# **ERNOP Research Note**

Academic articles on philanthropy through a practitioner lens



## **Exploring Employee Involvement in Corporate Philanthropy**

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This research presents a qualitative study of shop floor employees' experience with, and involvement in, CP decision-making related to fundraising in the workplace.

The authors focus on the following questions: How are lower level employees involved in decisions related to CP? What are the criteria involved when lower level employees make CP decisions, in particular in relation to the selection of charitable beneficiaries? And which CP decisions and activities are most likely to improve employee morale and foster other corporate and social goals?

The results illustrate the benefits of involving employees in CP decision-making, which the authors argue derives in part from the 'liminal-like states' that typify CP activities organised by shop floor staff, involving the temporary overturning of hierarchies, humanising of workplaces and opportunities for lower level staff to prioritise their personal philanthropic preferences and signal their charitable identity to colleagues and customers.

#CorporatePhilanthropy #CSR #Fundraising #employeeengagement

### **Background**

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### Context



- A recent review of the literature on corporate philanthropy (CP) reveals
  that it scarred across various disciplines but predominantly centers on CP
  decisions made by business leaders, frequently neglecting the
  contributions of lower-level employees.
- Studies examining the role of employees in CSR initiatives propose that going beyond mere alignment with core business objectives and emphasizing the benefits and impact of CSR on employees allows for the development of a more strategic form of CSR.
- Involving employees in CSR initiatives, like corporate volunteering, offers added value to the company by reinforcing its identity, showcasing community commitment, fostering training and team building, and reducing turnover.
- Allowing employees to voice opinions and participate in shaping CSR programs leads to a temporary subversion of normal workplace hierarchies or a 'liminal state,' yet it yields benefits by enhancing the quality of interactions between managers and staff
- The studies on croporate philanthropy have not paid much attention to the role of employee engagement. While focusing on the immediate business benefits of CP, they also highlight its advantages in terms of human resource management.







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- The article presents data from a qualitative study conducted by observing regular staff meeting and informal setting, within which the CP decision-making process including selection of charity beneficiaries and plans for employees fundraising was discussed.
- The research is focused on an understudied population, those in lower status and lower paid position in ten workplaces in the South East of England, prioritising companies with a visible presence on the high street such as supermarkets, retail banks and restaurants.
- When selecting charities, shop floor staff prioritise causes based on their personal preferences and experiences and prefer those with which they have a strong emotional connection, whilst business leaders prioritise causes based on commercial considerations.
- A relevant finding in this research is that lower level employees don't take part to CP decision-making process, not because a lack of interest, but because they feel they lack confidence in their own knowledge about, and abilities to make decisions related to CP
- Expanding employee involvement in corporate charity choices could lead to support for diverse causes beyond big charity brands, because if their cause can inspire employees and provide liminal and enjoyable opportunities, then lower status and lower paid staff might decide to support them.





Figure 1: Rationale for charity choices by business leaders and shop floor employees

#### **BUSINESS LEADERS**

- Appropriate brand alignment (a 'good fit') between the charity and the company.
- A respectable partner with the right image, a proven track record and a professional approach to working with the private sector.
- A strategic partnership offering continuity and potential for a long-term relationship.
- Value for money relative to alternative charities and relative to gaining benefits such as staff development opportunities.

### **SHOP FLOOR STAFF**

- Similar rationale to charity choices made in personal life based on personal connection with, and experiences of, charities and causes.
- Preference for causes that are easily understood by them, have widespread appeal and are believed to make good use of donations.
- Preference for well-known charity brands and local charitable organisations.

ERNOP Research Notes provide easy-to-read, practice-oriented summaries of academic articles on philanthropy and are written by practitioner experts. This ERNOP Research Note 2024/03 is published in March 2024 and has been written by Elisabetta Gazzola. More information can be found at <a href="https://www.ernop.eu">www.ernop.eu</a>.





