision to provide support has largely been delegated. The Chapter presented a sub-element of the overall developed model presented in Chapter 5 that increases the level of knowledge of the management decisions taken by the modern giving manager.
The giving managers’ perceptions as to the motivations of their company to support NPO’s have been demonstrated to be significant. In addition, the giving managers’ perception of “fit” of the NPO is influenced through the requirements of CSR strategy and objectives and their concept of “fit” suggests the need for NPO’s to be congruent with the organisations CSR policy and philosophy.

Other “micro-influences” also play a role in the NPO support decisions including the need to provide opportunities for employee volunteering, especially if the CSR programs are internally focused. These “micro influences” also include the geographical relationship of NPO’s to stakeholders, as well as the connectedness, in particular, internal stakeholders to individual NPO’s. The importance of rational decision-making in the corporate environment was also discussed including how the giving manager’s personal thoughts and feelings moderate and mediate NPO choice decisions but are the initial influence on these decisions.

This data provides a much richer and denser explanation of the influences on corporate giving managers than is currently available and when combined with the results presented in Chapter 5, provides a much richer understanding of the influences on the corporate giving manager and their decision making processes. From this increased understanding it can be seen that NPO’s need to do specific research in order to improve their support request outcomes.

The next Chapter 7 explores sub-element five (5) of the initially developed model and examines the process of NPO support in large organisations in Australia. This process is presented in three major sections. The first discusses the factors in the implementation of NPO support that giving managers thought were important in the implementation process of NPO support. The second section describes the concept of a tiered support structure used by many large organisations, which recognises the increasingly strategic nature of NPO support and the delegation of some aspects of corporate giving decisions to regional or SBU managers. The third section describes the development of a step by step descriptive/empirical guide to the implementation of NPO support activities within CSR, centred on a model initially developed by Maignan, Ferrell and Ferrell (2005) and modified based on the data discovered during the interviews for this research project.
7.1 Introduction

This Chapter concludes the presentation of results from this research. It introduces sub-element five (5) of the initial model, and presents a selection of data examining the giving process of large organisations in Australia, captured through the analysis of the interviews with the giving managers. There are three major sections to sub-element five (5): (1) factors in the implementation of NPO support, (2) understanding the tiered structure of support by large organisations in Australia and (3) a step by step empirical guide to the implementation of NPO support activities within CSR. These are depicted in Figure 7.1 “Implementing NPO support in large organisations in Australia” below.

Section (1) of this sub-element, factors in the implementation of NPO support, details the important dynamics of corporate giving. These factors, initially developed from a review of the literature as described in Chapter 3, formed a part of the semi-structured protocol used in the interviews, and included the budget process and value of corporate giving, the personal influence of significant senior managers, the forms of support for NPO’s and the measuring and reporting of the NPO support activities. From the research, these factors are seen to be significant in the implementation process of NPO support, having received multiple responses in the interviews with the giving managers with greater than 30% of giving managers mentioning each factor.

Section 2 of the sub-element, a tiered structure of support, details the concept of a multi-layered structure to corporate support of NPO’s. This has been found in this research to be typical of the NPO support process used, or wishing to be used by large organisations in Australia. In these interviews giving managers commonly described the support provided by the company as consisting of multiple “layers”, from overarching major support initiatives to very locally focused giving, The overarching partnerships were generally initiatives of the company that were designed to be reflective of the values of the company and were initiated and/or managed by the giving manager. Smaller predominately structured programs that were
related to salient stakeholders through values or geography, or both, form the second tier of support. Tier 3 consists of local NPO support activities focused on very local salient stakeholders.

(While analysis of the data using the lens of stakeholder focus is considered to be the most significant, there are some elements of decision making that appear to be different when analysed by the stage of CSR development in the company. Comment is provided in these instances. Where there is no commentary, little difference was perceived in the qualitative analysis when using a CSR stage model lens.)

**Figure 7.1: Sub-element 5 – Implementing NPO support in large organisations in Australia**

Section three (3) of this sub-element, **a step by step approach to implementing NPO support activities within CSR**, builds on a theoretical model originally developed by
Maignan et al. (2005) which described a methodological approach to implementing CSR in organisations. In this thesis that model is further developed from the interview responses of both corporate giving managers and two regional managers and it describes an empirical process of NPO support. It includes the original theoretical constructs - extended through the addition of steps in the process of developing NPO support guidelines, the search for partners which involves the organisation being both proactive and reactive, implementing the support programs through a tiered giving structure and a more detailed understanding of receiving and providing feedback on the support provided.

7.2 Factors in implementing NPO support
The factors below were all considered important in both the current literature on corporate giving and by the giving managers themselves. The current knowledge of each of these factors has been extended through a thematic analysis of the discussions with the giving managers as described in Chapter 4.

7.2.1 Determining the total amount of support provided
Most organisations had a budgeting process, whereby an approximate amount for support was negotiated and agreed, but not fixed. In these cases this budget was primarily determined by history and amended for new programs intended for the coming year. Most organisations (approximately 90%) stated the reason for not having predetermined fixed amount was because of the different types of support offered and the impossibility of accurately predetermining dollar amounts for such programmes as matching employee giving, or total employee volunteer hours, for example:

We would dollar match up to $5,000 per employee (but) we never get that high so there is always a gap in workplace giving. (A9)

Sometimes the gap is a deficiency, especially where the budget is based on historical figures:

(Setting the budget) was like, OK how much matching budget do we need? … as much as possible because we want people to give as much as possible. So we
(decided a number and) set it at this, and they (executive management team) said well we won’t cap it, we’ll see what happens. For the first two years we were way underspent, but in the last year actually last financial year for the first time we were overspent, which raised a new dilemma. So we overspent on the matching component which meant I then had to ask for rather late approval to be overspent.

(B7)

One organisation used a fixed percentage of Net Operating Profit after Tax (NPAT) to determine the amount of their support and one organisation used a percentage of the staff performance bonus pool. Several giving managers stated that there was deliberately no predetermined amount of support budgeted, but that the money for NPO support was initially provided for only in a general way within the department.

Two other significant factors outside the control of the organisation could be seen to potentially influence the total amount of support provided by organisations – those of significant disasters and significant economic downturn.

While comparisons between surveys of corporate giving in the 21st Century are difficult because of different methodologies uses (ACOSS, 2005a), Sargeant and Crissman (2006, p. 478) suggest that in the period after the post 2004 Tsunami companies were giving more, and “more likely to donate money and goods than services”. However anecdotal news reports suggest that even though large organisations were providing more support overall, the amount of support for non-catastrophe related NPO’s was reduced (c.f. Canning, 2005).

The results from this research suggest that catastrophe support by organisations was most often treated differently to the usual NPO requests. 68% of the giving managers stated that extraordinary appeals for assistance to support were provided over and above any initial budgeted levels of corporate NPO support. (The example used for this topic in the interviews was a major national or international disaster.) As one manager described their budget process:
There’s also what we call emergency funds at national level. Typically with the number of, you know, it could be bushfires, floods, any of those types of things, we’ve got a provision that is put aside for an emergency fund. (A3)

The most common responses from the giving managers as to their company’s method of managing catastrophe support were, equally, either (1) the company making a significant one-off cash donation and also matching employee donations made for that specific catastrophe (27%) and (2) the company support for a catastrophe predominately involved gift matching, that is matching company employee donations - with no, or only a small cash donations (also 27%). In some cases (23%) the giving manager was not involved in the initial decision to offer catastrophe support, with the decision made by the chief executive and/or the company Board.

The other potentially significant event to be explored was the effect of the Global Financial Crisis in 2007/8 (GFC). Anecdotal evidence suggested that corporate support for NPO’s fell in Australia after the GFC (c.f. Glanville, 2009), but most giving managers reported that the GFC had not had an impact on their budget. As one manager explained:

Well, we actually did agree …. we’d never go backwards, so if we dropped (profit), we maintain what the previous level was …. it’d stay the same dollar contribution as the previous year. (C1)

In some organisations their normal processes were maintained, which saw a small increase in the amount of support, for example:

We’re actually quite proud to be able to say that we’ve increased some of our support of some of our partners (after the GFC) – not by huge amounts, but as they come up for renewal, obviously a two or three year contracts with an organisation, there’s always a cost-of-living type increase. (A6)

Another manager explained it had caused an increase in the number of requests, but they could not increase their support immediately post GFC:
We saw increase in applications, but we had this pool of money - we couldn’t ask for more. (A10)

Only three organisations in total reported a reduction in corporate giving, one of which, as reported above, set their budget as a percentage of NPAT, with the other organisations having a large exposure to the finance industry.

7.2.2 Understanding the value of company support
The dollar value of reported corporate support was directly and positively related to the structure and formality of the corporate support programmes. The more formalised the support process, the more the company reported as being provided in support to non-profits. This is most likely explained by the fact that those companies with a systemised process made a significant effort to record their support activities, and therefore captured more data.

Some giving managers were unwilling to provide an estimate of the company expenditure on NPO support activities. Some were unable to provide an estimate as they stated too much was unknown. A total of 11 giving managers only were willing and/or able to provide an estimate of the value their corporate support. Of those that provided some data, the giving managers’ estimates, or the company published information, suggested:

- 5 of the companies provided NPO support valued in the range of 0 - 0.25% of after tax profits
- 3 of the companies provided NPO support valued in the range of 0.25% - 0.50% of after tax profits
- 1 company provided NPO support valued in the range of 0.50% - 0.75% of after tax profits
- 2 of the companies provided NPO support valued in excess of 0.75% of after tax profits

Note: These values are considered to be under-reported due to no company measuring everything they do. The largest amount quoted was in excess of $A20 million. The smallest amount quoted was $A100, 000. Of the amounts quoted, most were in the range of $A2-$A5 million.
Of the companies interviewed, most did not measure the total level of support. For example some organisations did not measure the time spent by employees on ad-hoc appeals or the administration time spent by employees on non-profit relationships. Others did not accurately measure the promotional material produced for NPO’s, for example the brochures and flyers printed on company equipment, as these managers explained:

This doesn’t get reported anywhere, so it's well over $1m of direct money. But in terms of how does that translate in people’s time, it will be a quantum of that number, I don't know what that number is because …. we probably don't do a particularly good job at measuring that (A1)

We do have measures. For some of them (activities involved in NPO support) (C1)

(See Section 7.2.6 for more detail).

Obtaining an understanding of the value of overall corporate support highlights the importance of recognising the development of CSR within an organisation and as reported in Section 7.3, understanding the tiered structure of corporate giving. A company may have reported relatively less in the way of corporate support when compared to other companies, but if the reporting processes are nebulous and the level of centralisation weak, then a company may be significantly underreporting their total NPO support.

7.2.3 Personal influence of significant corporate managers (CEO/MD/Chair of Board)
Most giving managers (82%) reported the CEO / MD / Chair of the Board had no direct influence on what non-profits to support as at the time of the interview; although suggestions made by these people would always be considered by the giving manager.

Although some research into the management of large corporate NPO support programs reported a very large influence from significant managers (Smith, 2005), this research found support for the extant literature that suggests in the modern large organisations the senior
executive managers play a much less involved role in their company support programs (c.f. Saiia et al., 2003; Brammer et al., 2006).

27% of the giving managers interviewed reported that a significant senior manager had provided suggestions of NPO’s to support, or introductions to NPO’s, but all of these giving managers were adamant that the formal evaluation process was followed in deciding whether or not the NPO received company support, as described by the following extracts:

… chairman’s choice - which is the classic sort of thing we try to avoid as much as possible. And so again the benefit of having a really tight structure and focus (within NPO support guidelines) is when the CEO, and there was an example recently, where he personally has gone on the board of an organisation that he supports personally. He called me up and said how can we do more with the NPO? And we talked it through, talked (about) all our different areas of community involvement and there just wasn’t anywhere that it fitted. And so he happily said ok I’ll keep (individually) giving. (B8)

(The) MD does not have significant personal influence in decision making. He may propose an organisation for evaluation by Public Affairs, but support is not automatically granted. It is evaluated like any other request. (C2)

Yes we’re part of the community, but it’s not, you know - the old fashioned days of the chairman having the cheque book and his wife saying, oh we’ll give the money to the ballet or whatever, is long gone (A3)

Several managers reported they still supported some non-profits that were the favourite of a past CEO or significant manager, especially where that support has been long established and a connection had been established between the company and the NPO in the eyes of the general public or significant stakeholders. For example:

There’s a couple that are fairly linked to our previous CEO, and that’s the (NPO’s), which are both great organisations, but of course, there’s a million
similar organisations we could choose from. Over the years, as we’ve supported (NPO) or (the cause) in general, (the company support) has become a much-talked about....you know there’s an increasing awareness in the community. Personally, I suppose if we’d been starting from a blank page with what area would we support, I would have been looking more towards something that obviously..... had more relevance to the (company activities). (A6)

7.2.4 Form of support for NPOs

The form of support indicated by the giving managers was typical of other findings of reported support by organisations in Australia (c.f. FACS, 2005, Ahmad, Tower, and Van der Zahn, 2010), but this research adds to the currently available knowledge through an expansion of the total overall data set and providing some additional detailed quantification available from interviewing the managers as compared to interpreting available published data which may be incomplete.

The different forms of support, the overall percentage of companies using the varied forms and a brief explanation of the terms is provided in Tables 7.1a below.

Table 7.1a: Major forms of corporate support provided to NPOs in Australia

<table>
<thead>
<tr>
<th>Form of support</th>
<th>Percentage of companies using this form</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Volunteering</td>
<td>91%</td>
<td>Allowing employees paid time off to work within a non-profit</td>
</tr>
<tr>
<td>Facilitating employee donations - 87% in total, comprising:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payroll giving</td>
<td>23%</td>
<td>The company providing systems and resources to support employees making tax deductible donations directly from their wages. Most often the money was provided to a third party specialist facilitator who then distributed it to staff selected NPOs.</td>
</tr>
<tr>
<td>Payroll giving and Gift Matching</td>
<td>59%</td>
<td>Matching of employee donations paid by payroll deductions, most commonly $1:$1</td>
</tr>
<tr>
<td><strong>Gift matching</strong></td>
<td>5%</td>
<td>Matching of employee donations paid by the employee personally, not via company payroll (used for Catastrophe support only).</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td><strong>Cash donations</strong></td>
<td>82%</td>
<td>NPO support provided in the form of cash. Most commonly this was tied to some agreed program being organised or run by the organisation. In only a very few instances was untied cash provided to NPO’s and these were often described as small responses to local NPO’s provided by SBU or local managers.</td>
</tr>
<tr>
<td><strong>Pro-bono Work</strong></td>
<td>64%</td>
<td>Working directly for the non-profit. This often involved training (but not mentoring) NPO staff, NPO systems development (for example developing web sites), and providing management advice (for example management planning or legal advice). In three cases this also involved company employees sitting on Boards of non-profits.</td>
</tr>
<tr>
<td><strong>Organising events</strong></td>
<td>59%</td>
<td>Company employees assisting in, or in two cases predominately managing, organisation of NPO support activities, mainly major fund raising events.</td>
</tr>
<tr>
<td><strong>Mentoring and Secondment</strong></td>
<td>49%</td>
<td>One company reported a formal secondment program with NPO’s. Other companies reported formal mentoring programs predominately aimed at supporting younger NPO members or recipients of NPO support.</td>
</tr>
<tr>
<td><strong>Gifts in goods made/supplied by the company</strong></td>
<td>41%</td>
<td>Two organisations provided company products as their predominate means of NPO support, while others provided goods made or distributed by the company as a minor form of support.</td>
</tr>
<tr>
<td><strong>Use of company equipment or facilities by NPO</strong></td>
<td>18% use of equipment and 36% use of facilities</td>
<td>Several organisations provided both forms of this support. Use of facilities most commonly involved company buildings/offices for NPO meetings.</td>
</tr>
<tr>
<td><strong>Promotional material</strong></td>
<td>32%</td>
<td>Provision by the company of material to be used for promoting the NPO or NPO events. (Often supplied by third parties and paid for by the company.)</td>
</tr>
</tbody>
</table>

Table 7.1b below provides the results of an analysis of the same data when it is viewed by the focus of CSR and Stage of CSR development.
Table 7.1b: Forms of corporate - by Focus of CSR and Stage of CSR development

<table>
<thead>
<tr>
<th>Form of support</th>
<th>Focus of CSR</th>
<th>Stage of development of CSR with the company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>External Focus</td>
<td>Internal Focus</td>
</tr>
<tr>
<td></td>
<td>% (n = 5)</td>
<td>% (n = 8)</td>
</tr>
<tr>
<td>Employee Volunteering</td>
<td>100</td>
<td>88</td>
</tr>
<tr>
<td>Payroll giving</td>
<td>20</td>
<td>60</td>
</tr>
<tr>
<td>Payroll giving and Gift Matching</td>
<td>60</td>
<td>63</td>
</tr>
<tr>
<td>Gift matching</td>
<td>0</td>
<td>13</td>
</tr>
<tr>
<td>Cash donations</td>
<td>100</td>
<td>50</td>
</tr>
<tr>
<td>Pro-bono Work</td>
<td>80</td>
<td>63</td>
</tr>
<tr>
<td>Organising events</td>
<td>40</td>
<td>38</td>
</tr>
<tr>
<td>Mentoring and Secondment</td>
<td>40</td>
<td>75</td>
</tr>
<tr>
<td>Gifts in goods made / supplied by the company</td>
<td>20</td>
<td>38</td>
</tr>
<tr>
<td>Use of company equipment or facilities by NPO</td>
<td>60</td>
<td>13</td>
</tr>
<tr>
<td>Promotional material</td>
<td>40</td>
<td>13</td>
</tr>
</tbody>
</table>
This is the first time an analysis of this type has been reported of the different forms of giving provided by large companies in Australia, and there is little discernible differentiation when using the lens of the focus of corporate support. When viewed through the lens of the stage of development of CSR within the company, the data set is too small to be definitive, but there is perhaps a suggestion that the companies in the emergent phase are crawling before they walk—that is, there is perhaps an avoidance of the more complex or difficult forms of support to implement. These forms include payroll deductions and employee gift matching via payroll giving (which may require significant changes to payroll systems) and pro-bono work (which requires significant resources to discover and maintain relationships). There is perhaps also an increased use of event organisation, which is relatively easy to implement. Obviously further research is needed in this area to determine if correlations do exist.

7.2.5 Timing of the provision of corporate support
Most organisations did not have a specific schedule for providing support and requests are received throughout the year so the actual timing is dependent upon the request and non-profit needs:

(Interviewer) So (to clarify) - you’ve got a pool of money for your grants that you budget for each year before you know what the request is going to be.
(Giving manager) Correct. (B2)

The smaller ones, I get a lot probably at least three to five a week, we relate (the request) back to the criteria. (C1)

(NPO’s) make (requests) through our website. So if they could call here they’d be asked to go through our website where there’s a process on the website for how they apply and they apply usually via email. We collate a whole bunch of them and probably send out responses every two months maybe (C3)

While these are treated equally, some can be seen to be more equal than others:
the budgets are set June each year so I think if there’s something sitting on the table at June it’s probably got more chance at getting through. (C4)

Several companies in the mature phase of CSR development had more formalised processes, for example a process of tenders for company support, but these were predominately for their smaller support programmes. An example of this formalisation was that one organisation had a preference for NPO requests being received during the period of February to April each year, with a review of the requests completed by the end May. Support was generally provided by end June and recipient organisations had to complete their projects and report by end June the following year.

As an example of the different timing requirements of different levels of support, this giving manager commented:

> With the larger partnerships we negotiate what is needed (cash, goods, publicity etc.) and when, throughout the year. The (smaller, state and branch based) programmes are scheduled. (A5)

### 7.2.6 Measuring outcomes

Those organisations with the most sophisticated CSR programs had a formalised procedure for measuring outcomes of their NPO support programs. The interview with this giving manager revealed the change from less formal to what is now a very formal process:

In the past this was predominately “Did the support make (company) people happy?” That is, anecdotal feedback from within the organisation. Currently (it is) measured through a combination of qualitative and quantitative methods:

- Media coverage (measured e.g. time / column inches)
- Government awareness (anecdotal at present)
- Employee involvement - measured
- Goodwill (anecdotal at present – some recorded)
Community awareness / relations (mostly anecdotal at present – some recorded)

Outcomes are recorded in Sustainability Reports – at both national and international level. These reports are separate to, but form part of the company’s Annual Report. Other publications of outcome results include newsletters, posters, press releases, web site, brochures, community reports, flyers, posters etc. (C5)

For other organisations, their recording, and therefore their reporting of outcomes, ranged from the more detailed to having very little detail.

Whilst every company had some measure of outcome, those involving employees were most accurately tracked as this commonly uses existing company systems and procedures to record the data, for example, payroll deduction of staff donations, and workplace absence for volunteering which involves employee timekeeping.

For many companies, other outcomes were often measured anecdotally with no formal recording processes used. As a result, 73% of the giving managers interviewed commented they were not actively or formally measuring the outcomes they would like, or even should, measure. This was consistent whether viewed by the focus of NPO support of the stage of CSR development in the company. As several giving managers explained, measuring the outcome of NPO support is very difficult:

I would like to measure it and it's difficult because it is really, as you already know, it is incredibly qualitative. There are two things that I would like to properly measure, one is bench mark ourselves in terms of community support …. and then secondly is to measure the impact, going back to your first question, measure the impact on that community involvement on our business and on the community. It is really difficult, it is really, really difficult (A1)
As mentioned in previous chapters, for companies just beginning the CSR journey (that is, considered to be emergent), even understanding how much support the company provides is difficult:

(Interviewer) do you measure them (SBU/regional managers) on what they spend it (NPO support budget) on?
(Giving manager): No, not yet.
(Interviewer): Who they spend it with?
(Giving manager): No not yet. We only, I have only basically (just) completed a reconciliation of actually where money was going (that is, to NPO support) in general. (A7)

The most popular methods for formal measurement of the outcomes of corporate NPO support were:

- Staff survey – 36% of giving managers stated they used this method (predominately related to awareness of support programs)
- Employment involvement in volunteering – 36%
- Employment involvement in donations – 23%
- Media coverage (e.g. time / column cm) – 27%
- Community awareness surveys – 23%

Some giving managers had recently instituted measures to try to understand the more visible aspects of the support programs, but were struggling with measuring real outcomes such as:

So I put in place more reporting, more regular reporting. Not like, just wait till the end of the year or progress at the start or end. Measuring …. how do you measure the success of our internal components? Is it through increased participation of employees? Whether they sign up to workplace giving?, whether there’s more volunteers?, more volunteering days being taken? etc, etc. (A10)

To assist in measuring outcomes, four companies (in the developing or mature stages of CSR development) reported they had looked at the London Benchmarking Group (LBG) process as
a method of measuring outcomes, and two had proceeded (both with a balanced focus to their NPO support). This supports the findings of Ahmad, Tower, and Van der Zahn (2010) who reported most companies who report NPO support activities do not use the LBG model. The managers in organisations that had commenced using LBG suggest that the LGB process, while very useful, did not capture all of their support, with one manager reporting:

Well for London Benchmarking group it’s kind of like there’s so many things that are happening around (the company). A lot of community activities and support and it was just a good tool to sort of consolidate everything and just kind of try to capture that. And actually trying to - maybe also it’s a bit of proof to the executive and the board to say, this is not a nice to have, this is an essential to have a CSR program in place. (It) captures as much as it can but I’m sure that there’s others (NPO support activities) that are slipping through the cracks. It just sort of just spotlights and it consolidates in your head because there’s so much stuff going on around the business (A10)

One other manager reported they were beginning to be trained in using the LBG process:

We’re actually going through that training system at the moment, so it’s - I don’t think it’s clear where there is purely community investment, (or) purely charitable donation. At the moment it’s just training people, retraining people how to capture that data and how to accurately report. At the moment it’s a bit muddled. (A9)

The others were more negative about LBG, for example:

I have wondered on whether we should be in fact part of that (LBG) but again I say well what advantage would we gain from that? (A1)

Reporting of work in the community is increasing important to large corporations, with Du, Bhattacharya and Sen (2010, p. 17) stating “both academicians and practitioners to get a deeper understanding of how to communicate CSR more effectively to stakeholders”. The above findings adds significant new detail to the currently available information on what and
how much is given, as what is not accurately recorded in company databases cannot be accurately reported in company publications.

7.2.7 Advising stakeholders about their corporate support

100% of companies mentioned their support of non-profits in some form to their external stakeholders. This finding is perhaps not consistent with KPMG reports which indicate that Australian firms are well below that of the most developed nations in terms of sustainability reporting (KPMG, 2008), but as the population chosen for the interviews consists only of organisations that are active in NPO support this inconsistency should not be unexpected.

The reporting methods most commonly mentioned were:

- Inclusion of some reporting within the company annual report (41% - much less frequent in companies with an internal focus and those considered to be in the emergent phases), and
- Inclusion of the NPO support programs in some form on the company web sites (also 41%, but used mostly by companies with a balanced or external focus).

The international businesses achieved relatively less recognition of Australian support activities (sometimes nil) in their company annual report by virtue of being only one (mostly small) part of the international corporation. These two reporting methods are often seen as methods of engaging external stakeholders and the analysis supports this suggestion.

Other common methods of communicating NPO support by the company to external stakeholders included:

- Separate sustainability report – 32% (often also partly reproduced in the company annual report, and not reported at all by companies with an internal focus and also not reported by those considered to be in the emergent stage of CSR)
- Separate community reports – 18% (often also partly reproduced in the company annual report, and also not reported by those with an internal focus or by those considered to be in the emergent phase of CSR development)
- Press releases – 18% (not reported by those with an internal focus or by those considered to be in the emergent phase of CSR development)
Separate CSR reports – 18% (often also partly reproduced in the company annual report. One company considered to be in the emergent phase prepared a separate CSR report.)

Powell (2011) suggests there is a nexus between the ethical identity of the corporation, CSR reporting and employee commitment while Brammer, Millington and Rayton (2007, p. 174) found that “the contribution of CSR to organizational commitment is at least as great as job satisfaction”. 100% of the giving managers interviewed mentioned they advised their staff of the company’s NPO support activities. There was little differentiation when viewed by the focus of NPO support or stage of CSR development, with the one exception noted below. The most common form of communication to these stakeholders was:

- Company internal newsletters – 45% (Mostly used by companies in the developing or mature phase of CSR development)
- Company intranet site and notices – 36%
- Company sustainability reports– 27% (also made available publically)
- Company public web site – 18%
- Flyers and posters in workplaces promoting NPO activities and opportunities – 14%

Several companies also had internal local office staff who were responsible for dissemination (or more) of information on company support initiatives. As one manager explained:

There’s also a final little sort of element called the community champions which is where I go out and obviously try to find the ambassadors to advocate the programs and I suppose give me a little bit of assistance in the inspiring and motivating, and being a point of contact for people in our local area. You know, so they just keep a bit more up to date or I communicate with them a little bit more regularly about some goings on. They don’t have all the contacts with the program partners, but they just need to at least know what the program is about. (A4)

7.3 A tiered structure of support
The increasing sophistication of CSR programs in large organisations is accompanied by increasing sophistication in the corporate response to NPO requests. A common theme that
ran through the interviews with the giving managers is that corporate giving in the 21st
century is not simply the corporation providing support for NPO’s from one source. The
modern large corporation has many operational and managerial office locations and each of
these is a potential point of contact for nonprofit organisations seeking assistance – with each
level being useful for NPO’s for a limited and generally different range of assistance.

Many organisations have recognised the need to have a number of giving programs each with
its own strategic purpose but also linked together in some cohesive manner. These different
programs are increasingly being influenced by the corporate giving manager, but are managed
at different levels in the organisation. Whilst they have the aim of reinforcing the message of
the company’s values and good corporate citizenship; they are also aimed at geographically
salient stakeholders. In effect they form a hierarchy of NPO support, with the process of
linking different programs at different levels similar in concept to that of integrated
marketing, where different channels can work synergistically (Danaher and Rossiter, 2011) to
improve the overall communication effect.

This multiple level or tiered structure to corporate NPO support is represented below in
Figure 7.2. Although a tiered structure to corporate giving was first reported in the academic
literature in 2008 (Noble et al.), the corporate support illustrated below in Figure 7.2 is
significantly different to the case previously described in 2008. The explanation and
justification for the relationships with NPO’s is more complex and more completely described
and benefits from a much deeper base of interviews to draw upon.
These giving managers described the strategic need for and use of a structured and multi-layered approach to NPO support:

(It is) useful for all of our (SBU/regional managers) out there, when they have random charities come to them for support - and it’s not that they certainly don’t agree that they are good causes - but it’s each case based on its merits. If we can give them some structure around that - well here are the types of programs that we want to support; here are the types of charities that you can support within that space. It does just start to engrain this that this is just; this is (company) best practice so to speak. (A9)
This same giving manager continued,

However, what we are seeing is that by supporting some of the big national charities who have really strong links and really strong networks into local community groups you get the professionalism and the cut through and the - you know, the strategy that you get with a national partnership. But you also get the opportunity to link in with community groups who operate in the same areas as you are. (A9)

Other giving managers describe their company’s NPO support structure:

We have I suppose two or three tiers of support. I don't want to over complicate it, but we have what we call national alliances, we have state based alliances or involvement and then we have (support) right at grass root level, where the (SBU) or the individual who has a particular passion for calls or a need and will dedicate his time or his (SBU) involvement in that particular cause. (A1)

We have our large national community partnerships - H.O. manage the corporate programmes - and our people program, mostly staff related and driven activity, but everything revolves around the business need. The company ensures that all (NPO support) aligns with corporate objectives. (A5, Emphasis by giving manager)

This suggests a level of strategic integration with the CSR policy, providing consistency of message to their stakeholders through having a limited number of NPO partners, whilst at the same time providing some flexibility for regional and local managers to respond to local salient stakeholders and issues.

The next section will describe the use of NPO relationships and partnerships as a part of the first tier (Tier 1) of corporate NPO support. The following sections will describe the remaining two levels that commonly make up the package of corporate support for NPO’s.
7.3.1 Tier 1 relationships

At the top of the corporate giving tree are the major corporate partners. The giving managers interviewed were employed by some of the largest companies operating in Australia and these all had a national presence. The Tier 1 relationships they had were with NPO’s with national coverage and these were seen as the biggest and most important NPO support relationships for the company. As these managers described:

Our tendency now is to have fewer, more strategic, alliances… (they) tend to be bigger partnerships, longer term partnerships. (A3)

The corporate social partnerships which is that largest scale community partnership. So we have two programs at the moment in Australia running. One is with (NPO) and one is with the (NPO) and I look after both of those. (A4)

There are 12 national partnerships. (NPO) is the largest NPO supported with approximately $500k given in various forms. (C5)

The concept of “fit” has been discussed in detail above (particularly in Section 6.3), and in all Tier 1 relationships the giving managers were confident that there was a very high level of ‘fit’ with the strategic direction the company sought and wished to pursue and with the corporation’s overall giving programmes.

As mentioned previously, not every company had a major national partnership, but 100% of those companies that did stated that program attracted the most corporate support and indicated they are being formally incorporated into corporate strategy. Change is a constant in the modern large organisation. Smith (2006) reported that large organisations were changing their NPO support programs, and similarly in this research, all but 2 of the giving managers interviewed commented that their support programs had changed over the past five years. Of those that had changed, 65% of giving managers acknowledged that their firm had realigned their thinking on NPO support programs and now used them as a strategic extension of corporate policy. For example:
No, look, we’ve both got to get something out of it. I mean the chairman is part of the corporate social responsibility committee, as is the CEO, etc etc, but it’s much more, and that’s why it’s part of the business plan … It’s part of how we do business. (A3)

At a national level the decisions are now always strategically evaluated. Long term relationships are important. 3-5 years is typical and seen to be useful for (Company’s) message to be received and for the NPO to properly plan to use the support. (C5)

So you have to, I think, reassure yourself that you have to have some kind of strategic or policy position on how you making those giving decisions. (B7)

It would be staff focused but to a certain extent. It wouldn’t be primarily wholly the employees have said this, our people have said this, we want to go down X,Y,Z social cause as well and yes we’re going to do it. We also have to look at where our company’s strategy and directions are going as well. (A10)

I just think it really helps to go beyond just giving some money to a few different charities when you’ve got people who really see the strategic long-term....how this can really just grow into something bigger. (C1)

… so from a strategic corporate point of view, we’ve got major strategic partners. It’s hard though because there’s not that many national organisations charities, really, truly national - there’s a handful that we deal with. For big events all the creative is done centrally, distribution to stores is done centrally, everything’s done centrally. So there’s…… because we’re all about consistency, so it’s about consistency, every store looking the same. (A3)

It’s about looking at our overarching giving and how we approach it … the community umbrella programs. The (first NPO) is just such a great match to our client base. (The second program) really hit home with me about …. our values
and what our brand attributes are and things like that and I thought “oh” (that fits).
(A4)

(NPO) - their national presence is great because we’ve basically got (a presence) in every state, so it’s kind of like we try to engage (them) on all levels. (A10)

This giving manager is employed by a company just in the process of becoming more focussed in their NPO support, and describes both their current practice and the intended support process based on the values the company wishes to project. She described the current practice as:

I have actually come from a meeting where we are changing how we support it, which I think I mentioned to you on the phone. We are not in the best practice way yet. So for the last decade plus, I would say, because of the geography of Australia, New Zealand, we use to have state structures, so we would have a state manager at each state. They would operate their community programmes locally, so it was locally funded, it was locally charity partners, they do whatever they wanted. (B6)

She then described what the company is doing to change their NPO support practices:

So what we are doing is we have just established a national committee … one of the first things we are doing is issuing guidelines in the business … and then the first thing the committee is going to do is actually put together a partnership criteria. In the past you could, depending on who you asked, you could get stuff through or not, and if you are a customer, you could probably always get stuff through, depending on how big you were. So what we have decided is, we have looked at our values as a company and we have put together our criteria for how we are going to support charity organisations. (B6)
One giving manager described her recent realisation that the Tier 1 partnership needs to be all encompassing:

You look at any large corporate you can very quickly see who they support on a national level and most do have national partnerships. It’s unusual I think that we don’t, and that’s not to say that we don’t have strong partnerships. We have up to three charities in each State that we support through workplace giving and through volunteering. In regards to that overarching national partnership really driving, we don’t have that yet, …. but I have realised just in the last week or so that it’s a bigger thing than me, it needs to be a (company) brand thing, not just giving and volunteering. (A9)

With Tier 1 relationships being the highest level of financial support offered by the company, and increasingly being incorporated into company strategy, it is to be expected that these relationships with NPO’s be more formal and agreed by the Board of the corporation.

And so most of these are two and three year contracts and at the end of 2008, we had a couple that were coming due, and we got the Board approval for renewals. (A6)

With the social partners it’s definitely because the partnership has been chosen around a specific outcome. So I definitely have (formal contracts) in place with them. (There always) has been a relatively formal process but much more formal now and stringent. (A4)

Some of these agreements, although formalised, are not seen by the giving managers as legal contracts, but the agreements are written, for example:

We have had that relationship for a number of years but what we decided to do late last year was to formalise this, not for any other reason but just to set some guidelines and ground rules and in terms of what support we would be giving, what support they would give us and so on. We drew up literally a three page
MOU, no more than that, it is not a legal document by any manner or means but it was just really outlining the guidelines about what each of the parties were doing. It was done in a very, very cordial amicable way and culminated in an official sort of signing ceremony. (A1)

(Any) national involvement with a particular NPO will be long-term (3-5 years), tend to be formalised (more so in recent history), and include an exit strategy. (C5)

I wouldn’t say strictly that formal. I mean there is some written documentation, not legal speak contracts (A3)

These Tier 1 projects were always administrated by the giving manager and most often were the result of the company seeking out suitable partners. Tier 1 relationships were only in place for those companies that had committed significant resources to CSR, and is further evidence of the strategic nature of modern corporate giving. None of the companies with emergent CSR had developed a Tier 1 relationship and at the time of the interview none mentioned they were actively seeking one, although several recognised that as potential for the future. Other NPO support from the organisation is often guided by the giving manager but delegated to other managers. These different lower levels of support programs were described by the giving managers as being managed by regional and/or SBU managers. Two regional managers were also interviewed to obtain their views on the company NPO support programs. Their views were consistent with those of the giving managers.

7.3.2 Delegation of corporate giving – Tier 2
While Tier 1 corporate giving is most often company initiated, Tier 2 is often initiated by the NPO or a third party. While initiated by others, the second tier support programs can often be seen to be a part of planned and structured programs, managed by SBU/regional managers, or a major subcontractor (typically not-for-profit organisations that provide the infrastructure and on-going management of multiple NPO support – for example, United Way, Charities Aid Foundation and Australian Charities Fund). These second tier programs often involve the volunteering of company staff and the projects are often closely aligned to the CSR strategy the company had adopted and the activities are closely tied to those organisations that are
geographically relevant to the target stakeholders. This is the case regardless of whether the strategic focus for the NPO support activities are primarily focused on internal or external stakeholder groups or a more balanced approached to stakeholder management was being adopted. It was also the case when analysed by the stage of CSR evolution of the respondent organisations. In addition, the programs organised by the third party, or umbrella, contractors often carried positive tax reductions.

Planned giving programs, most often via payroll deductions, are included in the second tier of corporate support as they are by definition, planned and structured, and through that planning, always reflective of the values the company wishes to project. The implementation of this type of giving is predominately outsourced to one of third party companies. The giving manager is responsible for the program including the monitoring of the process.

We pay (Third Party) $xxx (amount removed) a year to be the clearing house for us so they take the funds and pass them onto the charities. The charity doesn’t pay a cent. So that’s very important for us, we also dollar match, so whatever the employee donates the company matches. (A9)

We went with finite number of charities so we do it through the (third party). We decided to go with that simply because it was more effective having it narrowed down (B8)

(Third party) is used for Employee gift matching and Staff volunteering (charged by Third party at $xxx (amount removed) per day for ~ 20 employees). The (third party) determines the amount for each NPO. We also provide assistance from “community champions” on volunteering days and special projects. (B4)

There are 2 companies used. Gift matching utilizing (Third party one) with 52 predetermined NPO’s and (third party two), where employees choose NPO to support. (C5)
I’m trying to increase the amount of money we are donating. I brought my figures down with me. We have a 13 - 14 per cent participation rate in the business which I’m told is quite good. It is administered through the (third party) so they’re our partner. So they look after most of this for us and we are just in the process at the moment of running a bit of a campaign internally to try and increase participation around the group. (C3)

Four giving managers also mentioned that third party providers were also used as one of the consultants in setting up their corporate NPO support program. For example:

(That was) done by the external facilitator called (third party), who are very much in that space, setting up and facilitating work place giving programs. And so that was why 10 were chosen. (A10)

Head Office (HO), regional teams and business unit/regional managers are also included in the second tier as their support is reported by the giving managers to be more coordinated than the support provided by local managers. While these SBU/regional managers have traditionally had much latitude, especially in organisations with nebulous CSR development as evidenced in previous chapters, the support by those managers is being monitored and influenced much more by the modern corporate giving manager.

This regional manager describes how the managers at different levels work with national support programs organised by Head Office and view them as local opportunities, but they also have their own NPO support programs:

So there are things that are specific here to (Region), but certainly being a national company there’s overall national involvements. I mean, we’re involved with the (national NPO), the (specific) programme, and.....I don’t know if (national giving manager) talked to you about this, but what we’re doing locally in conjunction with (NPO) is to encourage people to ..... (describes specifics of local support). Now that’s built a wonderful relationship with (NPO), and yes, it has given us an opportunity to raise our profile in the community. (Regional manager A1)
He continued:

(For other programs), we tend to stick to our own states and regions.
(Interviewer): Okay, when you support a charity, do you prefer a long-term arrangements, or short-term?  (Giving Manager):  No, long-term, if we can.  It’s about relationship building, rather than just a straight hit. Running (this) business is all about relationships, so that people know you and trust you in the community.
(Regional manager A1)

Fifty per cent of the companies considered to be in the early stages of developing CSR (emergent phase) and all of the companies that were considered to be in the developing and mature (and Foundation) stages of CSR evolution had Tier 2 support programs.

Almost all of the companies (89%) that were considered to be “developing” stage of CSR evolution used a third party provider to at least partially support their Tier 2 activities, whilst only one considered to be in the emergent phase, one in the mature phase and none of the Foundations used a third party facilitator. The use of a third party was often associated with planned giving (particularly gift matching) and was seen as an easier way to handle responses and distribute money. Whilst much more research is needed to demonstrate causality, this data suggests that third party providers/facilitators are useful in developing CSR activities within a company but once a certain mass of investment in people, processes and resources is reached, companies prefer to be in charge of their own fate, and reputation.

Catastrophe support is included in the second tier of support as for many companies it can be seen to be centrally controlled “must do” activities, done at least partly in order to be seen in a favourable light by their stakeholders. This emergency response provided by organisations is sometimes, but not often directly decided or controlled by the giving manager. It can be seen to be a response to both salient stakeholders and the often the community in general, who expect the organisation to be supportive in time of great community need.
So when the Victorian bush fires happened, obviously we’ve got a lot of employees there and customers there, and we need to do something from a humanitarian point of view (A6)

The (previous management) would have been like, just throw a whole lot of money out there because that’s terrible, but then you have to be a bit more intelligent about your giving. You have to have some kind of strategic or policy position on how you making those giving decisions. (B7)

The (Victorian) bushfire appeal was totally …… employee driven and employees said can we help with the bushfires (A2)

(Interviewer): So (for clarification) the company has a gift matching program?
(Giving Manager): Sometimes but once again it has to be, it has to have a business regional fit…. That’s not done on a small scale. We only do big, so we don’t have a regular employee gift matching. So the Victorian bush fire obviously that was very clear to us - we’re down in the region, we have offices down there….. so we donated as a company a lot of money and we also … matched employee donations. (A6)

As mentioned above several organisations had dedicated budgets for corporate responses to large emergencies.

7.3.3 Delegation of corporate giving – Tier 3
At the third level of corporate support, the programs are almost exclusively local programs focused on geographically local salient stakeholders. Engaging the staff of the company is a very important aspect of this tier of giving, as is improving the reputation of the company in the local community. All interviewed giving managers demonstrated Tier 3 giving, but very few provided evidence of the strategic use of Tier 3 support.

This giving manager describes the strategy behind the development of a local NPO support program, effectively establishing the third level in the tiered support process. Their programs
were aimed predominately as meeting the needs of internal stakeholders but also improving the image in the company to external stakeholders:

We had state and national partnerships, but nothing at a local level – so that was how it was started. What our staff were wanting was to be able do something in their local community. We have recently launched a data base where charities can list opportunities to volunteer – our people can search it and find a local organisation. A part of the objective of the programme is not only to provide support at the local level, but to get our people involved. It (also) establishes a better relationship with the community. (A5)

Although there is increasingly more strategy being implemented into these support initiatives, Tier 3 support programs can be seen to be often reactive programs, reinforcing the findings that this tier of giving is very much focused on stakeholders that are locally significant to the company, for example:

At store level…effectively a store budget, even though it might not be developed that way. Some stores adopt a charity and raises funds for that charity. Those are very local projects. In the other stores they have a system where there’s a budget per store, managed by the store manager, and if a local organisation wanted a voucher for a raffle they would approach the store directly. (A3)

(The region) is a very tight community. And so much of the fundraising is done here on a local basis. So we’re part of the community. (Regional manager A1)

Our staff they don’t necessarily want to support the big guys they want to support the local ones. (So long as) it’s within the themes … and it’s local. I think it’s also just about increasing the opportunities for people to get involved - raising the profile. (A9)

(Local managers) are very much in their local community … like the local soccer club asking for financial assistance for their sausage sizzle. Because it’s really
literally supporting your local community we do not want them to stop that. (Interviewer) It’s important enough even though it doesn’t fit under the core theme for (company) for that particular local business. (Giving Manager): Yes. At the local level - yes. We need to be seen as a force investing in our local community especially in the business that we’re in. (A10)

From the above analysis resulting in the description of the three tiers of corporate NPO support, it can be seen that corporate support is still available in some form at all levels of the organisation, but progressively the modern giving manager is extending their influence and NPO support can be seen to be increasingly integrated in the modern large organisation.

Although not the prime focus of this research project, the interviews with the giving managers also provided significant insight as to how corporations implement their NPO support. The next section summarises a descriptive/empirical approach to NPO support by large organisations. A descriptive/empirical approach is one that describes how firms and / or managers actually behave (Jones and Wicks, 1999).

7.4 A step-by-step approach to implementing NPO support

A contribution of this thesis is the reconceptualization of the model developed by Maignan et al. (2005) for introducing CSR in marketing, based on the empirical findings from this research.

By analysing the responses of the giving managers and the company information provided by them and available on company web sites, the methodological model developed by Maignan et al. (2005) and presented in Chapter 3 of this thesis can be adapted and modified to demonstrate the steps involved in implementing NPO support in large organisations in Australia.

Maignan et al. (2005) proposed a methodology for introducing CSR in marketing in an organisation. They viewed “a coherent CSR program where marketing decisions are driven by a fit with organisational values and norms” (p. 965). While this definition meets the requirements of holistic marketing (Kotler, Keller and Burton, 2009), it can be seen from the
results of this research that giving managers do not see themselves as a part of the marketing department in their organisation, but that CSR has been driven by these same conditions as proposed by Maignan et al. (2005). As such, this model is considered to be a reasonable basis to consider how large organisations implement NPO support in Australia.

The step by step approach is depicted in Figure 7.3 below.
Figure 7.3: A step-by-step approach to implementing NPO support activities within CSR

A step by step approach to implementing NPO support activities within CSR

Adapted from:
A step by step approach to implementing CSR, Magan, Ferrell and Ferrell, 2005

Note: Shaded areas are from original model
7.4.1  Preparing for NPO support
The inputs into developing CSR philosophy and policy as described in the initial model include “Organisational norms and values”, identifying salient stakeholders” and identifying stakeholder issues. These were not specifically included in this research or the question set proposed for the interviews with giving managers, but much relevant data was discovered and has been presented in the previous chapters that support the inclusion of these steps.

7.4.2  Developing CSR philosophy and policy
The next step proposed by Maignan et al. (2005) is that of assessing the meaning of CSR. They propose this step would clarify the corporate motivation for CSR and the identification of salient stakeholders and issues. The corporate motivations for CSR were not fully explored in this research but Maignan et al. (2005, p. 970) suggest this “places CSR in the context of the broader organizational objectives”. This has been supported by the results of this research as presented in this thesis. The identification of salient stakeholders forms a significant portion of the results presented in Chapter 5 and is clearly an important step in the process. In developing this initial model to illustrate the steps of NPO support, it is suggested from this research (as detailed in Chapter 6) that the organisational objectives and the corporate motivations for CSR activities lead directly to the development of the philosophy for CSR and then in turn leads to the development of the NPO support policies. Thus, the development of NPO support policies is proposed as an important addition to the step of assessing the meaning of CSR.

7.4.3  Auditing current practice and developing NPO support guidelines
Following logically from the development of policies is the development of guidelines and procedures for their implementation. Maignan et al. (2005) recommend social auditing to identify stakeholder issues important to the company, to understand the processes already in place and what is in need of improvement. Whilst obtaining an understanding of this auditing process was not an objective of the research project, it has been demonstrated in Chapter 5 that in some organisations, NPO support practices were implemented before guidelines for those practices were put in place. In these companies the giving managers responsible for developing CSR (and NPO support) policy can be seen to be struggling to understand exactly
what NPO support the company has been providing, and attempting to put procedures in place to manage company support.

Once current practices have been understood, guidelines need to be developed so strategy of future support activities can be understood and the tactics of implementation can be properly directed. One of the specific aims of this research was to discover information on how NPO support guidelines were developed. This information has been presented in the previous Chapters 5 and 6. From these findings it is clear that in large organisations in Australia the step of developing NPO support guidelines is a necessary addition to the auditing of current practice and should closely follow the step of developing of CSR policy.

7.4.4 Evaluation of current partners
All large companies interviewed had some NPO support activities in place when the current giving manager was appointed to their position. As described previously, some of these support practices may have developed over time in an unstructured way. In other organisations the giving manager may take over the management of existing NPO support programs. In all cases, the giving manager was constantly reviewing their current NPO support programs and partners as exampled by these giving managers:

(NPO support) had remained the same for five years. (When) I came into the (company) one of the first things I said it’s probably timely to review the program. In the last 12 months there has been a lot of focus from (Company) about what we should be doing in the community, a lot more focus …. based on taking into account the overall group, CSR group strategy alongside a local entity; CSR strategy and business objectives. (A4)

We had an arrangement that didn’t involve cash, it was pro-bono arrangement, which was reviewed. I had to formally review the whole partnership and it was ended. That was good learning for me and a good learning for us as an organisation. (B7)
When I first came aboard … it was to help to sort out the sponsorships primarily because that was what my background was. And then it evolved into the community side and doing a review of all our community involvement as well. (B8)

You know we’ll say to the charity let’s review how we do this. We haven’t actually said you’re no good we don’t want to work with you anymore. That hasn’t happened, (but) potentially it could. But more often than not we’ll say right let’s look at a way to make this worthwhile. If our people feel it hasn’t been successful most often the charity will feel the same. Yes, we have dropped some. (B8)

In some cases there has been a formal process, sometimes involving external consultants. These more formal reviews can be considered as a part of the feedback loops described by Maignan et al. (2005).

7.4.5 Search for partners
As discussed in this thesis, requests from NPO’s for company support can come from three different general sources: (1) The NPO can approach the company directly for support, (2) The company can solicit NPO’s to support (3) The company can appoint a third party to manage their NPO support program and NPO’s may approach these providers.

Concurrent with the evaluation of NPO’s currently supported, the giving managers are the recipients of many requests for support from NPO’s. 18% of giving managers reported 5-10 requests received by them individually per week. Many of the initial requests are screened out using the procedures developed for NPO requests, and whilst the success rate was not a specific question, several giving managers volunteered that of those that were successful at passing the initial screening, approximately 10-20% received some support. The most common response to the question on how many requests the giving managers themselves received was between 1-5 requests per week (27%).
The total number of requests each corporation receives is obviously much higher than this, with one manager noting there were “thousands” received each year in her organisation, and especially considering there are requests to both Tier 2 and Tier 3 over and above those received by the office of the giving manager. In addition to this, three giving managers commented that as their non-company solicited NPO support was currently only provided through third parties, all NPO requests were redirected to that third party provider.

Also as discussed previously Tier 1 relationships were predominately the result of the giving manager actively seeking an NPO partner and these have been mostly been developed by companies that have well developed CSR programs.

**7.4.6 Implementing NPO support**

Maignan et al. (2005) suggest that companies often neglect to appoint an individual or a committee to oversee company CSR efforts, and that this was in their opinion “the only way to ensure the coherence of diverse initiatives” (p. 972). This research specifically involved companies that had appointed a giving manager and the results presented here support the proposition of Maignan et al. (2005) that having one responsible individual does assist in diverse corporate initiatives being strategically coordinated. The role of the giving manager assists the company in responding expeditiously which is suggested by Maignan et al. (2005) as one criterion in prioritising CSR challenges.

As discussed above in Section 7.3 the support provided by large organisations in Australia is most commonly part of a tiered structure of giving. This tiered process also assists the company in allocating responsibility for, and effectively responding to, NPO requests.

**7.4.7 Corporate promotion of CSR**

This research finds support for the inclusion of this step. Maignan et al. (2005, p. 972) suggest that it is “essential that businesses keep internal and external stakeholders aware of the initiatives undertaken”, and provide examples of companies using a range of sources to achieve this.
Their definition of “promotion” of CSR is extremely broad and effectively captures both the formal reporting of corporate NPO support activities in annual reports and CSR related publications and the more informal reporting on intranet sites, newsletters and flyers in the workplace, all of which have been addressed previously in this thesis.

This promotional work consumes a large proportion of the giving managers’ time, as this giving managers explained in detail:

All the communications that go into promoting the programs and you know when talking about the outcomes, you know facilitating the reporting requirements, yeah there’s quite a lot of work. It’s actually a lot more than the (company) realises. They think it won’t take long but you know I would say let me see, when I think about you know all the reporting that goes along with it and all of that, it’s definitely you know 25 to 40% I would say at times, it just depends. Let’s just say I mean to be fair let’s say 30%. (This includes) about seven (major) reports a year - that’s for global and locally. I (also) report regarding community (in) a board report every second month. That will just talk generally about CSR, what we’re doing, and will give an update of where our community (volunteer) leave is at and our work place giving to date. I also do monthly (managerial) reports.

(A4)

Another giving manager describes some of the reporting functions of her role:

There’s also the production of the annual report and sustainability report. We also have a quarterly magazine for staff that I produce. And some of our shareholder publications, so the….oh well, obviously the annual report, but we have an interim report we send to shareholders and welcome letters and packs, and so forth. (A6)

This giving explains the many different types of reporting on NPO support activities she is involved with:
(Interviewer) Okay, which leads to how you tell people what you’re doing. You’ve got your sustainability report, you’ve got your website. What other methods do you use ....

(Giving manager) So we’ve got.... the report for shareholders … I always talk at our inductions, so you get, every two or three months, all the new starters - I talk at that about all the things we’re doing. I’ll often talk at conferences. I’ll talk at team meetings, so I’m going down to South Australia. Developing an intranet site, which has blogs and polls and all sorts of great stuff, so that will be another way to send updates. I send out the sustainability updates and I have done some presentations. (C1)

7.4.8 Gaining stakeholder feedback

In the model developed by Maignan eta al. (2005) this step is reasonably generic and involves obtaining feedback from stakeholders through satisfaction and reputation surveys or in-depth interviews with salient stakeholders. They suggest these results then become inputs into short term and long term feedback loops. As noted previously many organisations have these processes in place to receive and measure stakeholder feedback. Further examples are these comments from these giving managers:

Yes so having said that though we are now in the process of relooking the list of charities partners, and actually reducing them. It’s already been done. The review took 10 months and it has just been finalised. (We used an) online survey, getting inputs. But not just that we also did focus groups. And employees from different levels, different sites, you know different areas to give their thoughts on where (company) - not just what charity partners we should look at - but whether we should actually still remain with (xxx removed) as our core social cause. (A10)

I mean we do tracking studies of company reputation and what customers think about us, so we do those on an annual basis - how we’re seen by the community and what we do for the community. (A3)
In addition to this feedback from other stakeholders, from the results of this research it is suggested that the NPO’s themselves should be considered as company stakeholders as they can “directly or indirectly affect, or be affected, by a firm’s activities” (Maignan et al., p. 959) and should be included in this step. The giving managers are very aware of the damage that could be caused to their corporate reputation though the actions of their supported NPO’s, and this potential to harm is the greatest individual factor in the giving managers reasons to provide support. In addition, giving managers need to understand the impact on both the NPO and their corporate stakeholders in order to properly report on NPO support activities as these managers explained:

So there is an annual reporting process, on-going communicational dialogue around how the projects are going.
(Interviewer): And you measure them annually?
(Giving Manager): Yes, and look measurement can be as simple as reading the report that they have sent in of what they have done for the previous year. They are not exhaustive or hurdles that are going to take them away from their main gain which is delivery whatever service it is they are supposed to be doing, but there is a level of accountability. (B1)

Our main partnership is with the (NPO) and we do get very detailed reports from them. (A9)

Yes put in place now with quarterly updates and quarterly progress reports. (A10)

You know, you’ve got a logo up there, and you’ve got some expectation that they will report back as to the success of what you’ve contributed to. If one of these organisations couldn’t report back to me at the end of the financial year as to what they’d achieved, well, you know, I suppose it would be in breach of the contract that we have with them. (I need it) especially with a sustainability report to do. We do need something at the end of the financial year.
(Interviewer): So their reporting really is around your sustainability reporting?
(Giving Manager): It has become in the last couple of years. There was always reporting, but it usually would have been at the end of the partnership year, wherever that was. And mostly it is financial, but a few odd ones aren’t. But now I’ve brought them all into line.... (A6)

It’s not just about making sure they’re doing what they’re doing – that’s obviously important because we need to see that they are actually delivering. It helps us to maybe guide them with that, just in terms of, if they’re floundering and need some support, we’ll know about it. (C1)

27% of the giving managers reported that not a lot was required from NPO’s, with many not having formalised reports required or suggesting that they obtain their required information in an on-going but ad-hoc way, as these managers explained:

Well generally they would provide me with their annual report. If I specifically need to know something I’ll just pick up the phone and call my contact. (A4)

(Interviewer): do they have to report back to you somehow?
(Giving Manager): Well, I try.
Interviewer): OK, so it’s not their strong point.
(Giving Manager): No. With, you know, for good reasons. It’s bearable. Some not for profits can be very small and (find it difficult) in terms of our governance - and then other there’s a couple that I won’t name, one in particular is enormous. They (understand what we want) but they can’t deliver it. (B7)

Regardless of the reporting methods, giving managers understand their responsibility to regularly report to stakeholders, especially shareholders, for the corporate money they spend, for example:

It’s also about making sure that the funds that we are giving are being utilised, so there is strong accountability mechanism built into the relationships that we have. There are considerable funds made and so we want to see outcomes directly
related to what they said they were going to achieve. So there is an annual reporting process, and on-going communicational dialogue around how the projects are going. So philosophically, they are not going to get cheque 2 until we know they have spent cheque 1 wisely. (B1)

The exception to this seems to be for catastrophe support, where giving managers do not expect reports, as exampled by:

Whereas we gave a large donation to the Victoria bush fire appeal, and we did offer product for the rebuilding as well as cash donation, but you just trust the right things are going to be done and they’ll contact us when they need product. (A6)

In addition, the third party providers/coordinators also provide feedback, as described by this manager:

(Third party) provides some feedback on the level of our support compared to other companies as well as formal and informal feedback on programmes and charities supported. (B4)

7.4.9 The feedback loops
Once the feedback has been obtained, Maignan et al. (2005, p. 974) suggest the information be used in the “next audit”, with the audit suggested by them to be conducted bi-annually. The short term feedback loop is important in both evaluating current partners and deciding what new partners may be useful for the company to support with Maignan et al. suggesting it be predominately internally focussed.

Internal stakeholders are very important to companies. Their opinions are well researched, especially by giving managers when choosing NPO’s to support through workplace giving programs. This information is then fed back into the NPO support program and changes are made. For example:
(We) do survey’s every two or three years with staff and get some feedback there (B7)

There was starting to get a little bit of a negative reaction to (NPO) in some quarters, and it was comments such as – “I’ve got a relative that’s died of cancer. I’d rather support cancer. Can’t I do that through (Company)?” We had some feedback that there wasn’t anything in the animal field. So we thought – (NPO). We got sort of a master list, I suppose – with (the aim of) going to survey people with this list to trim it down to, you know, ten or fifteen charities. (A6)

Some of feedback that we have received to this program is - yes but I donate to, or yes every week I go and do this, so why can’t that sort of be included, that sort of thing. Obviously you can’t please everyone and we’ve chosen to only have 8 partners in that program, we chose to keep it very limited.

(Interviewer): the 8 came from the survey?

(Giving manager) Yes.

(Interviewer): so they told you who they would prefer?

(Giving manager) well rather than organisations; causes - and then we went through a selection process and did panel interviews with quite a number of organisations meeting all those different qualities and then whittled that down to the eight. (C4)

While all giving managers do formally review their NPO support relationships individually, a formal audit of the full support program that included external stakeholders was noted as being an irregular event, undertaken only when it was seen to be required. This can be seen as longer term feedback and was described by several giving managers, for example:

And we’ve recently, or late last year, completed a review of our work in community program. We had a consultant that helped us develop our program. That consultant worked to understand our business. (C2)
2006 I think it was, there was a review done, an external review done. And it looked at our program overall our partnerships and made some recommendations about refining the partnerships that they had at that time and sort of focusing on them more under the current categories that we have. There was (also) refinement that went on after the review in 2006. (C3)

It had remained the same for five years. When I came into the (company) one of the first things I said (was) - it’s probably timely to review the program. (A4)

From the above rich descriptions by the giving managers it can be seen that the proposed methodological model for implementing CSR into marketing with an organisation provides a framework from which to describe the empirical process of NPO support as it is implemented in large organisations in Australia.

7.5 Conclusion
This Chapter has finalised the presentation of the results of this research. Following the development of the overall model of stakeholder influence in Chapter 5, including the recognition of salient stakeholders as the primary influence, and data to provide an understanding of the role of the giving manager in Chapter 6, this Chapter focused on the implementation of corporate NPO support.

A common theme running through this Chapter is the importance of in-depth understanding of the organisation as a potential donor. Organisations can be seen to be rational entities with decisions made by following established procedures. The more formal and procedural the organisation the more the different elements in the process of corporate support become important, and the more likely it is that the company is reporting more of their NPO support to stakeholders.

Three different levels, or tiers, of corporate support were described. These tiers exist even though they are not a formal structure in any formal CSR policy. They commonly include one or a small number of major “overarching” support partnerships that are the most public face of NPO support. Second tier activities are commonly structured and planned and include
employee gift matching. Catastrophe support is also included in this tier as it centrally controlled and reflective of the values the company wishes to project to all stakeholders. The third tier comprises NPO support activities that are largely outside the direct control of the corporate manager primarily responsible for NPO support. These initiatives are mostly locally controlled and funded, but are increasingly being subject to corporate strategic influence through the giving manager.

Finally, an initial empirical model has been developed from the results of the interviews. This model builds on the work of Maignan et al. (2005) who described a methodological model for implementing CSR into marketing. These results extensively used direct quotations from the interviews to demonstrate that the model is a useful framework to describe how the process of NPO support programs is managed in rational large organisations.

The final chapter in this thesis, Chapter 8, summarises the results and identifies the contribution of this research. It will also review the implications for NPO practitioners as well as proposing further research in this very underdeveloped field.
CHAPTER 8: THE FINAL CHAPTER: CONCLUSIONS AND IMPLICATIONS

“Short stories are only pieces of the long one”
(Le Guin, U. 2000, p. 226)

8.1 Introduction to the final chapter
The previous Chapter finalised the presentation of the results of this research, describing the process of NPO support by large corporations. This final chapter provides an integrated argument supporting the emergent conceptual models of the influences on the NPO support decision of large corporate made by their giving managers. It has been said that the weakened corporate-society relationship of the past four decades and increased customer scrutiny have led to calls for organisations to re-establish their community links, especially from the latter part of the twentieth century when corporations were accused of abandoning their environmental and social responsibilities. Combined with this, governments in the past several decades have been reducing their support of community focused organisations. The relatively new managerial position termed the giving manager has developed out of the need for organisations to re-establish their societal connections and to be acting, and be seen to be acting, as their stakeholders would prefer. This need has been exacerbated as the capability of modern communication has provided corporate stakeholders with the potential to significantly increase their salience; more likely to be heard and more likely to listened to by others. Research into how companies manage their CSR and NPO support in relation to stakeholders has been shown to be limited, and in particular, as has been demonstrated in Chapter 2 (above), there is scant research on the influences on the decision of corporate giving manager.

This chapter also demonstrates the achievements of the research aims, focusing on the theoretical and empirical contributions of this research to academics, nonprofit managers and corporate managers. It then proposes relevant topics for further research, describes the limitations of this research and concludes with a brief personal reflection on the journey that was this thesis.
8.2 An integrated emergent model of the influences on NPO support decisions by the corporate giving manager

This section will demonstrate how the model of the influences on the corporate giving manager was informed by, and developed from, the interviews conducted with giving managers in large organisations. The primary conceptual model developed from this research specifically focuses on the role of the giving manager as the key actor involved in corporate giving. CSR has emerged as the prime vehicle for NPO support in the new millennium, and the giving manager’s role has yet to be adequately described in relation to CSR. Stakeholders are now seen as being a vital focus of CSR activities and there is a recognition that corporations tend to manage relationships with stakeholder groups rather than individuals or society as a whole, and are beginning to employ specialists to manage their corporate-stakeholder-society interface.

Each of the significant research findings will be reviewed in turn, and then summarised to show how those findings resulted in the development of the sub-elements of the overall general model. The process of integrating each of the sub-elements will then be described. This integration results in the development of the final overall emergent model of the influences on the decisions of the corporate giving manager. The section concludes with a brief summary of the fields of corporate giving covered in this research and notes that while some of the fields are similar to those used in international research, direct comparisons are impossible and further research is needed to properly compare data from different countries.

8.2.1. The major Influencers of the giving manager

8.2.1.1 A nexus of support with varying degrees of power

The giving manager has been demonstrated by this research as not just a corporate manager responsible for providing support decisions, but a key point of contact for all stakeholders involved in corporate giving. For many stakeholders, the giving manager is the primary point of contact with the organisation.

The role of the giving manager has been described in this research by the giving managers themselves as being one of boundary spanning. These managers are communicating with multiple stakeholders and are responding to issues and concerns that are often expressed
outside of the corporate environment. They have identified social influence, community expectations and stakeholders concerns as important aspects of their work. Their interpretation and actualisation of corporate policy in response to the various stakeholders of the corporation plays a vital part in the implementation of corporate giving and their actions are often some of the most visible demonstrations of the social connectedness and on-going social responsibility of the organisation. They not only act on behalf of the company (in accepting or rejecting requests for support) but they have also described how they act as agents of NPO’s, where they may initiate discussion on support with a NPO even though the NPO has not requested support be provided.

A key sub-element of the influences on the giving manager can therefore been seen to be the fact that they are a nexus for corporate giving and the fact that they use their company CSR program to reflect the values the company wishes to project to its stakeholders and society in general. Stakeholders and the corporation influence the giving manager and the model captures the dynamic nature of these relationships and the role of the giving manager in balancing the needs of the organisation with competing and often conflicting demands of stakeholders.

To date there is little direct evidence regarding the extent to which the giving manager is actually involved in the development of CSR policy. The current research infers that the Board, CEO or senior executive management develop the CSR policy as part of their normal policy making function. A significant finding of this research is that it the giving managers have explained that they can play a significant role in CSR policy development, as well as how they give life to CSR policy through enactment of their corporate power to distribute corporate resources. These comments have led directly to the development of the stage model of CSR development.

The stage model attempts to partly explain the influence and power of the giving managers with respect to CSR policy and implementation. Exactly what the role entails for each giving manager and how much power the role has depends partly on the stage of development of CSR within the company. Although it was not a precondition of respondent selection, all of the giving managers interviewed worked for companies with some degree of commitment to
CSR. This provides additional support for the findings of others that corporate giving in large organisations has been subsumed into CSR, and that CSR is becoming more strategic. Perhaps the creation of the role of the giving manager is recognition by the company that their NPO support decisions need to be strategic.

From the analysis of the interviews, the managers descriptions of their roles and responsibilities led directly to the recognition in the analysis of their responses that there appeared to be groups of like responses, with intersections and recurrent themes in their descriptions of what they did and how they did it. These differences were positively correlated with the stage of CSR development within the company.

The stage model of CSR development (Table 5.2) and the resulting influence this has on the corporate giving manager is believed to be the first time the data has been presented in this way. This stage model allows for much wider conceptualisations of the roles and influence of the corporate giving manager. If the firm has committed significant resources to CSR over a reasonable length of time, the respondent giving managers described their role in totally different terms to those giving managers in companies just commencing their CSR journey.

In the latter case, the giving manager in companies with emergent CSR described their roles as being more involved in CSR policy development (in conjunction with senior management) and most likely not very involved in much of the minutia of many giving decisions. In those organisations most day to day giving decisions were made by regional or business unit managers in a mostly ad-hoc, responsive manner rather than being proactive decisions.

In organisations that were seen to be in the developing stage of CSR, the giving managers described their involvement with CSR policy as less intensive but they were involved in the strategy and tactics of implementing the CSR program. There managers were beginning to recognise that while their company was supporting NPO’s in many ways, there needed to be a coordinated strategy in order for the company properly communicate with their stakeholders what the company stood for. These giving managers were also centralising some of the NPO support decisions and developing more authority in the actual provision of NPO support by their company.
The giving managers from organisations with mature CSR described their role as providing feed-back to senior management on the policy and its implementation and in addition providing some influence on strategic direction. The corporate NPO support had often devolved back to the “grass roots” of the organisation but this time in a strategic and coordinated manner. The giving managers’ involvement in NPO support was predominately evaluating and recommending the larger support decisions, combined with strategic coordination. In these organisations CSR or NPO support committees typically were making smaller giving decisions in state or regional offices.

The respondents also included giving managers from employee managed Foundations. These were inward looking and were managed totally by the companies’ employees. While the support programs of these Foundations used NPO evaluation, program and implementation processes similar to other large companies, these managers had significantly more influence on policy and strategy compared to the giving managers in companies that had mature CSR programs. The Foundations were effectively a separate operating unit of the organisation with the giving manager reporting to the company Board, whereas most other giving managers generally reported to a senior executive manager.

NPO’s may be interested to know the stage of CSR development in order to establish a good potential point of first contact in the company. It would also be useful to help understand the likelihood that a particular company will provide support and more importantly perhaps, if the company is likely to support in larger or smaller amounts. Unfortunately for most stakeholders, determining exactly what phase of CSR development a particular company is in at any point in time is not so easy to establish. One indicator could be the breadth and depth of publically available information. The more there is available, the probability is increased that the company is devoting significant resources to CSR and is in, or approaching the “mature” phase of CSR.

8.2.1.2 The recognition of salient stakeholders
A much more significant and more easily obtainable indicator is available for those willing to invest the time in understanding a company’s CSR (and therefore NPO support) strategy - the
stakeholder focus of the CSR programs. This is one of the keys to unlocking the NPO support vault.

Stakeholder theory recognises the interdependency and interweaving of people and organisations in society. Research into CSR suggests there is currently a renewed recognition that an organisation's obligations are now expected to extend beyond shareholders (owners) and direct stakeholders to include diverse social groups such as customers, special interest groups, and the community. Several of the important issues currently being debated within CSR are the identification of these stakeholder groups, and further, the determination of which of those groups has the most salience and therefore which of those groups’ corporate managers should have stronger relationships with. As noted previously, this identification of salient stakeholders is of course compounded by the fact that there are often simultaneously several groups with a legitimate interest that can be considered salient, that is they need to have attention paid to them, and many have conflicting needs and wants.

In the interviews conducted, the first step in CSR support decisions the giving managers described was the evaluation of the CSR needs of their company. (Thus, “CSR strategy and policy development” takes a significant place in the developed model.) The giving managers used various terms to describe their role and how they determined the requirements of their CSR policy and strategy. It was this determination of CSR policy and strategy that led to the giving managers interpreting the salient stakeholders. The resulting stakeholder focus has a significant influence on the relationships between a company, a nonprofit and other corporate stakeholders.

The comments of the giving managers in this study provide a clear view of the significance of the role of the corporate giving manager and their interpretation of their salient stakeholders. They were well aware that their corporate giving could harm as well as bolster their public standing and were generally seeking relationships with suitable NPO’s that met corporate objectives and their corporate social goals. The salient stakeholders of each organisation had been identified by the respective giving manager and they all described how this influenced all other decisions. They explained that their corporate giving was predominately focused on
those salient stakeholders and they described why and how the programs were developed and implemented with those stakeholders in mind.

From the interviews it can be seen that companies that were highly visible to stakeholders and the general public, and were operating in very sensitive industries, perceived their salient stakeholders to be external to the organisation. The giving manager in these organisations was located in an externally focused group (for example corporate affairs) and the NPO support often very coordinated and public (for example a companywide coordinated volunteering day).

For other companies, the interview analysis suggested an easy to observe discriminator was the customers of the organisation. The giving managers’ in companies that were predominately engaged in business-to-business activities and had few direct end consumer customers reported their salient stakeholders as being internal. Following a similar pattern to those companies with external stakeholders having predominately externally directed NPO support, those companies with an internal focus predominately located their giving manager in internally focused departments (for example human resources).

Where the company could be seen to have many direct individual consumers their giving managers predominately reported having a combined focus to their support programs. These programs were strategically designed to appeal to multiple stakeholder groups. Their programs often had multiple aims, balanced between satisfying both internal and external stakeholders and unlike the companies that were externally or internally focused; there was no clear pattern to where the giving manager was located within the company.

The above three influences (CSR strategy, being a nexus of support and stakeholders considered salient) were found to be the largest and most significant of all influences on the decisions of the corporate giving manager. They could be considered as “macro” influences and they are represented in the top half of the developed model through showing the giving manager as the nexus of a web of actors, from those external to the company as well as internal, along with the senior management of the company. All of these actors influence the giving manager and the giving manager relatedly influences each of the others to different
degrees. The model demonstrates the relationship between the giving manager and CSR policy, and highlights the vital importance of understanding that the interpretation and actualisation of CSR policy by the corporate giving manager is a response to those stakeholders considered as salient.

The focus of CSR support appears to be a lead indicator to the size and type of support that a company could provide. In addition, it provides some indication as to the type of NPO’s that are more likely to be successful with support requests. This research has established that more than just considering internal or external stakeholders, many companies have a balanced focus to the NPO support.

NPO’s should identify the focus of a company’s CSR program as it will assist in a greater understanding of whether a company is a potential donor for the NPO and whether or not there is a reasonable fit between the NPO and the company’s CSR program.

In addition to these most significant influences, there were other factors that moderated the decisions of the giving manager. These are discussed in the next section, where the emphasis is on understanding the influences on the individual support decisions.

8.2.2 Other influences on the decisions of the giving manager

Contributing to the model development was the giving managers’ comments on a range of issues and elements of corporate support. These are complex and interwoven but there can be seen to be various similarities or themes once the comments of the giving managers have been analysed.

One of most significant of the secondary influences on the decisions of the giving manager is that of “corporate reputation”, but in an abstruse way. Reputation needs to be viewed within a specific corporate context as it is only with in-depth knowledge can the true meaning of this ubiquitous term be teased out of the giving managers’ comments. Whilst most giving managers noted corporate reputation was an input into their decision-making for NPO support, the individual support decisions are influenced by the giving manager’s perception of their company motivation to give and the stakeholder focus of their company giving.
Those companies with an external or balanced stakeholder focus to NPO support were more mindful of their reputation. Those giving managers with companies with an external focus to NPO support placing a positive and strong emphasis on reputational motivation while those with a balanced focus to their support programs considered it important but were more moderate in their enthusiasm. They recognised that for their company, they needed to balance the demands of both internal and external stakeholders. In contrast, those with an internal focus, if they mentioned corporate reputation at all, were more concerned about how the staff felt about the company. While NPO support and CSR was seen as useful in improving the reputation of the company in the eyes of the external stakeholders it was a minor consideration.

It is an interesting sub-text to the findings of this research that although most giving managers noted reputation as important, being “socially responsible” or supporting NPO’s as “a good thing to do” is not the same in these manager’s eyes as being philanthropic or benevolent. It was always expected by the giving managers that there would be some return in some form for the company.

Other “micro” factors also influenced the decisions of the giving managers, but again perhaps not in a manner that is self-evident. Three of these in particular are interconnected. Many giving managers were looking for the opportunity for their company employees to volunteer their own and/or their company’s time. This means of course that geography plays a part in NPO support decisions, as in order to volunteer it is often necessary for the NPO to have their facilitators, if not their facilities, available to the company. In addition to having NPO systems in place to support volunteering it was important to many giving managers that as many staff as possible actually had the opportunity to volunteer. This results in large companies with a national coverage of offices and staff looking more favourably on NPO’s that had a similar geographic coverage. This was mitigated slightly by NPO’s having active and well used web sites that enabled them in some cases to coordinate geographically diverse activities, but geographical relevance was still important. It may be self-evident, but it is not often reported, that those companies with a primarily internal focus to their giving highly valued employee volunteering, but that all companies recognised its usefulness. All of the
giving managers actively including volunteering in the NPO choice decision and provided (or were in the process of providing) paid company time to volunteer.

Employees are more likely to volunteer their time if they are in some way connected to the NPO, according to the giving managers. This connection was often found by the giving manager through staff surveys or other ways of directly communicating with staff and the connections typically were through family or close friends associations with the NPO cause. More than fifty per cent of the giving managers mentioned some NPO selection was based on staff preferences.

Thus all three of these elements, volunteering, geography and connectedness were important micro influences on support decisions and individually contribute to the general model of the influences on the decisions of the corporate giving manager. In addition they all work together to describe the concept of “fit” – the compatibility of partners in a relationship. This study suggests that giving managers are seeking out relationships with NPOs based on the amalgam of the above inputs; the combined perceived fit with their company’s CSR goals and societal expectations. While they are seeking out NPO’s, or evaluating NPO support requests using the envelope of “fit”, the criteria used in this evaluation was often relatively simple, the equivalent of “gut feel” – that is, the combined experience of the giving manager and the NPO seeing support. There is significant additional research needed in order to provide both NPO’s and corporate giving managers with the tools to more fully evaluate “fit”.

**8.2.3 Implementing NPO support**

Whilst the above elements are all important and significant, the model of influences on the decisions of the corporate giving manager would not be complete without some understanding of the processes of providing NPO support, how these also influence decision making and the normative implications for stakeholders.

The most obvious of these other influences is the budget process and value of corporate giving. It is self-obvious that the budget provided to the giving manager influences their decision making. As demonstrated from the interviews those with modest budgets viewed NPO’s relationships, and the outcomes possible from these, differently from those with the
largest budgets, the employee managed Foundations. Many organisations did not have a predetermined fixed budget although every giving manager had a good idea on the approximate amount of money that would be available to them in the following year. Reasons for this “flexibility” included in two cases because there was a relationship between the budget for giving and previous profits, but mostly because there were different types of support offered and it was impossible to accurately predict the amount required to be spent – for example if the company was gift-matching employee donations, or allowing (but not requiring) volunteering by employees.

One related positive finding for the NPO sector was that the giving managers mostly reported donations and other support provided for disaster relief by large organisations was not merely the redirecting of predetermined NPO support funds, but that it tended to be additive - that is additional to on-going support. This is explained perhaps by the organisations having made commitments and organised activities that would be severely disrupted by having their budget cut because of a national disaster, and the perceived negative impact this decision would have on stakeholders.

A second positive finding for NPO’s was most giving managers reported that the 2007-2008 global financial crises (GFC) did not result in reduced NPO support, which is perhaps some further evidence that CSR activities are strategic in intent. While this is a positive result for NPO’s, there have been many media reports of corporate support being reduced because of the GFC and much more research is needed to establish any relationship between the giving manager position, CSR and continued support by some corporations in times of difficulty.

Besides these positive aspects, one implication of the budget process for NPO’s and other stakeholders wishing to influence the decisions of a large corporation is the need to research the corporation’s particular timing for their financial reporting. Most giving managers reported there was a budgeting process and although for many this was heavily influenced by the amounts provided in previous years, many giving managers suggested that prior to preparing their budgets they considered potential new programs for the coming year. In opposition to this most giving managers reported not having a strict timetable for receiving support requests, with only the most structured, mature, organisations advising potential
applicants for support of their timetable. From this it can be seen that (1) when making requests to companies with mature CSR programs the timing of the support request be aligned with the decision processes of the corporation (2) many giving managers will consider new programs and not just continue to do what they have always done, and (3) new, and especially large, programs must be known by the corporation before the budget is determined as it is likely there will not be opportunity to significantly amend the budget afterwards. The consequence of items (2) and (3) is that although support requests involving large resource commitments by an organisation may be made at any time, the implementation of support will most likely commence in the new financial period of the company.

Once the timing of support is known, this research suggests the CEO or other significant Board member or very senior executive the company is still a reasonable point of first contact, but having this significant company position “on side” does not guarantee success. NPO’s or other stakeholders wishing to make requests for support using this “indirect” approach would be advised to prepare their proposition fully beforehand and not just go “cap in hand”. It is most likely that while it may be a conduit to the giving manager, the request will receive a well-considered response.

The decision process of support also influences giving decisions. The giving managers, and the several regional managers interviewed, generally described a multi-layered structure to corporate support of NPO’s, although in many cases this was not a formal organisation of the support processes. The implications of this tiered support are clear – support requests are more likely to be successful and involve less effort if they are properly directed.

At the lowest level of this tiered structure, the programs are almost exclusively local and focused on geographically local salient stakeholders, with the actual support decisions often made locally. The amount of resources provided to each support request was relatively small compared to the other levels but the number of requests, and the number of positive outcomes, was large. The suggestion here is that support requests are more likely to be successful if they are (1) made to the local office/store manager (2) smaller, and (3) framed around local stakeholders, that is, support for local NPO’s or utilising local company staff. The exception to this would be where large, mature organisations employed a totally structured program, but
even in this case an approach to the local manager would be useful in understanding the support process.

While Tier 3 support was often provided on an ad-hoc basis, what can be seen as Tier 2 support decisions were mostly a part of planned and structured programs. Not all companies had these programs, but all of the companies that were considered to be in the developing and mature (and Foundation) stages of CSR evolution did have Tier 2 support programs. Many of these programs were provided by the company using a third-party, or umbrella, contractor. NPO’s and other stakeholders seeking support generally would be required to make requests directly to the third-party provider. The exception here is where the support is proposed to be a part of a much larger, multi-tiered program. In these cases, obviously the giving manager is the point of initial contact. Similar to Tier 3 support, Tier 2 programs would be suitable for NPO’s closely tied to geographically relevant company stakeholders, and could, in addition, be a method of providing a larger NPO with a means of either attracting local volunteer or resource support and/or a means to make support requests more relevant to a large organisation with operations in many geographical areas.

In the highest level of corporate support, termed Tier One, the company was predominately the initiator. Not every company reported having Tier 1 relationships. Regardless of the initiation process, Tier 1 relationships were only entered into if they could be seen to be reflective of the values of the company. There were the largest form of support by the companies that had them, and the most widely promoted of all the support activities. Where there was a Tier 1 relationship, there were always Tier 2 and Tier 3 relationships. In some cases the NPO with the Tier 1 relationship was also the recipient of Tier 2 and Tier 3 giving. In these cases this was generally pre-planned and this suggests strategic integration of CSR policy, providing cohesiveness and consistency of message to their stakeholders. Even when there were different NPO’s receiving Tier 2 and Tier 3 support, the different programs were influenced by the corporate giving manager, but managed at different levels in the organisation. In these cases, the giving managers described the benefits of having different NPO partners, such as providing some flexibility for regional and local managers to respond to local salient stakeholders and issues.
To be successful, an NPO seeking a Tier 1 relationship would need to appeal to multiple corporate stakeholder groups, and carry positive associations that would be aligned to the company’s CSR program. For NPO’s seeking large, geographically diverse forms of support, Tier 1 relationships would be a significant advantage. Alternatively, NPO’s seeking large amounts of support would be more likely to be successful if they could provide activities that involved local stakeholders even if the NPO activities were predominately centralised. Regardless, a coherent and coordinated support request would need to be developed in conjunction with the giving manager as Tier 1 relationships need the support of the giving manager to be successful and were always formally approved by the Board of the company.

The above section describes the development of the model of influences of corporate support, beginning with the primary influences, describing other contributing influences to decision making and concluding with how the different levels of implementation also affect corporate support decisions. These elements are all interrelated, and iterative. The giving manager is influenced by corporate social responsibility policy, sometimes being an actor in policy development and always providing continuous feedback for the continual improvement of the policy. The giving manager is always reporting to senior company management on their activities and the outcomes of the corporate support, often also reporting on these elements to other stakeholders. As well as these interactions, the decisions of the giving manager are influenced by other “micro” influences that impact on their stakeholders and the company as a whole. Together these combine to produce a comprehensive model of the influences on the decisions made by the giving manager in large organisations.

While this research has focused on the previously undiscovered influences on the giving manager in large organisations in Australia, through some of the questions asked of the giving managers, the research has also connected with many of the fields that have been touched on in the research of others, both in Australia and internationally. These are predominately concerned with what large organisations provide in the way of corporate support, for and through CSR programs. Some common themes in international research suggest cash, giving in kind (products etc.); staff volunteering and managerial costs in implementing CSR are important indicators of the importance and use of CSR. These were all found in this research
but methodological challenges exist when evaluating comparability of data across countries. Attempts to analyse cross-industry and cross-country patterns in CSR are rare because of these methodological challenges, and while some of the recurrent international themes have appeared in this thesis, much additional research is needed even in countries where similar laws and/or cultures exist. The next section will describe how, in developing the model of influences, the research aims of this thesis were met.

8.3 Achievement of research aims

The aim of this research is to address the overarching questions of: “What are the influences on the decisions made by the corporate giving manager in their management role of developing and implementing nonprofit support decisions, and how do these affect the decisions of this manager?”

To address these questions involved answering four related sub-questions of (a) What is the role of corporate giving within CSR? (b) Is stakeholder influence significant? (c) How does the giving manager select any particular NPO to support? (d) How is corporate giving implemented and what is the giving managers’ role in this?

These questions combine to provide some answers to the question of “why” proposed by Saiaia et al. (2003). They also add much needed depth to the knowledge of “how” large organisations support NPO’s in Australia. The questions explore the links between CSR policy, managerial interpretation of corporate policy, stakeholder influence and the implementation of NPO support to fulfil the expectations of the corporation and the stakeholders.

In addressing the research aim much new information was discovered. The role of the modern giving manager in developing CSR policy is very dependent upon the development and maturity of CSR within their organisation. More than 100 years after the development of the modern corporation, many large companies are still in the process of dipping their corporate toe in the ocean of CSR. Some other companies have developed very mature CSR programs and a few companies have an enhanced CSR process managed by a company funded, employee managed Foundation. CSR policy can therefore be seen to be on a
continuum, with companies new to CSR on one end, where the giving manager is very much involved in policy development, and those companies with very mature programs on the other end of the continuum, where the giving manager is mostly interpreting, implementing and improving existing policy.

What also has been recognised for the first time is the significance of the role of the corporate giving manager and their interpretation of their salient stakeholders. One of the first assessments the giving manager makes in implementing CSR is that of understanding the salient stakeholder group(s). It has also been found that NPO support activities are guided predominately by this determination and that large corporations respond in similar ways when their salient stakeholders are similar.

Addressing the research aim of understanding how NPO support decisions are influenced involves understanding both the influences on the giving manager and the process of NPO support in large organisations. The decisions of the giving manager have been found to be influenced by their perception of the corporation’s motivations to give and the giving manager’s view of the fit, or congruence, of a particular NPO with those corporate motivations. Several minor influences, termed “micro-influences”, although secondary, are important determinants of which NPO receives support. The most common reason provided by all giving managers for their organisation to support NPO’s was corporate reputation, but when analysed after taking into consideration the stakeholder focus of the organisation it was found that those giving managers with an internal or staff focus were less likely to consider this reason as their major one.

Understanding how NPO support decisions are influenced also assists in understanding how large corporations address multiple and sometimes conflicting stakeholder groups, particularly through the use of a tiered structure of NPO support. Most large organisations in Australia that were the subject of an interview have a national, or near national, geographic presence and they prefer if they have overarching or main support relationships with national NPO’s.
Other relationships can develop that are geographically relevant to the corporation’s local or regional presence and these can involve local causes, issues or NPO’s. Some of these are managed by regional or SBU managers. When volunteering was required, obviously it was preferred if the NPO provided some opportunities close to where staff worked or lived. Most companies required some proportion of their NPO support activity to involve staff, and most commonly this was through volunteering, although the emphasis for this differed depending upon the focus of the CSR.

The research aims have been met through firstly explaining the influences on the corporate giving manager and then explaining how these influence NPO support decisions. The research purpose is met through explaining the contributions of the research in the next section.

8.4 Contributions of this research
The various threads and the results of the analysis are now drawn together to present the contributions of this research to knowledge, academics and practitioners. The contributions of this research can be grouped into three separate but related domains, (1) academics with an interest in the nonprofit industry and CSR, (2) nonprofit marketers and general managers and (3) for-profit organisation managers – especially the corporate giving managers themselves, as well as those others with an interest in CSR, human relations and public/corporate affairs.

8.4.1 Academic contribution
Additional knowledge of the influences, motivations, methods and processes of corporate giving improves our understanding in for-profit and non-profit marketing and management. In 2003, Saiia et al. provided the results of some seminal research that demonstrated “how” corporate giving was becoming more strategic. They also highlighted that “the “why” questions … will have to be left for future studies” (p. 187).

As noted above, some of the “why” questions have been addressed in this research. It can be seen from the results of this research that the reasons why giving managers, and therefore their corporations, choose a particular NPO revolve around the salient stakeholders of their company. These salient stakeholders are the determinants for the focus of the NPO support
and stakeholder-agency theory was demonstrated as being directly applicable in assisting an understanding of the corporate manager and the most suitable framework to use to investigate the corporate giving manager. If the company considers their employees as salient, then NPO’s that can provide opportunities for volunteering or are more relevant to their employees will be preferred. If the focus is predominately on externalities, then NPO’s with a broader appeal that are relevant to the salient stakeholder groups, and the company, will be supported. Some companies perceive a balance or sharing of power between internal and external stakeholders, and these companies support NPO’s that are able to address both groups. The giving manager was shown as being a nexus of the web of support activities and acting as an agent for their company, NPO’s, and other stakeholders.

A related important contribution of these findings is the recognition of the amount of influence on CSR policy from the giving manager. This is different depending on the stage of CSR evolution within the company, and this is believed to be the first time these differing role requirements of the giving manager have been recognised in academic literature. Companies with emergent CSR use their giving managers to develop policy around provided strategy. Companies with mature CSR programs mostly involve their giving managers in implementing and reporting CSR activities, which include NPO support. Along with implementing, improving and reporting, a small number of companies with very mature CSR programs also involve their giving managers in CSR strategy and policy development.

This research also provides a piece of the unfinished jigsaw puzzle presented by Brammer and Millington (2004b) when they suggested “the organizational structures within which they (charitable contributions) are managed remain largely unexplored”. The results of this research provides direct evidence of the organisational structures in those companies that employ a professional manager to direct their NPO support. In addition, the research highlighted that large organisations in Australia commonly used a tiered structure of support, where the support is provided predominately by the giving manager, but also in part by SBU and regional managers. This support is directed at stakeholders salient to that relevant managers role, hence the giving manager is more likely to be involved in supporting NPO’s that fulfil a strategic role for the organisation and the regional and SBU managers are more
likely to support NPO’s that have more geographical or other local relevance to their individual business.

In addition, Maignan et al. (2005) suggested further research be conducted into their managerial framework for implementing CSR including approaches to implementation. Smith (2006) in her thesis research titled “The Management of Australian Corporate Philanthropy” suggested that from her research “The most significant recommendations relate to the need for … benchmarking of corporate giving towards best practice, and greater understanding of the gift process by both companies and NPOs” (p. 382). Sub-element five (the process of NPO support) of the developed model directly addresses these requests with an improved reconceptualization of the Maignan et al. (2005) framework, based on the empirical findings from this research. This reconceptualization can be seen to be useful for both NPO managers and managers in corporations, as will be discussed in the following sections.

8.4.2 Managerial implications for NPOs

The need to understand corporate giving behaviour in a way that supports the development of strategically targeted and successful marketing campaigns is of growing importance to marketing managers in many NPOs around the globe. Nonprofit managers need to develop a deeper understanding of the for-profit corporation as they can be vital for fundraising in both the long term and the short term.

Large modern organisations are rational entities with multiple stakeholders and reporting requirements, and decisions are mostly made by following established procedures. The typical tiered structure to modern corporate giving found in this research suggests that requesting support from the CEO or other executive level manager, while perhaps improving the chances of a support request being considered, does not guarantee the funding success as perhaps it once may have. Relatedly, as CSR programs within the organisation develop and became more sophisticated, there is a higher level of formalisation required of support requests. A common theme from the interviews was the importance of NPO’s demonstrating an in-depth understanding of the corporate organisation as a potential donor. It may be self-evident that NPO’s should tailor their support requests for each individual organisation but
many giving managers lamented that there was little understanding or differentiation apparent in many applications.

For long term funding (for example three years), as noted in Chapter 6, assistance can be available from major corporate support programs. These provide the most corporate support, and the predominate view of the giving managers was that companies are increasingly specifically selecting NPO’s to work with. This research suggests that the NPO must be known by the giving manager, and this has significant implications for NPO communications.

Dann et al. (2007) suggest that NPO’s need to establish collaborative relationships with their donors and better understand the “practicalities of a marketing exchange” (p. 296). An important part of a collaborative income process is an alignment between the values espoused by the corporation and the values of the NPO, and in most cases some geographic alignment is also required. If this alignment is demonstrated, it can be seen from the interviews that large organisations may be open to approaches from NPO’s for long term funding, hence potentially overcoming the problem of not initially being considered. It most cases it would appear that multiple levels of fit or congruence are required as the major support relationships entered into by large organisations commonly need to achieve multiple objectives and are aimed at multiple stakeholder groups, albeit with different levels of emphasis. This suggests that NPO’s must conduct their initial research carefully and perhaps differently to that currently done, covering the elements highlighted in Chapters 5, 6 and 7, to ensure their support requests are properly targeted and presented for the best effect.

For shorter term funding from large organisations, the most likely avenue available is the second and third tier support programs used by many large organisations. This suggests that in order to increase the chances of success of their applications, managers of nonprofit organisations need not only to tailor their requests for individual organisations but also to meet the specific requirements and outcomes needed by the individual organisation at each of these Tiers. The tiered structure also suggests that the giving manager may not always be the best contact within the organisation, and that NPO requests for support to large organisations should be, at least partly, determined by the outcomes required by the corporation. Again,
this suggests the initial research required of NPO’s needs to be specific for each occasion, and most likely conducted as least in part, differently to what is currently undertaken.

In general, NPOs who seek support from corporations need to appreciate the giving manager’s perspective when selecting NPO support relationships to meet the expectations of stakeholders. Importantly, NPOs need to understand target organisations sufficiently well in order to “sell” the benefits of a support relationship to the giving manager. This “sell” needs to be in terms of how their NPO would help meet corporate stakeholder concerns and in particular, how the NPO relationship would fit with an increasingly strategically oriented CSR policy of the organisation.

8.4.3 Contributions for managers in large organisations
A contribution of this thesis to giving managers is to help them understand what other organisations are doing, and what can be considered good practice in the eyes of their peers. It was perhaps surprising that few of the giving managers interviewed knew many of their peers. In addition, as there are no formal qualifications specifically available for corporate giving managers, and each managerial position of “giving manager” had different requirements and different role outcomes, this research may also provide some theoretical foundations for an understanding of their role, for them and others in the CSR field.

For all managers in business, but especially those in organisations where CSR is very unstructured or just beginning, there is also value in having some theory to justify both CSR program establishment and policy. This would include the understanding and consideration of the use of NPO support in CSR strategy, and embracing the use of the tiered support structure as strategy, rather than having NPO support being largely ad-hoc throughout the company.

The development of the step by step model of CSR implementation may also provide some guidance for those managers involved in, or looking to be involved in CSR activities. This provides an understanding and perhaps an outline for the implementation or improvement of CSR within the organisation.
In the following sections the limitations of the research project and potential future extensions of the various threads of research are examined.

8.5 Limitations

The main limitations of this research project are framed by the research conditions. It has been conducted by an individual researcher, with potential biases, with mostly single respondents from some large organisations operating in Australia in the later part of the first decade of the 21st century. As with any research on model development and conceptualisation, it requires greater validation from the field and refinement based on the discovery of further evidence.

The fact that only large organisations were included in the research was a deliberate choice as this sector is significant in the field of corporate giving but it is also one that is much under researched. Although large organisations by virtue of their size provide more NPO support than the number of companies would suggest, they are not representative of the total population of companies. Including only large organisations of course means it is impossible to extrapolate the results of this research to the medium and small enterprises in Australia. In addition, not all large organisations have CSR programs and not all CSR programs may support nonprofit organisations, and these firms may not employ managers to specifically manage their NPO support programs. This therefore means it is not possible to generalise these results for all large organisations operating in Australia.

However, it is believed the frameworks and models developed from this research would be very relevant to most large organisation in Australia and very useful to medium sized organisations as well as large. Small organisations may lack the resources to implement many of the practices suggested from this research but the understanding and the findings would also be relevant to managers in these organisations.

An individual researcher with limited resources cannot hope to approach all the large organisations operating in Australia, so some sampling must be conducted. It is believed, as detailed in Chapter 4, that the relevance of the respondents has been demonstrated and that theoretical saturation of results has been achieved in order to overcome this limitation.
Interviews were conducted in four of the largest cities in Australia. Additional interviews with giving managers in other cities in Australia would assist in overcoming the geographic limitations of the research.

Another issue involves the methods of conducting the interviews and the possibility of personal influence on the results of the interviews. The interviews were conducted in a semi-structured style with interview protocols developed to guide the interview and maintain some continuity of interview themes, but the conversations were very much predominately the giving manager talking frankly about their company and their role. The interviews were taped as allowed by the respondents (or taped by the interviewer immediately after the interview from memory and notes taken) and transcribed by a professional. This allows for the original data to be read and re-read many times, and for the respondents to “speak for themselves” through the use of many direct quotations from the transcripts.

In most cases, the interviews were conducted with single respondents from the firm. This means that the data is one sided, but the selection of the respondent was of the single manager most responsible for the actual support decisions. This overcomes the limitations of many other surveys and research that obtained results from managers at a distance from, and without the full knowledge of the background of, the actual support decisions. Additional interviews with other managers and general staff in the same corporations would provide alternate points of view to that of the giving managers, and interviews with the NPO’s those companies support would also provide the NPO perspective on the giving managers comments.

One other limitation is that no multivariate analysis was carried out. For a number of the research findings, this analysis may have helped establish some clear relationships between variables reported by the giving managers and other salient factors that could have been investigated in more depth, such as firm size and corporate resource availability.
8.6 Further research

As this research topic is relatively new, and the focus of this research is necessarily narrow in order to produce an articulate thesis, there are many potential research topics that could be developed.

While this project was able to identify that giving managers were aware of and proficient at identifying stakeholder groups they consider salient, it did not examine in detail the processes and measures used by the giving managers in deciding upon and weighing the influence of the stakeholders in corporate giving. Associated with that research area is how and to what extent do these stakeholder groups apply pressure or exert influence on the giving manager during the policy making and decision-making processes?

Managers in both nonprofit organisations and for-profit organisations currently instinctively evaluate the fit and congruence between organisations and nonprofits. While much research has been conducted on potential NPO / organisation fit, further research is needed to develop an improved understanding, and potentially an evaluation process, of the areas of potential and actual overlap between an organisation and potential NPO partners, and conversely between an NPO and potential corporate partners.

Several giving managers interviewed expressed dissatisfaction with common benchmarking methods used for corporate NPO support, and as noted in the findings, many did not use benchmarking. In addition, it was found that a considerable amount of the reporting of corporate support is mostly likely understating the actual support provided. There is a clear need for further research on the actual form and amount of support provided, and possible data gathering methods and benchmarks that would be of value to the giving manager.

The results of this research specifically reported the views of the giving managers. These views showed some disparity with the results provided in other research by CEO’s, finance managers and other similar executive managers. These disparities are worthy of further investigation to provide more rich data as to the true corporate motives for NPO support, and to develop an understanding of functional managerial interpretation of CSR and the influence of that interpretation on corporate decision making.
The giving managers interviewed reported that generally their corporate support was unchanged as a result of the global financial crisis that began in 2007 and still threatens into 2012. Further research is needed to understand if corporations with a specific giving manager role are more or less likely to support NPO’s. Another related research opportunity suggested by this research is determining if corporations with giving managers focused their corporate giving more than those without giving managers; that is if they move from a scattergun approach and support fewer NPO’s.

Very few of the giving managers believed they were reporting all of their NPO support, and even the most sophisticated corporations were struggling to understand the effectiveness of their NPO support. There are research opportunities available in initially understanding what ‘effectiveness” means for different stakeholder groups and also in developing metrics for the effectiveness of NPO support programmes.

In addition, as demonstrated in the findings, although there are numerous guidelines published by organisations (c.f. PA, 2011) the reporting by large organisations in Australia of NPO support is very underdeveloped. In support of the call by Powell (2011), research is needed to investigate the types of communication approaches that are effective in reaching the different stakeholders deemed as salient to the corporation.

8.7 Postscript
This thesis has achieved its objectives from academic, practitioner and personal perspectives. It has developed an understanding of the influences on the corporate giving manager and answered some of the “why” questions of corporate giving. With a background as a manager in marketing in a “large corporate”, I was familiar with elite interviewing, but research projects such as this obviously involve much more. The process of this research project has informed me on both the theoretical and practical aspects of qualitative research. In reporting this research process and the findings, my supervisors have both tried to educate me on the many aspects of academic writing. I look forward to making much more use of these skills.
In addition to providing a contribution to the research literature, this project has also already been of demonstrable use to the practitioner giving managers. Many of the managers interviewed asked for copies of my previous publications, and for copies of ensuing publications, as there is very little in the way of published research into corporate giving in Australia. NPO Board members have also asked me for information about this research topic and related research by others; particularly those Board members of NPO’s that have been affected by a drop off in corporate donations since the 2007 global financial crisis.

In concluding, this project has taught me much about the process of corporate support for NPO’s, and in particular the specific corporate role that carries many different titles, that of the corporate giving manager. It is a role every single interviewee demonstrably loved and for many it was their idea corporate position. Corporate support of NPO’s is, I believe, significant and important to all participants, especially the companies themselves, their NPO participants and society in general. I hope I have done the giving managers justice in highlighting their vital and influential role in this increasingly essential corporate activity.
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APPENDIX 1:
INTERVIEW PROTOCOL 1

Working title - FACTORS INFLUENCING DECISIONS MADE BY THE CORPORATE GIVING MANAGER IN LARGE ORGANISATIONS IN AUSTRALIA

Organizational factors and processes adopted in Funding NPOs

Interview Protocol

Data collection and outcomes required from interviews

Data will be collected through semi-structured interviews with, wherever possible, those managers who are responsible for the philanthropic activities of each corporation investigated.

It is expected that between twenty and thirty Australian corporations will be explored in an effort to identify common and contrasting factors influencing the philanthropic behaviour of these organisations and the process by which they each select ‘favoured’ NPOs.

Company and individual participant selection

This study is specifically focussed on large” organisations operating in Australia. A large organisation is commonly defined as one having greater than 200 employees.

Companies will be selected initially from the list of the largest two hundred organisations listed on the Australian Stock exchange (commonly called ASX 200 Index) as at 1st January 2009 as high market capitalisation is a reasonable indicator of a large number of employees. Other companies may also be selected, for example major multinational companies not listed on the Australian Stock Exchange. and on the basis of each corporation’s existing philanthropic profile as well as industry sector, location of corporate headquarters and other factors identified as significant from the extant literature.

For most of these firms the role of “corporate giving manager” is rarely of that title but is placed within and alongside other corporate responsibilities of one manager which are covered by a range of different job titles, such as Public Relations, Corporate Affairs or Community Relations Manager. Individual names and titles are often available from company documentation such as Annual or Social Responsibility reports, or the web site of the company. Position titles and names may also be obtained by telephone by the Primary Investigator. In some companies it is expected several persons will be interviewed either separately or together, as their job roles may overlap, managers may be relatively new to their
role or the manager with the primary responsibility may wish their subordinates to be involved as a part of their ongoing training.

All selected persons will be invited to participate in writing, and must confirm consent at the commencement of the interview. This consent will most commonly be obtained verbally and recorded with permission. In the unlikely circumstance of a failure of the recording devices, a written record will be obtained. Each participant will be advised that the names of any of the participants in this study, or their organisations, will not be published, their participation is voluntary and that they are free to refuse to participate and withdraw from the research at any time.

**Interview Methodology**

Interviews will be taped (with permission) and subsequently transcribed. They are each expected to be of 30-45 minutes duration with the occasional interview extending to 60 minutes. Where permission for audio taping is not given, the researcher will take notes of the meeting.

The interviews will be based on a set of standardised open-ended neutral questions which will be used to guide the conversation so that the same general areas of information are collected.

Interview transcripts will be coded (open, selective and axial) to identify relevant themes, categories, factors and decision processes to ensure academic rigour.
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Protocol

EACH INTERVIEW IS TO BE ADVISED OF THE FOLLOWING:

As advised in our introductory letter, I wish to tape the interview to ensure I accurately record your views. Is this OK?

IF THEY DO NOT AGREE –

SAY: OK How about I just takes notes instead?

IF THEY DO NOT AGREE – INTERVIEW ENDS (POLITELY)

WHEN THEY AGREE

SAY: I will now switch on the tape recorder, and I will ask permission again to confirm your agreement.

SWITCH ON RECORDER

SAY: Your involvement in this study will take the form of consenting to a taped interview of approximately 30 - 60 minutes duration. These taped interviews will be transcribed verbatim, and the tapes will be stored in a secure location at the UoW for the duration of the study and as required by University policy, for at least 5 years from the date of this interview.

ASK – Do I have your permission to continue with this interview?

SAY – This interview has four parts

(1) I will ask some questions about your company’s philanthropic activities and your role in these activities

(2) some questions about your company’s philosophy behind its community involvement/sponsorship, and how you select which Non Profit Organisations to support

(3) some questions about the implementation of the company’s community involvement/sponsorship and some general questions about nonprofits

(4) Some general questions

Firstly – some basic information about your company and its corporate structure
Question set 1

The company’s philanthropic activities and the interviewee’s role in these activities

(Q1) Thinking about your company “giving” program to nonprofit organisations (not sponsorships) – In what form does the company support NPO’s??

If necessary – prompt with … for example does it provide mainly cash or in-kind support, or as per examples below

Examples to prompt for:
• Philanthropy (donation where no material benefit is expected in return – tax deductible)
• Sponsorship (cash donation where there is an expected material benefit, not tax deductible and GST applies) (i.e. cash) where some recognition is expected (media articles, signs, posters, public announcements etc.)
• Gifts in goods (i.e. NOT cash) where some recognition is expected (media articles, signs, posters, public announcements etc.)
• Pro-bono Work
• Employee Volunteering
• Gift Matching (of employee or other organisations money) Programs
• Public Education Programs
• Mentoring and Secondment
• Partnering with Nonprofit/Community Organisations
• Cause Related Marketing

Does the company have a Foundation to support nonprofits?
   If YES – does the company support nonprofits in addition to, and separate from, the Foundation?
   If the Foundation is the only vehicle for NPO support, INTERVIEW ENDED

If NO - continue

(Q2) Was this support specifically mentioned in the company annual report?

(Q3) Does the company have a formal CCI/CSR/giving policy? (If yes, what do these policies cover? ASK FOR A COPY)

(Q4) Which department is mostly responsible for developing these programs (not implementing) in the organisation

Possible additional question depending on circumstances and responses to the above questions:
   - Are there separate business units which are responsible for their own programs, or is everything centrally co-ordinated?

(Q5) Is there a particular sector/s within community organisations which your firm prefers to support?
   - e.g. children, disability, education (eg schools), support organisations (eg Vision Australia), green - conservation (eg WWF), arts organisations (eg Australian ballet), government (eg political party donations).
If so, why? Does it fit within your core business/values? If yes, how? (If there is a policy, what does it cover? ASK FOR A COPY)

(Q6) Thinking about your company’s “giving” program to nonprofit organisations (not sponsorships)
- How does your work support these activities?
- Does your Job Description accurately reflect the amount of work you do in this area?
- Is there anybody else in the organisation directly assisting you? If yes, how many? Their role(s)
- Is there anybody else in the organisation that organises or authorises support for nonprofits? Role / title?

Question set 2
The company’s philosophy behind its community involvement/sponsorship, and how you select which Non Profit Organisations to support

(Q7) Why do you think the company supports nonprofit organisations in general (not sponsorships)? NB Not looking for responses on why support for ONE nonprofit specifically.
Examples - DO NOT initially prompt (only prompt if no reasons are given):
- Should give because of the immediate benefits that will result to the firm
- There may not be immediate impact on the firm but in the long term the firm will benefit financially.
- Improve the company image
- Improve employee morale
- CEO influence (direct or indirect?)
- Creates a healthy community which benefits the firm in the long run
- Have a moral obligation to share wealth and help those less fortunate
- Firms exec’s are closely tied to nonprofit leaders or organisations
(Test for short or long term impact on the firm and/or community)

Further exploratory question – when supporting a NPO does the company always expect some for of return?

(Q8) Who in the company decides the “rules/guidelines” on what outcome must / can be obtained for the company from the support of nonprofits?
- CEO
- Board
- Management team
- Special selection panel (staff AND management, or one or the other?)
- Individual (Role / title?)

(Q9) When is this decision taken? e.g.
Before deciding to support any particular nonprofit at all? (If there is a company policy – ask for a copy)
- On a case by case basis?

(Q10) Is there a corporate policy on measuring the outcomes from supporting nonprofits? (If yes – ask for a copy)

Probe: How do you measure the outcomes? Formally or anecdotally?

(Q11) Who makes the decision on HOW MUCH is given: in total?

Examples - DO NOT initially prompt (only prompt if no reasons are given):
- CEO
- Board
- Management team
- Special selection panel (staff AND management, or one or the other?)
- Individual (Role / title?)

Additional questions if not answered:
How do they make the decision? Does the amount change from year to year?

(Q12) Does your organisation support/encourage employee volunteering (e.g. employees volunteering to work with nonprofits)?

If yes:
- Why do you think the organisations supports employee volunteering?
- Does the firm influence their choice of nonprofit to volunteer for?
- If so – what criteria does the firm use to determine which nonprofit to support?
- How important is employee volunteering to your program of overall support of Nonprofits?

(Q13) Tell me about how your company goes about the process of selecting a NPO to support

Prompts – how do you decide?
1. which nonprofit(s) to support,
2. how many nonprofits you are going to support,
3. how much is going to be given to all nonprofits in general,
4. or some other relevant decision?

Supplementary question: Which does the company decide first?

(Q 14) In general – how would you describe the way your company selects which NPO to support?

- Probe: If strategic is mentioned – can you explain further what you mean by that?
- Probe: If strategic is mentioned – can you describe what you are looking for? Perhaps through an example?
(Q15) When supporting an NPO, does your company look for (prefer to have) a long term relationship with the NPO?

- If yes – can you describe the type of relationship the company is looking for?

(Q16) Has the corporate view of donations / NPO’s / CSR changed over the past 5 years?
If so, how?

Prompts to include:
- has it shifted to more in-kind donation?
- has the amount or type of donation changed?
- has the type of organisation supported changed?
- Is there now more emphasis on the choice of NPO the company should support?

Question set 3
Implementing the company’s community involvement/sponsorship

(Q17) Who makes the decision on WHAT nonprofit(s) to support?

Examples - DO NOT initially prompt (only prompt if no reasons are given):
- CEO
- Board
- Management team
- Special selection panel (staff AND management, or one or the other?)
- Individual (Role / title?)

(Q18) Who makes the decision on how you will support a particular nonprofit? (i.e. what form the support will take)

Examples - DO NOT initially prompt (only prompt if no reasons are given):
- CEO
- Board
- Management team
- Special selection panel (staff AND management, or one or the other?)
- Individual (Role / title?)
- Request from nonprofit

(Q19) How much did your company “give” (cash or in kind – excluding sponsorships) last year?
Was this specifically mentioned in the company annual report?

(Q20) How is the amount to be given to an individual nonprofit determined? (i.e. criteria for how much)

Examples - DO NOT initially prompt (only prompt if no reasons are given):
- Company policy
- CEO
- Board
- Management team
- Special selection panel (staff AND management, or one or the other?)
- Individual (Role / title?)
- Request from nonprofit

(Q21) Who makes the decision on **when** you will assist each individual nonprofit?

Examples - DO NOT initially prompt (only prompt if no reasons are given):
- CEO
- Board
- Management team
- Special selection panel (staff AND management, or one or the other?)
- Individual (Role / title?)
- Request from nonprofit

(Q22) Who makes the decision on how the support is specifically structured for each individual nonprofit supported? (i.e. what mix of cash/kind, what outcome is expected e.g. publicity)

Examples - DO NOT initially prompt (only prompt if no reasons are given):
- CEO
- Board
- Management team
- Special selection panel (staff AND management, or one or the other?)
- Individual (Role / title?)
- Request from nonprofit

(Q23) if applicable i.e. YES answered to Q12

**How does your organisation support employee volunteering (e.g. employees volunteering to work with nonprofits)?**

(what form does this support take?) E.g.
- Staff allowed time off with pay to volunteer
- Staff allowed time off without pay
- Company provides cash or kind to nonprofits the employees volunteer with

**Why does the organisation prefer this method?**

(Q24) Does the organisation measure the amount of staff time given? How else does the organisation measure what the staff give to nonprofits?

(Q25) Who in the company is responsible for ensuring the support program is proceeding as the company expects?

Examples - DO NOT initially prompt (only prompt if no reasons are given):
- CEO
- Board
- Management team
- Special selection panel (staff AND management, or one or the other?)
- Individual (Role / title?)

(Q26) Do you measure the results of your support?
   If YES – what criteria are used?
   - who is responsible for measuring it?
   - how often is it measured?

Some general questions
(Q27) Do your stakeholders expect your company to support nonprofits?
   - Shareholders
   - Employees
   - Unions
   - Customers
   - General community
   - Government

(Q28) What role does the recipient play in your company’s decisions: e.g.
   - Who is supported?
   - What form the support takes?
   - When the support is given?
   - How, when, where the support is measured?

(Q29) How does the company tell their stakeholders (shareholders, employees, customers, unions etc) about their corporate giving?

Examples - DO NOT initially prompt (prompt if no reasons are given and after some reasons are given - to try to get an exhaustive list):
   - Annual report
   - Employee newsletter
   - Customer newsletter
   - Press release
   - Notice on Web site

(Q30) How important do you think is stakeholder positive perception of the company’s giving program? (On a scale of 1-7 where 1=not important and not considered and 7=vitally important to the company's giving program)
   - Shareholders
   - Employees
   - Unions
   - Customers
   - General community

(Q31) Are there any stakeholders that you specifically:
Think have more influence than others in who or what to support, or on how much to give
Ask for input into decision making
Provide reports to (either written or verbal)
(Q32) How much personal influence do the following individual people have on company giving?
- CEO / Managing Director
- Chairman of the Board
- Other managerial positions

(Q33) How do most NPO’s approach your company for support?
Examples - DO NOT initially prompt (prompt if no reasons are given and after some reasons are given - to try to get an exhaustive list):
- Phone, letter (personalised or not?), through company staff, direct approach to CEO, personalised email, non personalised email, Industry organisations

(Q34) What would be the most effective direction/approach for a nonprofit to take with your corporation?

(Q35) How much does the public image or profile of the NPO influence the decisions taken?

(Q36) Have you ever withdrawn support from an NPO because of changes or problems with their public image or profile?
Summary of research questions
# Summary of Question

**What giving?**
1. How does the company provide giving? (What form does it take)
2. Is it mentioned specifically in the annual report?
3. Is there a formal policy?
4. Which department mostly develops giving strategy?
5. Is there one, or more, general type of NPO you support?
6. What is your individual role and responsibility?

**Philosophy of giving and selection process**
7. Why does the organisation support NPO’s at all?
8. Who makes guidelines for outcomes of giving?
9. When is this decision taken?
10. Is there a policy for measuring outcomes?
11. Who makes the decision on how much in total the company gives?
12. Does the organisation support employee volunteering?
13. What is the process for selecting a NPO? (Which is decided first?)
14. How would you describe your selection process?
15. Does the company look to have a long term relationship with a NPO?
16. Has the corporate view of supporting NPO’s changed over the past 5 years?

**Implementing the giving**
17. Who makes the decision on what NPO to support?
18. Who makes the decision on how (what form) the support takes?
19. How much is given – is it reported in annual report?
20. How is the amount determined for each NPO?
21. When makes the decision on when the support is given?
22. Who makes the decision on what outcome is expected from the giving?
23. How do you support employee volunteering?
24. Does the organisation measure employee volunteering?
25. Who ensures the giving is proceeding OK
26. Do you measure the results of giving? How?

**General**
27. Do stakeholders expect the organisation to support NPO’s
28. What role does the recipient play in the giving decision process?
29. How does the company communicate its giving?
30. How important is stakeholder perception of your corporate giving?
31. How much input do stakeholders have in the decisions to provide support?
32. What influence does CEO / Chairman have in giving?
33. How do NPO’s approach your organisation?
34. What would be the best approach for a NPO to take with your organisation?
APPENDIX 2:

INTERVIEW PROTOCOL 2

Working title - FACTORS INFLUENCING DECISIONS MADE BY THE CORPORATE GIVING MANAGER IN LARGE ORGANISATIONS IN AUSTRALIA

Organizational factors and processes adopted in Funding NPOs

INTERVIEW PROTOCOL

Data collection and outcomes required from interviews

Data will be collected through semi-structured interviews with, wherever possible, those managers who are responsible for the philanthropic activities of each corporation investigated.

It is expected that between twenty and thirty Australian corporations will be explored in an effort to identify common and contrasting factors influencing the philanthropic behaviour of these organisations and the process by which they each select ‘favoured’ NPOs.

Company and individual participant selection

This study is specifically focussed on large” organisations operating in Australia. A large organisation is commonly defined as one having greater than 200 employees.

Companies will be selected initially from the list of the largest two hundred organisations listed on the Australian Stock exchange (commonly called ASX 200 Index) as at 1st January 2009 as high market capitalisation is a reasonable indicator of a large number of employees. Other companies may also be selected, for example major multinational companies not listed on the Australian Stock Exchange. and on the basis of each corporation’s existing philanthropic profile as well as industry sector, location of corporate headquarters and other factors identified as significant from the extant literature.

For most of these firms the role of “corporate giving manager” is rarely of that title but is placed within and alongside other corporate responsibilities of one manager which are covered by a range of different job titles, such as Public Relations, Corporate Affairs or Community Relations Manager. Individual names and titles are often available from company documentation such as Annual or Social Responsibility reports, or the web site of the company. Position titles and names may also be obtained by telephone by the Primary Investigator. In some companies it is expected several persons will be interviewed either separately or together, as their job roles may overlap, managers may be relatively new to their
role or the manager with the primary responsibility may wish their subordinates to be involved as a part of their ongoing training.

All selected persons will be invited to participate in writing, and must confirm consent at the commencement of the interview. This consent will most commonly be obtained verbally and recorded with permission. In the unlikely circumstance of a failure of the recording devices, a written record will be obtained. Each participant will be advised that the names of any of the participants in this study, or their organisations, will not be published, their participation is voluntary and that they are free to refuse to participate and withdraw from the research at any time.

**Interview Methodology**

Interviews will be taped (with permission) and subsequently transcribed. They are each expected to be of 30-45 minutes duration with the occasional interview extending to 60 minutes. Where permission for audio taping is not given, the researcher will take notes of the meeting.

The interviews will be based on a set of standardised open-ended neutral questions which will be used to guide the conversation so that the same general areas of information are collected. Interview transcripts will be coded (open, selective and axial) to identify relevant themes, categories, factors and decision processes to ensure academic rigour.
Background information on interviewees for Corporate Giving interviews

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Protocol

EACH INTERVIEW IS TO BE ADVISED OF THE FOLLOWING:

*As advised in our introductory letter, we wish to tape the interview to ensure we accurately record your views. Is this OK?*

IF THEY DO NOT AGREE –

SAY: OK How about I just takes notes instead?

IF THEY DO NOT AGREE – INTERVIEW ENDS (POLITELY)

WHEN THEY AGREE

SAY: I will now switch on the tape recorder, and I will ask permission again to confirm your agreement.

SWITCH ON RECORDER

SAY: Your involvement in this study will take the form of consenting to a taped interview of approximately 30 - 60 minutes duration. These taped interviews will be transcribed verbatim, and the tapes will be stored in a secure location at the UoW for the duration of the study and as required by University policy, for at least 5 years from the date of this interview.

ASK – Do I have your permission to continue with this interview?

SAY – This interview has four parts

(1) I will ask some questions about your company’s philanthropic activities and your role in these activities

(2) some questions about your company’s philosophy behind its community involvement/sponsorship, and how you select which Non Profit Organisations to support

(3) some questions about the implementation of the company’s community involvement/sponsorship and some general questions about nonprofits

(4) Some general questions

Firstly – some basic information about your company and its corporate structure
Question set

Question set 1

The company’s philanthropic activities and the interviewee’s role in these activities

(Q1) Thinking about your company “giving” program to nonprofit organisations (not sponsorships) – In what form does the company support NPO’s?*

If necessary – prompt with … for example does it provide mainly cash or in-kind support, or as per examples below

Examples to prompt for:
- Philanthropy (donation where no material benefit is expected in return – tax deductible)
- Sponsorship (cash donation where there is an expected material benefit, not tax deductible and GST applies) (i.e. cash) where some recognition is expected (media articles, signs, posters, public announcements etc.)
- Gifts in goods (i.e. NOT cash) where some recognition is expected (media articles, signs, posters, public announcements etc.)
- Pro-bono Work
- Employee Volunteering
- Gift Matching (of employee or other organisations money) Programs
- Public Education Programs
- Mentoring and Secondment
- Partnering with Nonprofit/Community Organisations
- Cause Related Marketing

Does the company have a Foundation to support nonprofits?

If YES – does the company support nonprofits in addition to, and separate from, the Foundation?

If the Foundation is the only vehicle for NPO support, INTERVIEW ENDED

If NO - continue

(Q2) Was this support specifically mentioned in the company annual report?
(Q3) Does the company have a formal CCI/CSR/giving policy? (If yes, what do these policies cover? ASK FOR A COPY)

(Q4) Which department is mostly responsible for developing these programs (not implementing) in the organisation
Possible additional question depending on circumstances and responses to the above questions:
- Are there separate business units which are responsible for their own programs, or is everything centrally co-ordinated?

(Q5) Is there a particular sector/s within community organisations which your firm prefers to support?
- e.g. children, disability, education (eg schools), support organisations (eg Vision Australia), green - conservation (eg WWF), arts organisations (eg Australian ballet), government (eg political party donations).
If so, why? Does it fit within your core business/values? If yes, how? (If there is a policy, what does it cover? ASK FOR A COPY)

(Q6) Thinking about your company’s “giving” program to nonprofit organisations (not sponsorships)
- How does your work support these activities?
- Does your Job Description accurately reflect the amount of work you do in this area?
- Is there anybody else in the organisation directly assisting you? If yes, how many? Their role(s)
- Is there anybody else in the organisation that organises or authorises support for nonprofits? Role / title?

Question set 2
The company’s philosophy behind its community involvement/sponsorship, and how you select which Non Profit Organisations to support

(Q7) Why do you think the company supports nonprofit organisations in general (not sponsorships)? NB Not looking for responses on why support for ONE nonprofit specifically.
Examples - DO NOT initially prompt (only prompt if no reasons are given):
- Should give because of the immediate benefits that will result to the firm
- There may not be immediate impact on the firm but in the long term the firm will benefit financially.
- Improve the company image
- Improve employee morale
- CEO influence (direct or indirect?)
- Creates a healthy community which benefits the firm in the long run
- Have a moral obligation to share wealth and help those less fortunate
- Firms exec’s are closely tied to nonprofit leaders or organisations

(Test for short or long term impact on the firm and/or community)

Further exploratory question – when supporting a NPO does the company always expect some form of return?

(Q8) Who in the company decides the “rules/guidelines” on what outcome must / can be obtained for the company from the support of nonprofits?
- CEO
- Board
- Management team
- Special selection panel (staff AND management, or one or the other?)
- Individual (Role / title?)

(Q9) When is this decision taken? e.g.
- Before deciding to support any particular nonprofit at all? (If there is a company policy – ask for a copy)
- On a case by case basis?

(Q10) Is there a corporate policy on measuring the outcomes from supporting nonprofits? (If yes – ask for a copy)
Probe: How do you measure the outcomes? Formally or anecdotally?

(Q11) Who makes the decision on HOW MUCH is given: in total?
Examples - DO NOT initially prompt (only prompt if no reasons are given):
- CEO
- Board
- Management team
- Special selection panel (staff AND management, or one or the other?)
- Individual (Role / title?)

Additional questions if not answered:
How do they make the decision? Does the amount change from year to year?

(Q12) Does your organisation support/encourage employee volunteering (e.g. employees volunteering to work with nonprofits)?

If yes:
- Why do you think the organisations supports employee volunteering?
- Does the firm influence their choice of nonprofit to volunteer for?
- If so – what criteria does the firm use to determine which nonprofit to support?
- How important is employee volunteering to your program of overall support of Nonprofits?

(Q13) Tell me about how your company goes about the process of selecting a NPO to support

Prompts – how do you decide?
(1) which nonprofit(s) to support,
a. stakeholder perception, impact of NPO brand, managing CSR activities/image/reputation of NPO, ability to collaborate?
(2) how many nonprofits you are going to support,
(3) how much is going to be given to all nonprofits in general.
(4) or some other relevant decision?

Supplementary question: Which does the company decide first?

(Q14) In general – How would you describe your selection process??
- Probe if mention strategic – are you looking for some form of “strategic fit” between your company and the NPO?
- Probe: If strategic is mentioned – can you describe what you are looking for? Perhaps through an example?

(Q15) When supporting an NPO, does your company look for (prefer to have) a long term relationship with the NPO?
- If yes – can you describe the type of relationship the company is looking for?

(Q16) Has the corporate view of donations / NPO’s / CSR changed over the past 5 years?
If so, how?

Prompts to include:
- has it shifted to more in-kind donation?
- has the amount or type of donation changed?
- has the type of organisation supported changed?
- Is there now more emphasis on the choice of NPO the company should support?

Question set 3

Implementing the company’s community involvement/sponsorship

(Q17) Who makes the decision on WHAT nonprofit(s) to support?

Examples - DO NOT initially prompt (only prompt if no reasons are given):
- CEO
- Board
- Management team
- Special selection panel (staff AND management, or one or the other?)
- Individual (Role / title?)

(Q18) Who makes the decision on how you will support a particular nonprofit? (i.e. what form the support will take)

Examples - DO NOT initially prompt (only prompt if no reasons are given):
- CEO
- Board
- Management team
- Special selection panel (staff AND management, or one or the other?)
- Individual (Role / title?)
- Request from nonprofit

(Q19) How much did your company “give” (cash or in kind – excluding sponsorships) last year?

Was this specifically mentioned in the company annual report?

(Q20) How is the amount to be given to an individual nonprofit determined? (i.e. criteria for how much)
Examples - DO NOT initially prompt (only prompt if no reasons are given):
- Company policy
- CEO
- Board
- Management team
- Special selection panel (staff AND management, or one or the other?)
- Individual (Role / title?)
- Request from nonprofit

(Q21) Who makes the decision on when you will assist each individual nonprofit?
Examples - DO NOT initially prompt (only prompt if no reasons are given):
- CEO
- Board
- Management team
- Special selection panel (staff AND management, or one or the other?)
- Individual (Role / title?)
- Request from nonprofit

(Q22) Who makes the decision on how the support is specifically structured for each individual nonprofit supported? (i.e. what mix of cash/kind, what outcome is expected e.g. publicity)
Examples - DO NOT initially prompt (only prompt if no reasons are given):
- CEO
- Board
- Management team
- Special selection panel (staff AND management, or one or the other?)
- Individual (Role / title?)
- Request from nonprofit

(Q23) if applicable i.e. YES answered to Q12
How does your organisation support employee volunteering (e.g. employees volunteering to work with nonprofits)?
(what form does this support take?) E.g.
- Staff allowed time off with pay to volunteer
- Staff allowed time off without pay
- Company provides cash or kind to nonprofits the employees volunteer with

Why does the organisation prefer this method?

(Q24) Does the organisation measure the amount of staff time given? How else does the organisation measure what the staff give to nonprofits?

(Q25) Who in the company is responsible for ensuring the support program is proceeding as the company expects?
Examples - DO NOT initially prompt (only prompt if no reasons are given):
- CEO
- Board
- Management team
- Special selection panel (staff AND management, or one or the other?)
- Individual (Role / title?)

(Q26) Do you measure the results of your support?
   If YES – what criteria are used?
   - who is responsible for measuring it?
   - How often is it measured?

Some general questions

(Q27) Do your stakeholders expect your company to support nonprofits?
- Shareholders
- Employees
- Unions
- Customers
- General community
- Government

(Q28) What role does the recipient play in your company’s decisions: e.g.
- Who is supported?
- What form the support takes?
- When the support is given?
- How, when, where the support is measured?
(Q29) How does the company tell their stakeholders (shareholders, employees, customers, unions etc) about their corporate giving?
Examples - DO NOT initially prompt (prompt if no reasons are given and after some reasons are given - to try to get an exhaustive list):
- Annual report
- Employee newsletter
- Customer newsletter
- Press release
- Notice on Web site

(Q30) How important do you think is stakeholder positive perception of the company’s giving program? (On a scale of 1-7 where 1=not important and not considered and 7=vitally important to the company’s giving program)
- Shareholders
- Employees
- Unions
- Customers
- General community

(Q31) Are there any stakeholders that you specifically:
Think have more influence than others in who or what to support, or on how much to give
Ask for input into decision making
Provide reports to (either written or verbal)

(Q32) How much personal influence do the following individual people have on company giving?
- CEO / Managing Director
- Chairman of the Board
- Other managerial positions

(Q33) How do most NPO’s approach your company for support?
Examples - DO NOT initially prompt (prompt if no reasons are given and after some reasons are given - to try to get an exhaustive list):
- Phone, letter (personalised or not?), through company staff, direct approach to CEO, personalised email, non personalised email, Industry organisations
(Q34) What would be the most effective direction/approach for a nonprofit to take with your corporation?

(Q35) How much does the public image or profile of the NPO influence the decisions taken?

(Q36) Have you ever withdrawn support from an NPO because of changes or problems with their public image or profile?

(Q37) Are you aware of how your company approached the Asian Tsunami appeal (were the donations they made in addition to planned giving, or did they come out of the same budget)?

(Q38) How has the GFC affected corporate support by your company

(Q39) How do you reconcile your personal preferences for a nonprofit organisation with the organisational process of selecting nonprofits to support?
Summary of research questions

# Summary of Question

What giving?
1. How does the company provide giving? (What form does it take)
2. Is it mentioned specifically in the annual report?
3. Is there a formal policy?
4. Which department mostly develops giving strategy?
5. Is there one, or more, general type of NPO you support?
6. What is your individual role and responsibility?

Philosophy of giving and selection process
7. Why does the organisation support NPO’s at all?
8. Who makes guidelines for outcomes of giving?
9. When is this decision taken?
10. Is there a policy for measuring outcomes?
11. Who makes the decision on how much in total the company gives?
12. Does the organisation support employee volunteering?
13. What is the process for selecting a NPO? (Which is decided first?)
14. How would you describe your selection process?
15. Does the company look to have a long term relationship with a NPO?
16. Has the corporate view of supporting NPO’s changed over the past 5 years?

Implementing the giving
17. Who makes the decision on what NPO to support?
18. Who makes the decision on how (what form) the support takes?
19. How much is given – is it reported in annual report?
20. How is the amount determined for each NPO?
21. When makes the decision on when the support is given?
22. Who makes the decision on what outcome is expected from the giving?
23. How do you support employee volunteering?
24. Does the organisation measure employee volunteering?
25. Who ensures the giving is proceeding OK
26. Do you measure the results of giving? How?

General
27. Do stakeholders expect the organisation to support NPO’s
28 What role does the recipient play in the giving decision process?
29 How does the company communicate its giving?
30 How important is stakeholder perception of your corporate giving?
31 How much input do stakeholders have in the decisions to provide support?
32 What influence does CEO / Chairman have in giving?
33 How do NPO’s approach your organisation?
34 What would be the best approach for a NPO to take with your organisation?
35 Are you aware of how your company approached the Asian Tsunami appeal (were the donations they made in addition to planned giving, or did they come out of the same budget)?
36 How has the GFC affected corporate support by your company?
39 How do you reconcile your personal preferences for a nonprofit organisation with the organisational process of selecting nonprofits to support?
APPENDIX 3:

INTRODUCTORY LETTER TO BE SENT TO THE CORPORATE GIVING MANAGER IN CONJUNCTION WITH A “CONSENT TO PARTICIPATE” FORM

Where appropriate, corporate consent to participate will be obtained from a Senior Manager prior to this letter being sent to the Giving Manager.

University of Wollongong letterhead

XYZ Company
Main Street
Sydney NSW 2000

Attention: Ms. Potential Recipient
Senior Manager,
Community Relations

Dear Ms. Recipient,

Thank you for agreeing to see me at xxxx pm on xxxxxxxxxxx.

My name is John Cantrell and I am a PhD candidate at the University of Wollongong. I am also a member of The Centre for Social and Nonprofit Marketing Research at the University of Wollongong. I am currently researching the ‘helping’ or ‘giving’ attitudes and behaviour of large Australian corporations, with particular emphasis on the manager primarily responsible for providing support for nonprofit organisations. There has been no research done to date in Australia and very little research internationally that focuses on the corporate “giving manager”. I believe this is a key role that is not well understood by nonprofit organisations or the community in general.

This research aims to explore two primary areas:
1) the organisational and stakeholder factors that influence the decision by Australian corporations to fund Not for Profit Organisations (NPO’s), and
2) the process adopted by Australian corporations in selecting which NPO’s a corporation will support with either cash or kind.

Attached is an information sheet that has some additional detail on this project.

Your involvement in this study would take the form of consenting to a recorded interview of approximately 30 - 45 minutes duration. If audio taped, interviews will be transcribed verbatim by a paid professional for completeness and accuracy. Any tapes, meeting notes or transcriptions will be treated as strictly confidential and stored in a secure location at the
UoW for at least 5 years from the completion of this research project (as required by UoW ethics approval). They will only be viewed by me or my two academic supervisors.

The findings of this research may be published in academic conference proceedings and/or journal articles. As such information you provide in these interviews may be available to members of the general public at the conclusion of the research study. However, the names any of the participants in this study, or their organisations, will not be published. Examples of previous journal articles published as a part of this research project can be provided if required.

Your participation in this research is voluntary, you are free to refuse to participate and you are free to withdraw from the research at any time. You are also free to withdraw consent to the use of any information you have provided in an interview at any time during the course of the research study.

If you would like to discuss this research study further please contact my primary Supervisor – Associate Professor Dr Gary Noble, at the University of Wollongong direct on (02) 4221.5994 or by email at gnoble@uow.edu.au.

Attached is also a form to indicate your consent to participate in this research, and your preference for the recording method. I will collect this from you at the time of the interview.

If you would like a copy of any journal or conference publication that results from this research, it will be freely available on request.

I look forward to meeting with you on Monday.

Yours Sincerely

John Cantrell  
PhD Candidate (Marketing)  
Centre for Social and Nonprofit Marketing Research  
University of Wollongong.
APPENDIX 4:

LETTER OF INTRODUCTION AND CONFIRMATION

University of Wollongong letterhead

XYZ Company
Main Street
Sydney NSW 2000

Attention: Ms. Potential Recipient
Senior Manager,
Community Relations

Dear Ms. Recipient,

Thank you for agreeing to see me at xxxx pm on xxxxx.

My name is John Cantrell and I am a PhD candidate at the University of Wollongong. I am also a member of The Centre for Social and Nonprofit Marketing Research at the University of Wollongong. I am currently researching the ‘helping’ or ‘giving’ attitudes and behaviour of large Australian corporations, with particular emphasis on the manager primarily responsible for providing support for nonprofit organisations. There has been no research done to date in Australia and very little research internationally that focuses on the corporate “giving manager”. I believe this is a key role that is not well understood by nonprofit organisations or the community in general.

This research aims to explore two primary areas:
1) the organisational and stakeholder factors that influence the decision by Australian corporations to fund Not for Profit Organisations (NPO’s), and
2) the process adopted by Australian corporations in selecting which NPO’s a corporation will support with either cash or kind.

Attached is an information sheet that has some additional detail on this project.

Your involvement in this study would take the form of consenting to a taped interview of approximately 30 - 45 minutes duration. If taped, interviews will be transcribed verbatim by a secure paid professional for completeness and accuracy. Any tapes, meeting notes or transcriptions will be treated as strictly confidential and stored in a secure location at the UoW for 5 years from the completion of this research project (as required by UoW ethics approval). They will only be viewed by me or my two academic supervisors.

The findings of this research may be published in academic conference proceedings and/or journal articles. As such information you provide in these interviews may be available to members of the general public at the conclusion of the research study. However, the names any of the participants in this study, or their organisations, will not be published. Examples of previous journal articles published as a part of this research project can be provided if required.
Your participation in this research is voluntary, you are free to refuse to participate and you are free to withdraw from the research at any time. You are also free to withdraw consent to the use of any information you have provided in an interview at any time during the course of the research study.

If you would like to discuss this research study further please contact my primary Supervisor – Associate Professor Dr Gary Noble, at the University of Wollongong direct on (02) 4221.5994 or by email at gnoble@uow.edu.au.

Attached is also a form to indicate your consent to participate in this research, and your preference for the recording method. I will collect this from you at the time of the interview.

If you would like a copy of any journal or conference publication that results from this research, it will be freely available on request.

I look forward to meeting with you on Monday.

Yours Sincerely

John Cantrell
PhD Candidate (Marketing)
Centre for Social and Nonprofit Marketing Research
University of Wollongong.
APPENDIX 5:

PARTICIPATION INFORMATION SHEET FOR PROFESSIONALS INVOLVED IN CORPORATE GIVING PROGRAMS OF LARGE ORGANISATIONS

TITLE: The factors influencing corporate managerial decision making in establishing corporate / nonprofit relationships.

PURPOSE OF THE RESEARCH

This is an invitation to participate in a study conducted by researchers at the Centre for Social and Nonprofit Marketing Research at the University of Wollongong. The purpose of the research is to seek to understand the ‘helping’ or ‘giving’ attitudes and behaviour of large Australian corporations, with particular emphasis on the manager primarily responsible for providing support for nonprofit organisations. There has been no research done to date in Australia and very little research internationally that focuses on the corporate “giving manager”. I believe this is a key role that is not well understood by nonprofit organisations or the community in general.

This research aims to explore two primary areas:
1) the organisational and stakeholder factors that influence the decision by Australian corporations to fund Not for Profit Organisations (NPO’s), and
2) the process adopted by Australian corporations in selecting which NPO’s a corporation will support with either cash or kind.

INVESTIGATORS

PhD candidate  Supervisors
John Cantrell  Associate Professor  Associate Head of School - Marketing
Dr Gary Noble  Dr Elias Kyriazis
Faculty of Commerce  Faculty of Commerce  Faculty of Commerce
02-4221.4198  02-4221.5994  02-4221.4871

For further details:

METHOD AND DEMANDS ON PARTICIPANTS

If you choose to be included, you will be asked to participate in an in-depth interview with John Cantrell. The interview will be recorded (either by audio recording or written notes at your discretion) to ascertain how and why your organisation supports nonprofit organisations. (It is preferable for improved research outcomes that the interview be audio taped to ensure the participants’ views are accurately recorded, but this option is yours to choose.)

Typical questions in the interview include:
• Which department is mostly responsible for developing support programs (not implementing) in the organisation?
• Is there a particular sector/s within community organisations which your firm prefers to support?
• How does your work support these activities?
• Why do you think the company supports nonprofit organisations in general (not sponsorships)?
• Does your organisation support/encourage employee volunteering (e.g. employees volunteering to work with nonprofits)?
• When supporting an NPO, does your company look for (prefer to have) a long term relationship with the NPO?
• Who in the company is responsible for ensuring the support program is proceeding as the company expects?

POSSIBLE RISKS, INCONVENIENCES AND DISCOMFORTS

These in-depth interviews will take a between 30 and 45 minutes which may place a time constraint on the participant so we ask that you take this into account when allocating a time for the interview. A further ethical consideration could include the potential for participants to be uncomfortable about offering individual perceptions about their organization, organizational stakeholders (such as staff) or nonprofits. The interviews will be recorded by John Cantrell alone, with the initial recordings or notes kept in a locked drawer in his office. If audio recorded, the interviews will be transcribed by a professional transcription service who will sign a document confirming the confidentiality of the content. You can be assured that the only people with access to your interview transcript will be the investigator and supervisors as named above, and that the results will only be published at an aggregate level with no mention of individuals or organisations.

As this is part of a PhD, the results will be published in John Cantrell’s dissertation. The findings of this research may be also published in academic conference proceedings and/or journal articles. As such information you provide in these interviews may be available to members of the general public at the conclusion of the research study. However, the names any of the participants in this study, or their organisations, will not be published. Examples of previous journal articles published as a part of this research project can be provided if required.

There will be no adverse effects for anyone who chooses to withdraw their consent at any stage during the interview process (i.e. after completing any or all of the interviews). If you do choose to withdraw, you than have the option of allowing use of the information collected or having all information withdrawn from the study with no adverse effects. If you have any further questions in regards to the study or your participation in it, please contact John Cantrell, Dr. Gary Noble or Dr. Elias Kyriazis.

BENEFITS OF THE RESEARCH

Sargeant, Foreman and Liao (2002) suggest it is important for non-profits to understand and consider stakeholder orientation and stakeholder goal congruence when approaching donor organisations for support. Many NPOs do not fully appreciate the role of Corporate (e.g. CSR) policy in the donor company or the fact that the giving manager usually has formalised guidelines that they have to follow that are specified by key internal stakeholders. Kotler and Lee (2005) argue that if NPOs have a better understanding of the expectations that corporations have in terms of their giving programmes, that NPOs in turn can better present an argument for a giving relationship when communicating with corporations and seeking requests.

This study will identify the corporate methods and motivations, and expectations from their giving programs. This knowledge should benefit corporations through assisting NPOS in them having a better understanding the needs of the organization in which they hope to have a relationship with, which in turn will lead to streamlined processes for the corporation and better targeting of NPOs to
support. NPOs may also benefit through improved contributions from corporations, resulting in better service provision by the NPO and/or reduced need for government funding.

ETHICS REVIEW AND COMPLAINTS

This study has been reviewed by the Human Research Ethics Committee (Social Science, Humanities and Behavioural Science) of the University of Wollongong. If you have any concerns or complaints regarding the way this research has been conducted, you can contact the UoW Ethics Officer on (02) 4221 4457.

Thank you for your interest and participation in this study.

John Cantrell
University of Wollongong, School of Management and Marketing.
APPENDIX 6:

CONSENT FORM FOR CORPORATE GIVING MANAGER TO PARTICIPATE
To be completed by each interviewee

The factors influencing corporate managerial decision making in establishing corporate / nonprofit relationships.

John E. Cantrell

I have been given information about a research project regarding the factors influencing corporate managerial decision making in establishing corporate / nonprofit relationships, and discussed the research project with John Cantrell who is conducting this research as part of the requirements of the award of the degree Doctor of Philosophy supervised by Associate Prof. Dr. Gary Noble in the department of Marketing at the University of Wollongong.

I have been advised of the potential risks and burdens associated with this research, which include discussing the processes that are in place to support nonprofit organisations, my role in this decision making, perceptions of NPOs and the views of other corporate stakeholders; and have had an opportunity to ask John Cantrell any questions I may have about the research and my participation.

I understand that my participation in this research is voluntary, that I am free to refuse to participate and am free to withdraw from the research at any time. My refusal to participate or withdrawal of consent will not affect any relationship with the Department of Marketing or any relationship with the University of Wollongong.

If I have any enquiries about the research, I can contact John Cantrell (02) 4221.4198 or Associate Prof. Dr. Gary Noble (02) 4221.5994 - or if I have any concerns or complaints regarding the way the research is or has been conducted, I can contact the Ethics Officer, Human Research Ethics Committee, Office of Research, University of Wollongong on 4221 4457.

By signing below I am indicating my consent to be involved in this research project. I have also nominated the recording process I wish to be used.

I understand that the data collected from any participation will be used in the development of a thesis by John Cantrell, and the findings of this research may be published in academic conference proceedings and/or journal articles. I understand general information provided in these interviews may be available to members of the general public at the conclusion of the research study. However, the names any of the participants in this study, or their organisations, will not be published.

Signed       Date

.................................................................  ....../...../......

Name (please print)

.................................................................

Consent for recording of this interview (please tick one):

[ ] Audio recording with confidential transcription by a professional (preferred for accuracy)

[ ] Notes taken by the interviewer only