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**Corporate Giving Is Moving Into a New Age,
According to Survey Released by LBG Research Institute**

Increasing Focus on Non-Cash Giving, Volunteerism, Partnerships and Accountability

STAMFORD, CT – August 25, 2009 – With giving budgets down for many corporations and fewer community involvement (CI) staff on the payroll, corporate charitable giving departments are busier than ever. The good news for many charities is that the corporations surveyed by LBG Research Institute show no decrease in their commitment to supporting their communities.

According to the report, “Making the Most of What We Have: Corporate Giving in the New Economy,” corporations and their foundations are showing their support for their communities by marshalling other, non-cash resources. More than 84% of corporations surveyed say they are encouraging more employee volunteerism to offset a decline in cash giving. More than 48% have increased the number of volunteer events this year. And almost 45% report increased participation rates in their employee volunteer programs.

Besides giving their employees’ time, some companies are stepping up product and in-kind donations. Fifteen percent report they are increasing their in-kind donations (such as meeting space, office equipment, etc.). And 12% are increasing their product donations (products they manufacture, such as pharmaceuticals, apparel, etc.).

Not Just Check Writing Anymore

Almost half the corporations in the survey report that they are emphasizing partnerships with nonprofits over straight cash donations. Half are also paying more attention to measurability and nonprofit accountability. “It’s not just check writing anymore,” says Donna Devaul, executive director of LBG Research Institute. “Corporations want measurable results and are actively seeking nonprofit partners that can produce win-win, impactful programs.” In fact, one-third of the survey respondents say they are actively seeking new nonprofit partners to better match strategic goals.

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Top Issues Encountered by CI Professionals in 2009	% Encountered the Issue
Increase in grant requests from charitable organizations	72.3%
Increased attention to measurability and nonprofit accountability	50.8%
More emphasis on partnerships with nonprofits instead of straight cash donations	46.2%
Reassessment of grant-making criteria to better match community needs	40.0%
Decrease in total number of grants made	35.4%
Eliminating partnerships or relationships with some nonprofits	33.8%
Actively seeking new nonprofit partners to better match strategic goals	32.3%
More stringent criteria for eligible nonprofits	29.2%

Short-Term Pain Increases, But Long Term Commitment Remains

This current study is a follow-up a survey last fall in which LBG asked respondents to predict their giving budgets declines. At the time, 42% of corporations and 37% of corporate foundations surveyed predicted their charitable giving budgets would decrease in 2009. Now, halfway through 2009, 52% of corporations and 47% of corporate foundations are reporting actual declines. Those 10 percentage points have led the Institute to revise its overall corporate giving predictions. “When you look at the size of predicted budget increases and decreases across the sample, the percentage decrease will probably be in the range of 7% to 9%, instead of 3% to 5% we projected last fall,” says Devaul. “That is not good news, but it is still less than the 12.1% drop in 2001 reported by *Giving USA 2002*.”

The pain of these declines is being felt by many companies and nonprofits, but Dr. Linda Gornitsky, founder and board president of the Institute, sees a silver lining. “Corporate philanthropy is entering a new age. All the budget cutting and re-evaluation that has been going on will, in the long run, make corporations more strategic and deliberate in their giving. This is certainly good -- and, the economy has provided the impetus for change.”

The complete report, “Making the Most of What We Have: Corporate Giving in the New Economy,” is available for \$19.95 on the LBG website at www.lbgresearch.org/8.php, or by calling 203-240-5766. The report includes a wealth of data on amount of budget increases and decreases, giving trends and the challenges facing corporate community involvement staffs.

Members of the press may receive a complimentary copy by calling 203-240-5766 or emailing the Institute at lbgresearch@gmail.com.

The survey was conducted in July and August 2009 via email to LBG Research Institute’s proprietary database of corporate giving, community involvement, and foundation professionals. More than 70 major U.S. corporations and 30 private foundations participated.

About LBG Research Institute

LBG Research Institute is the only nonprofit organization solely devoted to conducting research in the area of community investment. Our research and events are supported by Fortune 500 companies who have discovered that membership in the Institute has given them a trusted partner in their community involvement programs. That’s why our motto is “Empowering Companies to Better Communities.” Find more information at: www.lbgresearch.org

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