



Philanthropy

## **CEOs See Return On Investment**

Matthew Kirdahy, 11.27.07, 1:45 PM ET

For modern corporate leaders, promoting a business culture of doing good is as much about doing it because it's right, as it is because philanthropy is an investment.

"And corporate leaders are in the best position to communicate that investment to employees, stockholders, customers and the community in general," said Charles Moore, executive director of the [Committee Encouraging Corporate Philanthropy](#), CECP, which has more than 160 CEO members from Fortune 100 and 500 companies globally.

Organizations throughout the world have been shaping and implementing a strategy that starts with personnel, primarily the CEO, when it comes to corporate donations and giving. The whole concept of corporate philanthropy has become an integral part of doing business, according to the CECP.

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Moore said today's CEOs exercise this philanthropy as an opportunity to grow the business.

"Business leaders today who understand the role of the social contract help position their companies for greater success in a very real, very visible way," he said.

"As the expectations for corporations continue to rise, CEOs now perceive corporate philanthropy and broader social responsibility decisions as opportunities for investment in business viability, rather than a corporate weakness or risk."

In its latest report, *Giving in Numbers 2007*, the nonprofit outfit said, "Top management is becoming more attuned to the benefits of engaging in community giving; therefore, professionals in the field must learn to communicate in the financial language of the business case for such contributions."

CECP is the only international forum of business CEOs and chairpersons pursuing a mission focused exclusively on corporate philanthropy. The data featured in this report is from the Corporate Giving Standard, CGS, an online measurement and benchmarking system containing more than \$38 billion in comparative corporate philanthropy data.

Membership includes companies that account for more than 40% of reported corporate giving in the U. S.

Sanford Weill, retired chairman at Citigroup and honorary chair of CECP, summed it up in a recent publication distributed by the consortium.

"It is the job of the CEO to earn the respect of all employees," he said. "One key way of getting respect, in addition to top performance, is to have passion and involvement in the nonprofit world."

Current chairman and CEO of the CECP is Harold McGraw III, CEO of the McGraw-Hill Companies.

In a committee message, McGraw wrote: "Corporate giving has evolved from 'checkbook philanthropy,' in which corporations used to satisfy their obligations simply by writing checks, to 'strategic philanthropy,' in which businesses are aligning their giving programs more closely with their expertise and capabilities."

CECP will co-host an invitation-only event in New York City marking [National Corporate Philanthropy Day](#) on Feb. 25, 2008 with McGraw-Hill. The group will distribute its "Excellence Award," as it has since 2000, to a large and small company for their exceptional practices in corporate philanthropy. Large companies are those with more than \$3 billion in annual revenue.

GlaxoSmithKline, the British global health care group, received an Excellence Award last year in the large company category. Previous recipients include Cisco Systems, General Electric and Novartis. Small company recipients have been Salesforce.com, last year's winner, as well as Hasbro and Timberland in previous years.

The award is administered based on four criteria--CEO leadership, innovation, measurement and partnership. Measurement provides an evaluation to determine the impact of all of the philanthropic investment.

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