

CORPORATE GIVING STUDY

GIVING DURING THE CRISIS 2020-2021
NEW OPPORTUNITIES TO REIMAGINE GIVING



Acknowledgements

The Corporate Giving Study 2021 was carried out by the Knowledge & Insights team from the National Volunteer & Philanthropy Centre (NVPC).

We would like to acknowledge the valuable contributions of our advisor Associate Professor Eugene K B Tan from the Yong Pung How School of Law, Singapore Management University, the Ministry of Community, Culture and Youth research team, and the NVPC Company of Good team to this study.



About NVPC

NVPC is the steward of the City of Good vision for Singapore, where individuals, organisations, and leaders come together to give their best for others.

Knowledge & Insights (K&I) at NVPC

The Knowledge & Insights team at NVPC conducts national level research studies in the non-profit sector. We cover a range of topics from individual and corporate giving to the effectiveness of a non-profit organisation's (NPO) board. Other research areas include understanding the landscape of philanthropy and funders within the different non-profit sectors in Singapore.

We are a diverse team of researchers specialising in qualitative, quantitative and data analytics. We also have the necessary expertise of combining methods to understand emerging trends.

Company of Good at NVPC

NVPC's Company of Good connects organisations to do good strategically, sustainably and impactfully. Through its initiatives, like-minded organisations can learn, network and collaborate for good.

Find out more about our studies here:



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Executive Summary

It is without doubt that the COVID-19 pandemic presented huge economic challenges for businesses in Singapore. However, it was also in these difficult times that business leaders in Singapore increased corporate giving to aid the community. Displaying great resilience and creativity, businesses explored and integrated different ways of giving during the pandemic by modifying their day-to-day operations. This pandemic-driven change in perspective of how to run a business could set a new norm amongst businesses in the post-pandemic world as well as spark a re-imagining of the purpose of their business.

This report hopes to provide insight into corporate giving efforts in Singapore during the pandemic. It also highlights initiatives that businesses and non-profit organisations (NPOs) can adopt to better navigate the corporate giving landscape moving forward.

Summary of Key Findings

- 1 The rate of corporate giving in Singapore has increased. However, there has been a decrease in the amount of philanthropy value given.
- 2 Businesses positively impacted during the pandemic were significantly more likely to increase their giving than those that were not.
- 3 More businesses were giving in other ways such as in-kind donations. The number of businesses that have integrated and institutionalised giving as part of their business has also increased.
- 4 Businesses were strategically aligning their corporate giving with their core values and purpose amidst the COVID-19 pandemic.
- 5 Strengthening of connection to the local community and business leaders' interests were the key motivations to give. Resource constraints and lack of information were the key barriers faced by potential givers.
- 6 Businesses had often overlooked the decision-making process and impact measurement of their corporate giving initiatives.

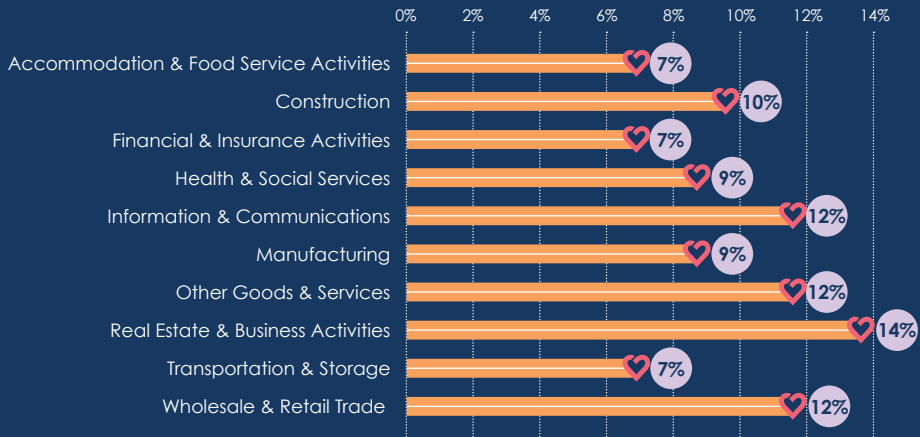
Summary of Opportunities

- 1 The COVID-19 pandemic demanded existential introspection on "why a business exists." Businesses should reframe their role and purpose in society and engage in strategic giving.
- 2 NPOs and intermediaries should provide more avenues and opportunities to engage businesses in new and innovative ways of giving.
- 3 Businesses can explore different ways of giving, regardless of whether they are positively or negatively impacted during the COVID-19 pandemic.
- 4 NPOs need to move away from being passive receivers and propose their value to businesses. Resources should be provided to assist NPOs and businesses with developing long-term partnerships.
- 5 Businesses can derive consistent value creation and enhance relationships with their employees and customers through sustained corporate giving, by developing plans and measuring impact as they would for their business objectives.

About the Respondents

1,014 respondents were surveyed to provide a representative sample of private sector companies in Singapore.

These companies range from local to foreign-owned, and represent various company types and sizes from the major industries.



NVPC Company of Good 4 'I' Framework¹

NVPC designed the Company of Good 4 'I' Framework – which stands for Investment, Integration, Institutionalisation and Impact – to help companies understand how they can approach doing good strategically, sustainably, and impactfully.

Investment

How a business can give

Can the business make cash donations, in-kind donations, or have their employees volunteer?

Integration

How different functions within the business can integrate corporate giving in their own way

Can the business advocate for a social cause such as through the recruitment of persons who are differently abled or through marketing and branding campaigns?

Institutionalisation

How giving is supported by policies within the business

Can the business institutionalise corporate giving through voluntary and optional payroll deductions or the allocation of volunteer leave?

Impact

How a business measures the impact of their giving initiatives on the community

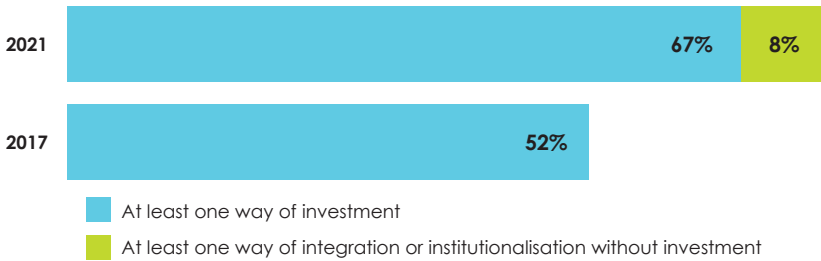
Does the business have any mechanisms in place to accurately identify its community's needs, measure employee satisfaction, and determine impact made on the community?

¹ Framework adapted from Points of Light's Civic 50 Model

Corporate Giving in Singapore

In 2021, there was an increase in corporate giving. 75% of the participating businesses surveyed engaged in at least one form of giving – through investment, integration, or institutionalisation. Despite the increased involvement, we saw a \$2,000 decrease in the median of cash and sponsorship value to \$1,000.

Corporate Giving Rate



Median Value of Philanthropy

\$1,000
in 2021

\$3,000
in 2017



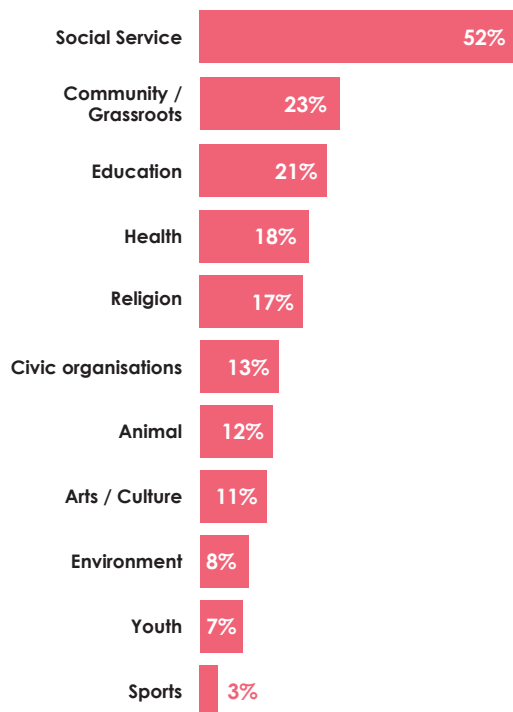
Median Percentage of Employee Volunteering

50%
in 2021

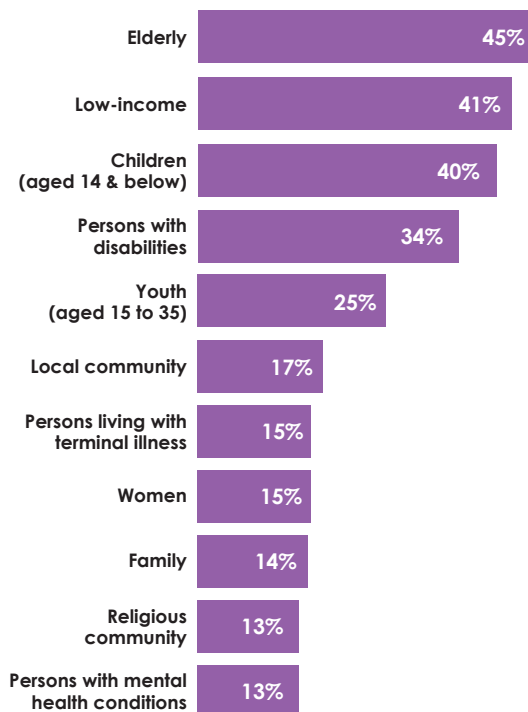
25%
in 2017

The most popular causes supported by businesses were social service and community/grassroots causes. In terms of vulnerable groups within the social service sector, the elderly (45%), the low-income group (41%), and children (40%) continue to be among the top recipients for corporate giving. Causes involving animals as well as the arts and culture saw an increase in support in 2021.

Causes Supported in 2021



Vulnerable Groups



Recommendation for Businesses:

Company of Good connects organisations to do good strategically, sustainably and impactfully. Through its initiatives, like-minded organisations can learn, network and collaborate for good. Companies can take the first steps by visiting [companyofgood.sg](https://www.companyofgood.sg) or reach out directly at contact@companyofgood.sg.



Company of Good

Recommendation to Connect NPOs with Businesses:

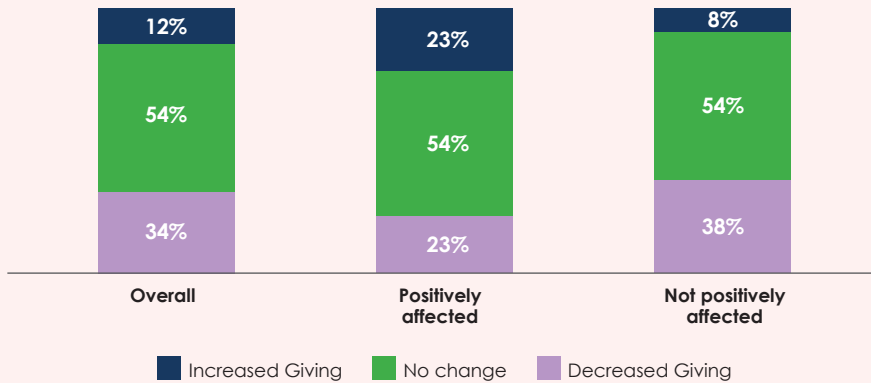
Giving.sg is the one-stop national giving platform to donate, volunteer and fundraise for any of the over 600 registered charities in Singapore. NPOs can register an account with Giving.sg to get in touch with these donors, volunteers, corporates and fundraisers.



Giving.sg

Corporate Giving Response to the Covid-19 Pandemic

12% of businesses increased their corporate giving, 54% maintained their levels of corporate giving, 34% had to decrease their levels of corporate giving. The study found that businesses that were positively impacted by COVID-19 were significantly more likely to increase their giving than those that were not.



The Financial & Insurance, and Information & Communications industries which performed better during the pandemic gave more in 2021 compared to other industries.

Median Value of Philanthropy in 2021

\$5,000

- Financial & Insurance Activities

\$2,000

- Information & Communications

\$1,500

- Health & Social Services

\$1,000

- Accommodation & Food Service Activities
- Manufacturing
- Real Estate & Business Activities
- Wholesale & Retail Trade
- Others Goods & Services

\$500

- Construction
- Transportation & Storage

In view of the K-shaped economy where different parts of the economy recover at different rates, times or magnitude, non-profit organisations should look towards opportunities with businesses recovering well from the economic impact of COVID-19.

Businesses which are recovering at a slower pace need not necessarily give less, and can explore other ways of giving and be encouraged to transform the way they give.



Industries positively affected during COVID-19²

- Biomedical
- Electronics
- Precision Engineering
- Information & Communications
- Finance & Insurance



Industries poised for recovery in 2022³

- Construction
- Retail / Wholesale Trade
- Transportation & Storage
- Real Estate
- Utilities



Industries not expected to recover till 2023 or later⁴

- Accommodation
- Food & Beverage
- Other Services (e.g. Arts, Entertainment, Recreation)

Recommendation for Businesses:

Businesses are encouraged to take steps towards doing good and giving even in challenging times, such as by forming partnerships. **Collaborate for Good** is an initiative by the Company of Good that helps facilitate partnerships between businesses to create social impact.



Collaborate for Good

Recommendation to Help NPOs:

NPOs can develop engagement strategies for companies in different industries to help them give within their means.

NPOs can engage businesses to begin their corporate giving journey through the annual **SG Cares Giving Week**, a national movement where businesses, NPOs, and people celebrate the spirit of giving through little acts, which multiplies to make a difference.

² https://www.mti.gov.sg/-/media/MTI/Resources/Economic-Survey-of-Singapore/2020/Economic-Survey-of-Singapore-2020/FullReport_AES2020.pdf

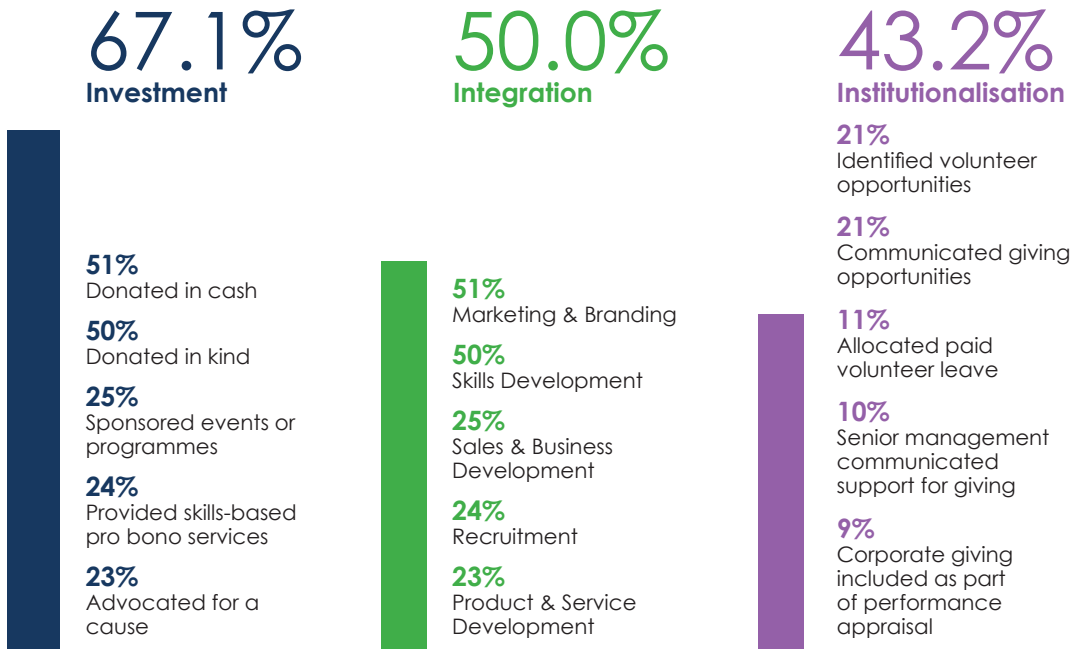
³ <https://www.channelnewsasia.com/singapore/singapore-economy-k-shaped-recovery-covid-19-the-big-read-351196>

⁴ <https://www.mckinsey.com/featured-insights/coronavirus-leading-through-the-crisis/charting-the-path-to-the-next-normal/covid-19-recovery-in-hardest-hit-sectors-could-take-more-than-5-years>

Corporate Giving Involvement Has Broadened in Singapore

Businesses responded to the additional community support required from the COVID-19 pandemic by broadening the definition and involvement of corporate giving. Most notably, businesses were more inclined to explore other means of giving during the pandemic. Businesses participating in the traditional way of donating in cash declined by 11%, while in-kind donations increased by 13% in 2021.

Percentage of businesses who participated in the following ways of giving (at least one way)



Businesses are encouraged to go beyond cash donations and explore skills-based volunteering, inclusive hiring, and practise mindful consumerism by purchasing from social enterprises and NPOs in their procurement practices. Skills-based volunteering in particular, is a rich field that can be tapped on, as employees possess unique skill sets that they can contribute to capacity building.

Recommendations for Businesses:

NVPC's **Corporate Giving Guide** helps businesses look deeper into integrating and institutionalising giving in their day-to-day operations.



Corporate Giving Guide

The **Community Series** by Company of Good brings organisations together to host learning sessions to share on a range of topics related to corporate giving.



Community Series

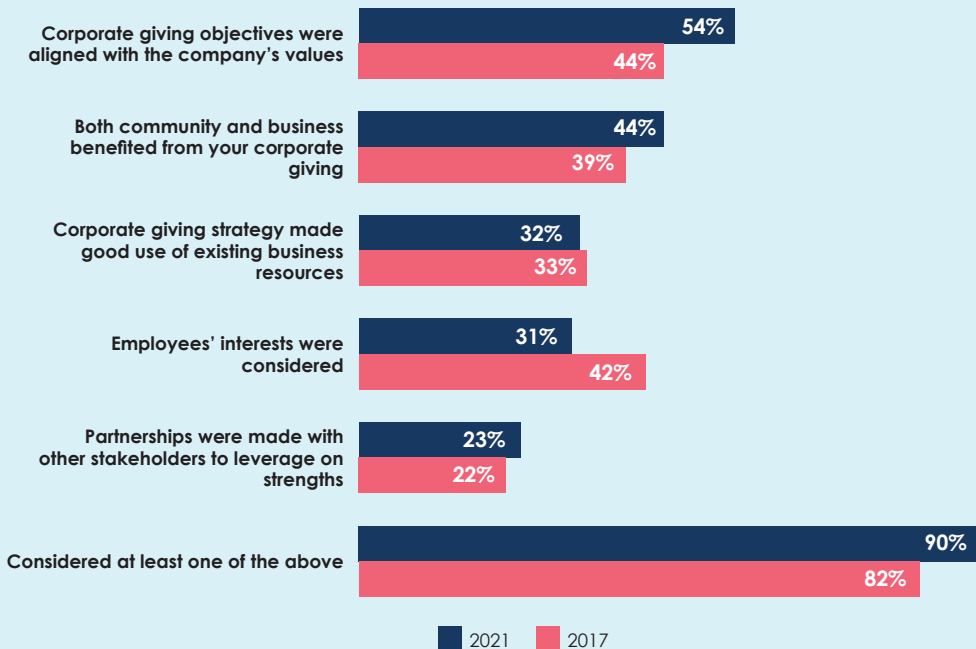
Recommendation to Help NPOs:

NPOs need to be aware that businesses are interested to give in other ways. There are opportunities for NPOs to leverage on these resources by proposing innovative ways of corporate giving.

Corporate Giving Transition towards the Post-Pandemic State in Singapore

The pandemic saw many businesses use this time to strategically align their corporate giving with their core values and corporate purpose. Businesses should reframe their role and purpose in society and engage in strategic giving post-pandemic.

Strategic Giving



Recommendation for Businesses:

Company of Good is currently spearheading the co-design and co-development of the **National Framework and Blueprint on Corporate Purpose** (Annex A) with the corporate community. The development of this framework and blueprint will be the next step in enabling Singapore-based businesses to become more resilient, sustainable, and value-creating, thereby cultivating a future where every business in Singapore is purpose-driven.



Corporate Purpose

Recommendation to Connect NPOs with Businesses:

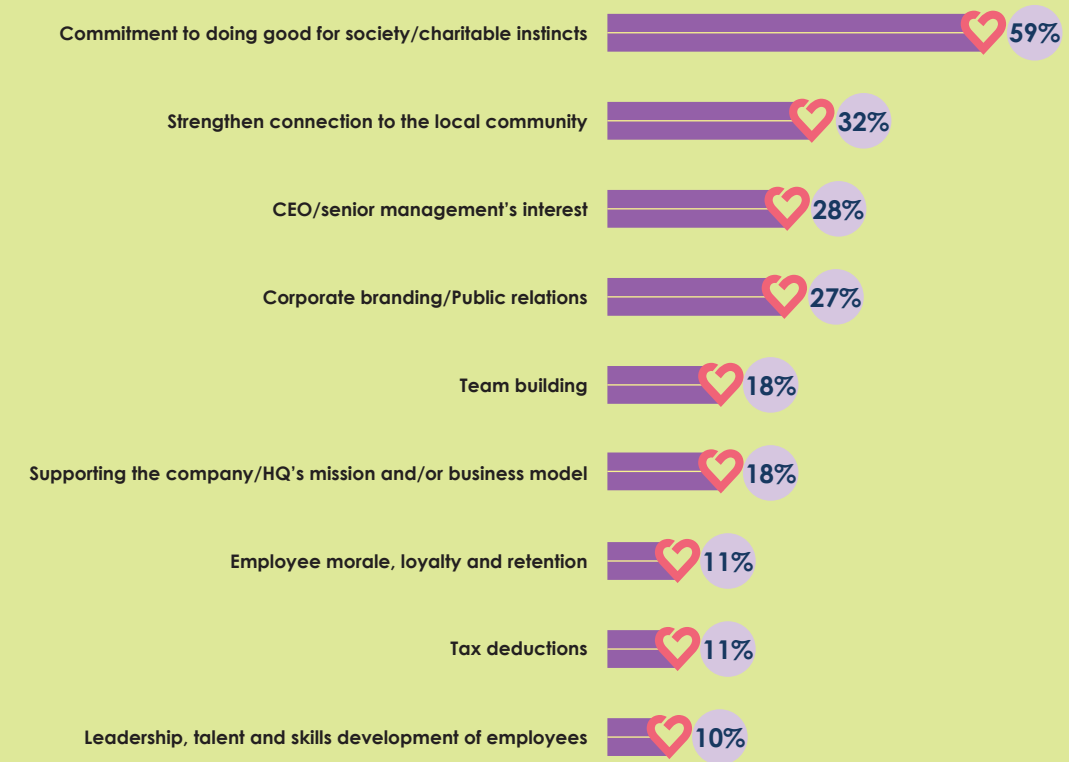
NPOs and businesses have the opportunity to develop long-term partnership strategies and collaborate to add value to both parties. In addition, NPOs can highlight how strong Environment, Social, and Governance⁵ (ESG) practices can benefit a business⁵.

⁵ <https://www.nasdaq.com/articles/strong-esg-practices-can-benefit-companies-and-investors-2019-03-13>

Corporate Giving Motivations and Barriers

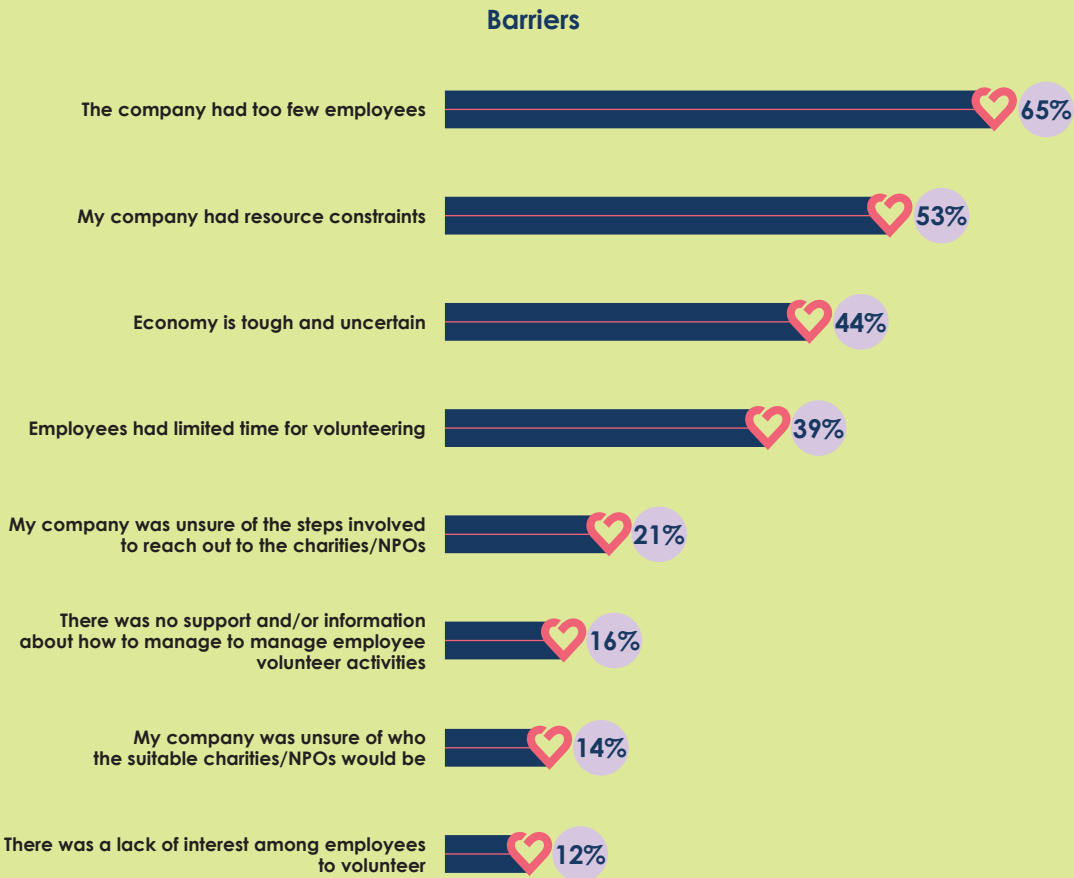
From the study, only 14% of the respondents agreed or strongly agreed that their businesses had contributed to the well-being of society. On the same note, 42% of the respondents agreed or strongly agreed that their businesses had contributed to the well-being of their employees. To drive and improve corporate giving amongst employees, it would be important to understand the motivations and barriers businesses face in this regard.

What were your company's motivations behind corporate giving?



Other than doing good for society, businesses demonstrated a desire to build lasting and strategic partnerships with the local community, and to improve corporate branding. The engagement of leaders in any corporate giving movement is also critical.

Resource constraints and lack of information were the main factors that prevented giving by potential givers. The most common barriers might stem from a misconception about how companies can do good. Businesses should understand that corporate giving when integrated strategically can be a part of "business-as-usual" activities.



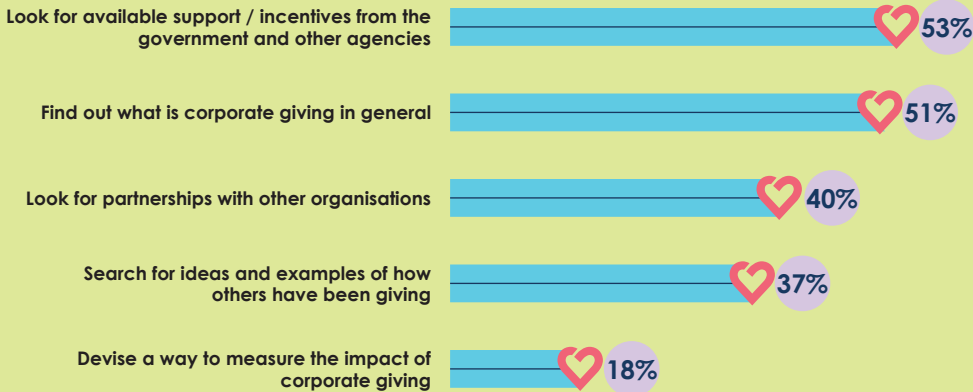
Corporate Giving Motivations and Barriers (continued)

To tackle these barriers, providing information and case studies on corporate giving and arranging partnerships with other organisations are potential ways to kickstart corporate giving initiatives. When engaging in corporate employee volunteering, companies can also apply under the **Business & IPC Partnerships Scheme** (BIPS) to enjoy 250% tax deductions on up to \$250,000 of qualifying expenditure.



Business & IPC Partnerships Scheme

Kickstarting Corporate Giving Initiatives



Recommendations for Businesses:

Businesses are encouraged to collaborate with like-minded organisations and stakeholders to leverage on pooled expertise and resources to multiply their impact of doing good through **Collaborate for Good**, an initiative by Company of Good.



Collaborate for Good

Businesses can be nationally recognised as **Champions of Good** for being exemplary in doing good and being multipliers by engaging their partners and stakeholders on a collaborative journey.



Champions of Good

Attention should be brought to the **President's Volunteerism & Philanthropy Awards** — which will go a long way in strengthening the corporate brand, and affirming employees' and management's efforts.



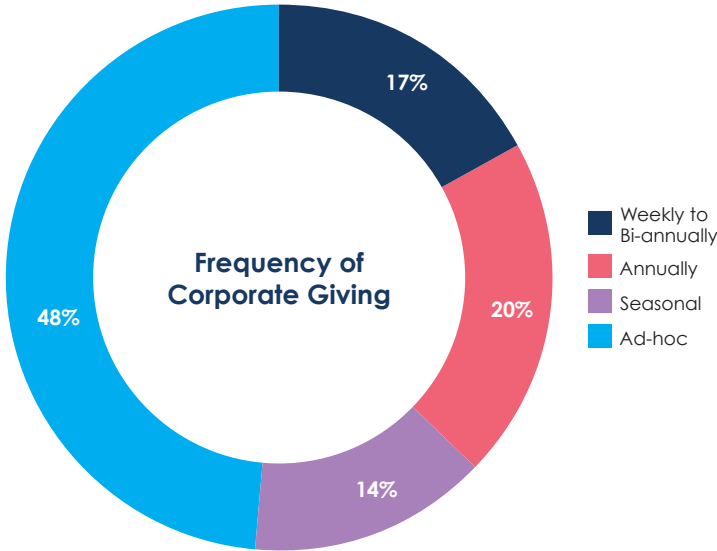
President's Volunteerism & Philanthropy Awards

Recommended Next Step for NPOs:

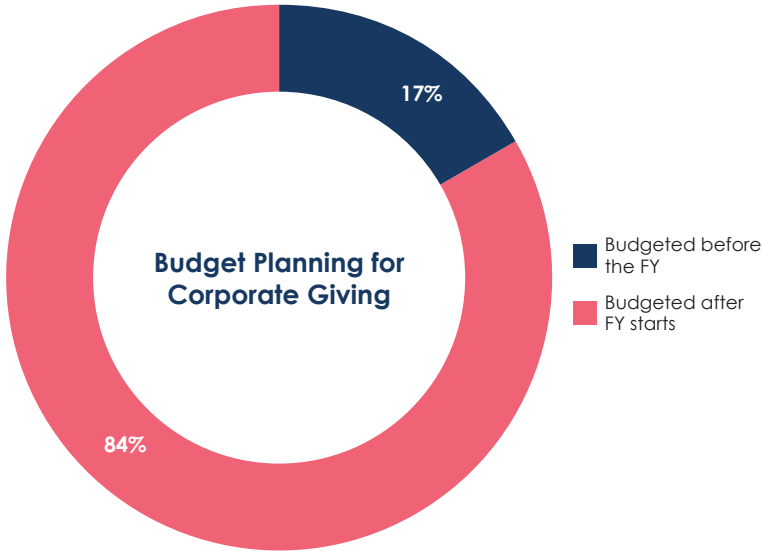
Business size was found to be a key determinant of corporate giving. NPOs should modify their engagement strategies according to the size of companies and their value propositions.

Corporate Giving Decision-Making Process & Impact

While businesses were demonstrating their ability and willingness to respond to community needs in times of crisis, there was not much emphasis placed on their corporate giving planning. 1 in 2 business gave on an ad-hoc basis, and the majority (84%) did not decide on a corporate giving budget prior to the start of the financial year (FY).



Businesses who have engaged in at least one way of giving



Businesses engaged in philanthropy

Corporate Giving Decision-Making Process & Impact *(continued)*

There was also a lack of impact measurement of corporate giving by businesses on the community they are supporting and on their business performance.

Impact Measurement on Community



Impact Measurement on Business



Businesses should plan corporate giving as they would do for their business planning. This would include having proper budget planning and strategic objectives linked to corporate giving.

Internationally, there is a growing trend towards planned and sustained year-round giving⁶. Corporate giving is a long-term investment, not an ad hoc adventure. By creating plans to give and employing metrics to measure their impact, businesses will then be able to weigh the positive and negative contributions and trade-offs, derive the total impact⁷ of its giving initiatives, and use the information to aid in their future decision-making regarding giving. When the value of doing good is measured and recognised, there will also be greater support from both employees and customers.

Recommendation for Businesses:

The **Company of Good Fellowship** is a talent development programme that aims to groom high potential business professionals to catalyse change that will benefit both business and society. The programme covers learning modules on impact measurement and institutionalisation of strategic giving.



Company of Good Fellowship

Recommended Next Step for NPOs:

2 in 3 corporate givers conduct prior screening or checks before selecting an NPO to support. It is beneficial for NPOs to develop deeper engagement with businesses which had reached out to them. Establishing better mutual understanding of expectations and shared interests can create opportunities for long-term partnerships.

⁶ <https://www.cafamerica.org/four-trends-dramatically-reshaping-corporate-philanthropy/>

⁷ <https://www.pwc.com/gx/en/services/sustainability/total-impact-measurement-management.html>

Conclusion



The COVID-19 pandemic had changed the way businesses operate. The ways that businesses are giving have also adapted and transformed. In an ecosystem where industries are experiencing uneven recovery, businesses need to be engaged differently. We are also now at an inflection point where businesses could rethink and redefine their corporate purpose, and chart out guiding waypoints for navigating economic uncertainty.

As the effects of the pandemic continue to unfold, both businesses and NPOs would need to complement one another in their corporate giving journey. With transformations in the way businesses give, NPOs could seek to adapt accordingly by establishing long-term partnerships with businesses to leverage on these changes. NPOs should also reframe themselves from being passive receivers and propose ways which they could add value to the businesses to achieve win-win collaborations.

ANNEX A:

Corporate Purpose – Redesigning the Business Ecosystem

Making Advancements in Corporate Purpose

Avoid doing harm

The organisation tries to avoid harmful behaviours that affect people, communities and the environment.

Do good when the opportunity arises

The organisation will seek out opportunities to do good, but profits remain the primary focus.

Do GOOD Do RIGHT Do WELL

The organisation's mandate is to contribute positively to society and find innovative ways to address issues of people, planet, and profits.

Corporate Purpose is...

About why a company exists

- Paul Polman, former CEO of Unilever: **"Is the world better off because your business is in it?"**
- Impact of business is holistic, including social, human, natural and economic dimensions

About a company's being and not just its doing

- Purpose cannot be separated from how a company manages its people, products and processes e.g. Fair employment practices, sustainable procurement and supply chain processes

Corporate Purpose is NOT...

Corporate Social Responsibility (CSR)

- CSR is **important and necessary but not sufficient** as it does not holistically address a company's impact on society

Sustainability/ESG Reporting

- **Environmental, Social and Governance (ESG)** reporting is a means of disclosing information on material issues encapsulated under a company's corporate purpose

Towards a



**CITY OF
GOOD**

Supported by



Together, Because

