

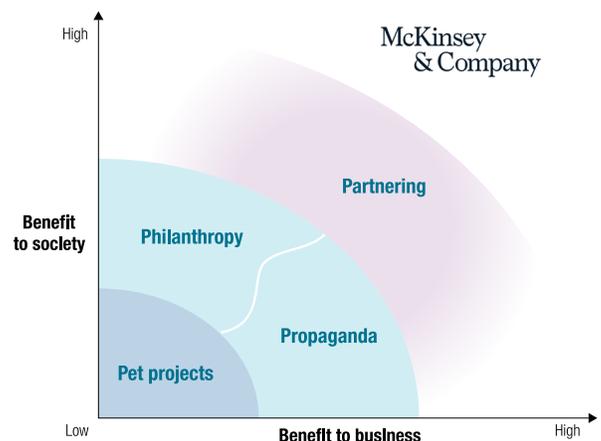
## It's Time to Rethink Corporate Giving

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Corporate giving to health care organizations has been largely concentrated on sponsorships—most of which have been directed toward special events including golf tournaments and galas. However, this narrow interpretation of how businesses could support our mission and vision for impact is no longer expansive enough. It is time to open the aperture to consider broader and more strategic partnerships between business and the health organization.

The 2021 edition of [Giving USA](#) shows corporate giving decreased last year. While total dollars given by corporations declined, it is still a time to be bullish about the opportunity corporate giving presents. However, to capture the opportunity before us, we need to understand how the philosophical approach to giving by businesses has shifted. Many organizations have historically given through their marketing budget to receive the recognition of being a good corporate citizen. While some of these gifts may have been thoughtful and strategic, many of these gifts are what McKinsey and Company calls either “pet projects” or “propaganda” with gifts being more about recognition than about impact. For a variety of reasons, we are now starting to see the desire of progressive corporations shifting with a new focus on more thoughtful social impact.



Corporate Social Responsibility (CSR) is a construct many organizations have talked about for the last 20 years. It is the broad construct that encompasses many efforts and investments beyond the normal scope of business that seek to contribute to social good in a way that is aligned with business objectives. CSR is not synonymous with corporate philanthropy, which is a subset of CSR, seeking to address social change through the investment of money, time and other resources.<sup>1</sup>

While it has largely been the purview of major corporations and Fortune 500 institutions, these organizations sensed early on that they needed to go beyond the traditional role of business to also create social good. Many of these organizations have had formal CSR programs that are outlined in their stockholder reports and other publications. The intent behind corporate social responsibility is to go beyond corporate philanthropy to engage in a more expansive approach to partnership. Therefore, it often includes not only corporate philanthropy but also volunteerism, sharing of expertise, gifting of product and other resources. Today, the idea of corporate social responsibility is starting to be pushed down to smaller business organizations. They have sensed that it is now time for their community investment to achieve a more meaningful social impact.

With that in mind, it is time to engage businesses in a more strategic manner. We need to be able to provide insight into specific solutions and strategies that the health care organization wishes to advance in order to affect meaningful change with demonstrated outcomes in communities. This is truly an “and” conversation where you can still ask for sponsorships but basing it on not only the value of the recognition and involvement but that also enables something that is deeper, more thoughtful, more strategic and more beneficial to the community overall.

Health care organizations moving in this direction beautifully align with the objectives for social impact that have been articulated by many other organizations. The year 2020 represented a triple pandemic in many ways. It was not only about the COVID-19 virus but was also about confronting systemic racism and acknowledging economic challenges for many. This created a reckoning of sorts that many businesses now want to address through their community investment. Many businesses now say they will take a proactive stance to address issues like health equity, social determinants of health and community well-being. In fact, 82% of funding partners of Grantmakers in Health said their health equity programming has changed or will change post pandemic. 42% have created new initiatives and 19% have expanded existing initiatives.<sup>2</sup> More statistics can be found in Health Affairs blog post, [Philanthropy's Increased Focus on Health Equity Post-COVID-19](#).



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While nonprofit health care organizations already have a legal and moral obligation to provide community benefit, many of these organizations have been thwarted in their plans to stand up meaningful community health efforts because they do not have access to the capital and programmatic dollars required to build infrastructure and to sustain programs. Many efforts in the health equity and community well-being space are also efforts that are not accompanied by reimbursement or a reliable or sustainable revenue stream. Thus, corporate social investment can make a material difference in providing solutions to design, build and operate programs that could fundamentally transform care in communities. It is time for health organizations to articulate more effectively what they are already doing and what they aspire to do in order to elevate health status. Being able to share this vision with corporations allows for the potential of robust partnerships that are symbiotic in nature.

Progressive health philanthropy organizations must consider how they will refine and redesign their existing corporate programs to move into the CSR space in meaningful ways. For those organizations that can develop the infrastructure, processes, communications vehicles and other tools, this is a space that promises to provide exceptional opportunities for partnership and increased community well-being.

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<sup>1</sup> McKinsey Quarterly, *Making the Most of Corporate Social Responsibility*, Tracey Keys, Thomas W. Malnight, and Kees van der Graaf, December 1, 2009 (content and chart).

Lazzari, Z. (2018, October 22). The difference between corporate philanthropy and corporate social responsibility. *SmallBusiness.Chron.com*. Retrieved from <https://smallbusiness.chron.com/difference-between-corporate-philanthropy-corporate-social-responsibility-65129.html>.

<sup>2</sup> Health Affairs, *Philanthropy's Increased Focus on Health Equity Post-COVID-19*, Cara James, February 4, 2021.