

TOP CORPORATE DONORS AND CHARITABLE ORGANIZATIONS: UTILIZING THE
COORIENTATION MODEL TO EXAMINE BENEFITS AND RELATIONSHIPS

By

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To my supportive family and loving soul mate, Jinkyu

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TABLE OF CONTENTS

	<u>page</u>
ACKNOWLEDGMENTS	4
LIST OF TABLES	9
LIST OF FIGURES	10
ABSTRACT.....	11
CHAPTER	
1 INTRODUCTION	13
2 LITERATURE REVIEW	17
The Philanthropic Tradition in America.....	17
Corporate Giving	18
Corporate Philanthropy in a Corporate Social Responsibility Context.....	20
The Value of Corporate Philanthropy	21
Conflicting Views on Corporate Philanthropy	22
Strategic Corporate Philanthropy: A Resolution of Tensions	25
Mixed-Motive Model	27
Corporate Benefits from Relationships with Charitable Organizations	28
Strategic Relationships: The Key to Strategic Corporate Philanthropy	32
Charitable Organizations: An Underestimated Public in Corporate Philanthropy.....	32
Strategic Corporate Philanthropy from a Relationship Management Perspective	33
Types of the Charitable Organization-Corporate Donor Relationships	34
Using the Coorientation Model to Explain the Relationship between Charitable Organizations and Corporate Donors.....	38
Hypotheses and Research Questions	40
Corporate Benefits.....	40
The Relationship between Charitable Organizations and Corporate Donors.....	41
3 METHODS	46
Populations and Sampling Frames.....	46
Survey Instrument.....	47
Likert Scale Measurement	48
Survey Administration and Data Collection Procedures	50
Pretest	50
Mail Survey	51
Data Analysis.....	51

4	RESULTS	56
	Response Rates	56
	Description of Survey Participants	56
	Corporate Giving Officers and Their Companies	56
	Senior Fundraisers and Their Organizations	58
	Reliability	59
	Research Questions Regarding Corporate Benefits.....	60
	Research Questions Regarding Relationship Types	63
	Agreement/Disagreement.....	65
	Perceived Agreement.....	66
	Accuracy.....	67
	States of Coorientation	68
	Hypotheses and Research Question Regarding Corporate Benefits and Relationship Types	69
5	DISCUSSION.....	80
	The Study’s Findings.....	80
	Corporate Benefits.....	80
	Corporate Donor-Charitable Organization Relationship Types	82
	Linkage between Corporate Benefits and the Relationship Types.....	84
	Implications	87
	Limitations and Future Research.....	89
APPENDIX		
A	SURVEY FOR CORPORATE GIVING OFFICERS.....	93
B	SURVEY FOR SENIOR FUNDRAISERS.....	97
C	UNIVERSITY OF FLORIDA INSTITUTIONAL REVIEW BOARD INFORMED CONSENT APPROVAL.....	101
D	COVER LETTER MAILED TO CORPORATE GIVING OFFICERS	103
E	COVER LETTER MAILED TO SENIOR FUNDRAISERS	104
F	POSTCARD REMINDER MAILED TO CORPORATE GIVING OFFICERS	105
G	POSTCARD REMINDER MAILED TO SENIOR FUNDRAISERS	106
H	EMAIL REMINDER TO CORPORATE GIVING OFFICERS.....	107
I	EMAIL REMINDER TO SENIOR FUNDRAISERS.....	108
J	COVER LETTER SAMPLE OF REPLACEMENT MAIL TO CORPORATE GIVING OFFICERS.....	109

K COVER LETTER SAMPLE OF REPLACEMENT MAIL TO SENIOR
FUNDRAISERS110

LIST OF REFERENCES111

BIOGRAPHICAL SKETCH118

LIST OF TABLES

<u>Table</u>	<u>page</u>
3-1 Items for corporate benefits from corporate philanthropy	53
3-2 Items for relationship types provided to corporate giving officers.....	54
3-3 Items for relationship types provided to senior fundraisers.....	55
4-1 Demographic description of corporate giving officers and senior fundraisers.....	72
4-2 Organizational description of corporate giving officers’ companies.....	73
4-3 Organizational description of senior fundraisers’ charitable organizations	74
4-4 Cronbach’s alphas of corporate benefits and relationship types indexes	75
4-5 Mean scores on expectation of corporate benefits by categories.....	75
4-6 Importance of overall returned benefits	75
4-7 Mean scores on types of relationships between corporate donors and charitable organizations.....	76
4-8 Overall relationship evaluation.....	76
4-9 Agreement/disagreement between corporate giving officers and senior fundraisers on three relationship types	76
4-10 Corporate giving officers’ perceived agreement with senior fundraisers on three relationship types	76
4-11 Senior fundraisers’ perceived agreement with corporate giving officers on three relationship types	77
4-12 Corporate giving officers’ accuracy on three relationship types	77
4-13 Senior fundraisers’ accuracy on three relationship types	77
4-14 Coorientation states on three relationship types	78
4-15 One-Way ANOVA on importance of overall returned benefits with level of agreement on the patronizing relationship.....	78
4-16 Correlations between the patronizing relationship type and benefit categories	78
4-17 Correlations between the communal relationship type and benefit categories.....	79

LIST OF FIGURES

<u>Figure</u>		<u>page</u>
2-1	Three types of the relationship between charitable organization and corporate donor	44
2-2	Visual depiction of the coorientation model examining the type of relationship between corporate donors and nonprofit charitable organizations.	45

Abstract of Thesis Presented to the Graduate School
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The concept of strategic corporate philanthropy has emerged in order to satisfy both investors of a corporation and the demands of its other key publics. Based on systems theory and the mixed-motive model of giving, the purpose of the study is to better understand strategic corporate philanthropy. By examining the views of leading U.S. corporations and charitable organizations about such issues as benefits companies expect from their contributions and types of relationships formed between the two types of organizations, donor and recipient, the study seeks to address understudied and unexplored issues in strategic corporate philanthropy.

A national mail survey was conducted with 36 corporate giving officers and 66 senior fundraisers. The survey results show that corporate donors and charitable organizations have different degrees of benefits expected by corporate donors, although both groups similarly evaluated the levels of overall benefits corporate donors expect. Both corporate donors and charitable organizations report that social responsibility and public relations benefits are more expected than benefits that directly impact on corporations themselves or corporate leaders, such as marketing, tax savings, and social currency benefits. However, corporate donors placed a very low value on marketing benefits, while charitable organizations estimate their value the same as

tax savings and social currency benefits. Moreover, charitable organizations overestimate the value of tax savings and social currency benefits compared to corporate donors.

Regarding the types of relationships between corporate donors and charitable organizations, both parties perceive the relationship as more communal than either one-way patronizing or *quid pro quo* exchange. In general, both groups consider each other as a strategic partner beyond a patronizing or exchange relationship. However, findings from coorientation analysis show that a state of false consensus on the exchange relationship type exists. Corporate giving officers and senior fundraisers mistakenly think there is agreement between the two groups on exchange relationships.

In addition, this study revealed the linkages between corporate benefits and relationship types. Regardless of the type of relationship, both corporate donors and charitable organizations to some extent evaluate overall returned benefits to be important. There is no specific expected benefit category unique to patronizing relationships. The communal relationship is more related to the social responsibility and public relations benefits than to benefits that directly impact on corporation themselves or corporate leaders, whereas exchange relationships are positively related to marketing benefits. The study confirmed that corporations view strategic corporate philanthropy as forming communal relationships and seeking social responsibility and public relations benefits that bring both organizational and social benefits, as suggested by Porter and Kramer (2002).

CHAPTER 1 INTRODUCTION

With a unique philanthropic culture and long history of philanthropy throughout the country, America's giving increases virtually every year. Charitable giving in the United States reached the highest level in 2007, with donations totaling \$306 billion, and that year marked the first time gifts exceeded \$300 billion (Giving USA, 2008b). This money is donated to the nation's nonprofit charitable organizations. Currently, there are an estimated 1.47 million nonprofit organizations registered with the IRS, and 60% of them are charitable organizations that offer tax-deduction benefits to donors (National Center for Charitable Statistics, 2006). The three major sources of gifts—individuals, foundations, and corporations—have increased their giving to charitable organizations even though their donations have different characteristics, including gift amounts, motivation, and favored recipient groups (Kelly, 1998).

Corporate philanthropy has drawn public attention since its beginning, being considered as a controversial issue because of its *raison d'être*. While the main purpose of companies is to make a profit for owners, they are expected to carry out other responsibilities as a major sector of society. From Milton Friedman's (1970) business-oriented approach to European scholars' perspective emphasizing a social duty of corporations with moral value, the role of a corporate citizen has been argued and practiced on a wide continuum, ranging from reactivity to proactivity (Maignan & Ferrell, 2001). In order to meet societal demands for corporate citizenship, many companies are engaging in various forms of corporate social responsibility (CSR).

As a form of discretionary CSR, many companies donate some portion of their profits through their own corporate foundations or directly to charitable organizations. In 2007, corporate contributions accounted for 5% of all giving, totaling \$15.7 billion (Giving USA,

2008b). Even though corporations contribute the lowest percentage of gifts, as compared to individuals and foundations, corporate philanthropy is very important in our society. Levy (1999b) stressed the value of corporate giving, stating that corporations contribute in more ways than donating money; they donate equipment or products, create employment opportunities, and authorize the use of their facilities for the benefit of the community. In other words, corporations can provide resources to the nonprofit, or third, sector that neither individuals nor foundations usually are able to provide.

However, in spite of the high expectations that publics have of corporate philanthropy and its capability to create both cash and non-cash resources, some corporations are reluctant to increase their corporate philanthropic activities. (Amato & Amato, 2007; Saiia, Carroll, & Buchholtz, 2003; Seifert, Morris, & Bartkus, 2004; The Foundation Center, 2003). One of the main reasons is that publicly owned companies view corporate giving as a no-win situation for themselves because of pressure from investors, or stockholders, to maximize short-term profits (Porter & Kramer, 2002).

In order to satisfy both investors and the demands of other key publics, the concept of strategic corporate giving has emerged. Defining strategic corporate philanthropy as “the process by which contributions are targeted to serve direct business interests while also servicing beneficiary organizations” (p. 34), Tokarski (1999) argued that strategic philanthropy can integrate corporate philanthropy into the company’s overall strategic planning to fulfill demands of diverse stakeholders. Porter and Kramer (2002) also suggested a model of a “convergence of interest” (p. 59) in which a company can maximize philanthropic value by pursuing both social and economic benefits. Assuming that both social and economic benefits are integrally connected rather than inherently conflicting, they argued that corporations should find areas of

convergence in the two different interests. In a similar thread, McAlister and Ferrell (2002) emphasized strategic philanthropy, defining it as “the synergistic use of organizational core competencies and resources to address key stakeholders’ interests and to achieve both organizational and social benefits” (p. 690).

In order to expand further the breadth and depth of corporate giving, corporate philanthropy should be understood and practiced according to the mixed-motive model, whereby motivations for giving are a mixture of both altruism and self-interest (Kelly, 1998). The relationship between charitable organizations and their corporate donors should go beyond a transfer of funds from donor to grantee. Rather than purely altruistic, corporations may also garner some benefits from their philanthropic activities and their relationships with charitable organizations.

Strategic corporate giving draws the attention of public relations scholars who focus on a relationship management perspective. Based on systems and stakeholder theory, corporate benefits from contributions may extend from increased sales to better relationships with various stakeholders of the company, which directly or indirectly influence the bottom line (Bae, 2004; Mullen, 1997). Moreover, strategic relationships with charitable organizations allow companies to accomplish dual missions: to make a profit and to act as corporate citizens. Porter and Kramer (2002) argued that strategic partnerships with charitable organizations enhance the value of corporate contributions. Therefore, selecting appropriate charitable organizations and having strategic partnerships with them is pivotal for a company to be sustainable as both a for-profit organization and a citizen of society.

The emphasis on strategic corporate giving also requires charitable organizations to adopt strategic relationship management with corporate donors. High competition within the nonprofit

sector leads charitable organizations to seek effective relationship management with their donor publics, including corporations (Cutlip, Center, & Broom, 2000). Based on systems theory, charitable organizations are required to provide the appropriate benefits that their corporate donors expect in order to develop and maintain relationships with one of their enabling publics, corporate donors, and not view them simply as naïve and generous benefactors.

While the interest in understanding corporate philanthropy using a mixed-motive model has increased, there are few empirical studies addressing what benefits corporations expect from corporate philanthropy. There is some research that has examined expected corporate benefits from the corporate view (Duhé, 1996) or from the charitable organization's perspective (Rumsey & White, 2007). However, no study looks at this topic from both sides. In particular, corporate giving has been mainly an issue for business scholars, not public relations scholars. Consequently, there is little research examining how corporations and charitable organizations perceive the relationship with each other. Many scholars overlook the importance of the relationship between corporate donors and charitable organizations.

The purpose of the study is threefold: (a) to investigate what benefits corporate donors expect from their contributions, (b) to investigate what benefits charitable organizations believe their corporate donors expect, and (c) to examine what relationship type both corporate donors and charitable organizations have with each other. By applying the coorientation model to measure the two sides of the corporate donor-charitable organization relationship, the study will test to what extent corporations and charitable organizations agree or disagree on the relationship types.

CHAPTER 2 LITERATURE REVIEW

In this chapter, the central concepts of strategic corporate philanthropy and the relationship between corporate donors and charitable organizations will be elaborated. The chapter begins with an overview of the philanthropic tradition in America and corporate giving. It continues with a discussion of strategic corporate philanthropy and corporate benefits based on the mixed-motive model of giving. Next, it explores the relationships between the two kinds of organizations and discusses the types of corporate donor-charitable organization relationships. Finally, it examines the coorientation model and its usefulness in measuring the corporate donor-charitable organization relationship types.

The Philanthropic Tradition in America

America's giving tradition has a long history and is distinctive (Friedman & McGarvie, 2003). In his book titled *Democracy in America*, Alexis de Tocqueville (1835) emphasized America's philanthropic spirit as one of the strengths of the country, as compared to European society. He observed Americans' inclination to form and voluntarily join associations that provided charitable relief. Tocqueville highlighted the unique giving culture, and, indeed, America's total giving increases virtually every year. The philanthropic tradition is demonstrated best by gifts made in the aftermath of national disasters. For example, \$2.8 billion was raised after the September 11, 2001, terrorist attacks, and donations in 2005 to support victims of Gulf Coast Hurricanes Katrina, Rita, and Wilma surpassed \$5 billion by the end of the year (The Nonprofit Times, 2006).

America's philanthropy as part of its national character stands out in international comparisons of charitable giving (Charities Aid Foundation, 2006). In 2005, the United States was ranked as the country with the highest amount of charitable giving, accounting for 1.7% of

the gross domestic product (GDP), followed by the UK at 0.73% GDP. American donations come from three sources: individuals, foundations, and corporations (Kelly, 1998).

Corporate Giving

Corporations have been engaged in philanthropic activities in the United States for more than a century. For example, railroad companies contributed to local YMCAs as one of their business strategies in the early 1890s (Koten, 1997). Recognizing the needs of accommodations for railroad passengers and employees during their cross-country journeys, the railroads made a contribution to local YMCAs. The railroads' contribution made it possible that YMCS hostels offered a safe and inexpensive haven to two important stakeholders of the railroads, customers and employees as well as spurring the growth of the railroads themselves. Lehman and Johnson (as cited in Sánchez, 2000) defined corporate philanthropy as "the charitable transfer of firm resources at below market prices" (p. 364). Corporate giving, or corporate philanthropy, is the act of corporations donating a portion of their profits or resources to charitable organizations. Related to public relations, corporate philanthropy is often considered as strategic community relations (Daugherty, 2000; Levy, 1999b; Smith, 1994).

Corporations have long been requested to contribute their resources for social goals (Nevin-Gattle, 1996). As stated earlier, in 2007, corporations donated \$15.7 billion to charitable organizations, which accounted for 5% of total giving (Giving USA, 2008b). Generally speaking, corporate giving hovers between 1 and 2% of pretax profit, hitting the lowest point of 0.7% in the late 1970s and in 2006, and the highest point of 2% in 1986 (Giving USA, 2008a). Corporations contribute through their own corporate foundations or directly to charitable organizations. Most corporations donate directly to charitable organizations, and corporate foundations account for only about 36% of total corporate giving (Giving USA, 2008a). Currently, there are about 2,600 corporate foundations (The Foundation Center, 2008).

While the most common form of corporate giving is cash, companies can also donate tangible or intangible property, such as products, equipment, and services (Levy, 1999b; Smith, 1994; Tokarski, 1999), although services are not tax deductible as charitable contributions (Kelly, 1998). Regarding services, companies provide charitable organizations with managerial advice and technological and communication support. Moreover, many corporations have employee volunteer programs through which employees donate their time to charitable organizations in their communities. Product donation is also a unique characteristic of corporate contributions. Some experts such as Levy (1999b) and Tokarski (1999) believe that corporate contributions have value in terms of donating resources to the third sector that their counterparts, individuals and foundations, seldom donate, and this makes corporate philanthropy arguably more meaningful to society. The mixture of cash and in-kind gifts varies by company and industry.

Corporations contribute to charitable organizations with a wide variety of missions, including the arts and culture, education, health, human services, international affairs, religion, animal welfare, and the environment; however, education and human services are the most favored recipients of corporate giving (The Foundation Center, 2008). The amount of corporate giving also varies widely, with some corporations sharing relatively large percentages of corporate profits and others giving little or nothing (Reder, 1995). As the most generous corporations, Dayton Hudson (now Target Corporation), Levi Strauss, and Cummins Engine have committed 5% of their pretax profit to communities, while less than 30% of all companies have philanthropic activities (Reder, 1995). Corporate giving is engaged in not only by large-sized corporations but also by small and medium enterprises (SMEs), although SMEs donate a higher proportion of equipment or services (Levy, 1999a). The personal wealth of SME owners influences the amounts of corporate giving more than with larger corporations.

Corporate Philanthropy in a Corporate Social Responsibility Context

The restructuring of the American economy in the 1970s hugely influenced corporate charitable giving (Tokarski, 1999), and corporations developed community contribution programs under the surveillance of activist groups (Useem, 1991). Since then, corporations have had the dual purposes to be economically successful and socially responsible. Therefore, corporate philanthropy can be understood in the context of CSR activities.

Corporate philanthropy is considered as one of four dimensions of CSR suggested by Carroll (1979, 1991). After tracking the changes of the concept, Carroll (1991) argued that CSR actually consists of four different dimensions of social responsibility: economic, legal, ethical, and discretionary. As a priority, economic responsibility is made up of maximizing profits and producing products and services that consumers need. Legal responsibility means complying with various government regulations. Ethical responsibility involves meeting societal and ethical expectations. And the discretionary category includes charitable contributions to communities.

Philanthropy fits in discretionary responsibility because it has a more voluntary character; it is desired rather than expected or required by society (Buchholtz, et al., 1999; Carroll, 1991; Seifert, et al., 2004). Unlike the other three dimensions of CSR, discretionary responsibilities are “left to individual judgment and choice” (Carroll, 1979, p. 500). Because of the volitional character of this kind of giving, many scholars argue that the philanthropic responsibility of corporations is an oxymoron (Carroll, 1979). Consequently, corporate philanthropy has been underestimated and less researched than other categories of CSR (Carroll, 1979; 1991; Meijer, Bakker, Smit, & Schuyt, 2006; Schwartz & Carroll, 2003; Wood, 1991). Carroll (1991) minimized the importance of corporate philanthropy, using a metaphor for it as “icing on the cake—or on the pyramid” (p. 42). One study showed that companies weighed philanthropic responsibilities the least of the four CSR dimensions (Aupperle, Carroll, & Hatfield, 1985).

Wood (1991) also stated corporate philanthropy to be “last in, first out” on a firm's action inventory (p. 698). Reflecting its discretionary character, a study revealed that there was a widely accepted phenomenon in business that corporate contributions are mainly dependent on organizational slack, which is defined as spare or uncommitted resources (Seifert, et al., 2004).

The Value of Corporate Philanthropy

Regardless of the fact that it was found in previous studies to have less importance for corporations, corporate philanthropy has been a crucial issue in both practical and academic areas (Campbell, Moore, & Metzger, 2002; Maignan, Ferrell, & Hult, 1999). Under high pressure from various stakeholders for profitability and responsibility, many corporations contribute gifts and embrace cooperation with communities and charitable organizations. Linking corporate citizenship with community relations, which includes acts of giving, employee volunteerism, community-based programs, and relationships with civic and nonprofit organizations, Altman (1999) argued that strategically managed corporate community relations may help companies fulfill the role of corporate citizenship. In a same vein, corporate philanthropy has been considered as a vital role of corporate citizenship (Saiia, 2001; Saiia, et al., 2003). Some studies have shown that corporate philanthropy brings benefits to corporations in terms of a business and marketing perspective (Maignan, et al., 1999).

Corporate philanthropy also enhances the effectiveness of the company’s public relations by influencing the bottom-line (Bae; 2004; Levy, 1999a; Mullen, 1997; Porter & Kramer, 2002) or even the survival of a company (Koten, 1997). Koten (1997) described a public relations person as “the external eyes and ears of the company” (p. 154), whose main responsibility is to assess societal changes and needs. He argued that an effective corporate giving program can allow a company to establish a positive identity with its key stakeholder groups and ultimately help ensure a company’s survival. Porter and Kramer (2002) argued that corporate philanthropy

combined with employee volunteer programs improves employee morale, which is directly related to company productivity. They found that corporate philanthropy increases company visibility by generating positive publicity. Another study also found that corporate philanthropy, considered as an important public relations activity, produced a direct impact on the corporate bottom-line in the consumer discretionary sector (Bae, 2004). Daugherty (2000) insisted that strategic corporate giving positively influences building a positive corporate image. As consumers view companies making charitable contributions as ethical, they may remain loyal and tend to cling to the companies even when controversy occurs. Regarded as an investment in a company's brand identity, corporate giving generates such attributes as trust, caring, reliability, fairness, and diversity (Levy, 1999a).

From the relationship management perspective, corporate philanthropy also has the benefit of building quality relationships between corporations and their internal and external publics, such as employees, consumers, government, investors, and communities (Daugherty, 2000; Hall, 2006; Koten, 1997; Levy, 1999a; Porter & Kramer, 2002). Hall (2006) explored how corporate philanthropy and corporate community relations programs influenced the relationship between a regional utility company and its customers. She found that customers' awareness of these programs helped enhance the customers' relationship with the company and increased the perception of the relationship as being more communal than exchange. Explanation of the two relationship types is given later.

Conflicting Views on Corporate Philanthropy

While corporations agree that corporate philanthropy can be an effective strategy for them to meet stakeholders' rising expectations of socially responsible activities, they do not utilize the tool as much as they might due to the doubt that corporate philanthropy programs meet both their social goals and stakeholder's expectations (McKinsey, 2008). Total corporate giving ebbs and

flows over the years. With high skepticism about the value of corporate philanthropy, Milton Friedman (1970) insisted that the social responsibility of a company is to make a profit and that making a profit is its only obligation. He contended that a company should use its resources to maintain its competitive market position to increase its profits insofar as it engages in “open and free competition without deception or fraud” (p. 126). Focusing on the traditional shareholder relationship derived from Adam Smith’s neoclassical perspective (1937), Friedman’s philosophy considers organizational well-being as mainly based on increasing shareholders’ profits (Phillips, 1997).

Moreover, ambivalent voices of investors regarding corporate philanthropy make a company reluctant to expand contributions. While investors prefer a generous company with a more positive public image that brings greater long-term profitability (Seifert, et al., 2003), they relentlessly put pressure on a company to increase short-term profits (Porter & Kramer, 2002).

However, this business or shareholder-oriented viewpoint has been challenged by systems theory proponents. Derived from the study of living organisms, systems theory states that a system, the basic unit of analysis, cannot exist in isolation but is a part of an environment that is made up of other systems (Plowman, 2004). The theory is related to resource dependence theory conceptualized by Pfeffer and Salancik (1978). This theory maintains that organizations must interact with other organizations or groups to acquire resources for survival. Adding the value of public relations, Cutlip, et al. (2000) defined a system as “a set of interacting units that endures through time within an established boundary by responding and adjusting to change pressures from the environment to achieve and maintain goal states” (p. 229). The main concern of systems theory is to understand how each system acts within the dynamic relationships with other systems, and this determines its survival and success.

Katz and Kahn (1978) argued that all systems can take a position within a continuum, ranging from closed systems on one extreme to open systems on the other. While organizations in closed systems, having impermeable boundaries, cannot exchange any material and information, open systems exchange inputs and outputs with other systems through permeable boundaries (Cutlip, et al., 2000). In other words, the degree of its openness or closedness determines the categories and amounts of exchange between an organization and its environment. Closed systems are not sensitive to their environments, and they do not adjust to external changes. On the other hand, compatible with interdependency, open systems are responsive to environmental changes and highly depend on exchange with other systems. Katz and Kahn (1978) noted that organizations must cope with their environments for survival and that this implies high interdependence with other groups, which means that corporations should listen to and provide what other organizations and groups want from them. It also means that charitable organizations should listen to corporate donors and provide them with what they want.

In a similar way, stakeholder theory, mainly conceptualized by Edward Freeman (1984), also emphasizes the interdependence of corporations with various stakeholder groups. Defining a stakeholder as “any group or individual who can affect or is affected by the achievement of the organization’s objectives” (p. 46), Freeman argued that a corporation should consider the expectations and needs of various stakeholders who influence the company’s legitimacy. His viewpoint widened corporate obligations from investors to a whole society. Using stakeholder theory, Clarkson (1995) insisted that the measurement of corporate success should go beyond the satisfaction of only one stakeholder, the investors. Rather than mainly focusing on increasing financial profits, companies’ performance should be evaluated by their dedication to both internal and external stakeholders.

According to proponents of systems theory and stakeholder theory, an organization's viability depends on the resources that result from interchange with other organizations and groups. Applying these theories to corporate philanthropy, corporate contributions to communities is inevitable for companies in order to acquire resources for their survival.

Strategic Corporate Philanthropy: A Resolution of Tensions

Corporate philanthropy evolved into *strategic corporate giving*, which can be explained by Hegel's dialectic. Strategic corporate philanthropy can resolve disagreements about corporate giving and fulfill various obligations a corporation has as both a profit maker and a corporate citizen. Echoing back public demands and investors' expectations, strategic corporate philanthropy may influence a company's bottom line and contribute to the solution of social problems (Buchholtz, et al., 1999).

In the 1980s, the concept of strategic corporate philanthropy emerged as the integration of marketing practice and socially responsible activities (Smith, 1994; Logsdon, Reinter, & Burke, 1990). Many scholars have provided definitions of strategic corporate philanthropy or strategic philanthropy. Marx (1999) defined strategic corporate philanthropy as "the process by which contributions are targeted to meet business objectives and recipient needs" (p. 187). From previous studies, he concluded that corporate philanthropy should be implemented after integrating it into the overall strategic plan of the company in order to benefit both recipients and the corporation. Categorizing strategic philanthropic behavior into two types, strategic process and strategic outcomes, Logsdon, et al. (1990) emphasized the value of strategic philanthropy as making a direct contribution to stakeholders and having an indirect impact on business success. Similarly, strategic philanthropy has been described as being "the synergistic use of organizational core competencies and resources to address key stakeholders' interests and to achieve both organizational and social benefits" (McAlister & Ferrell, 2002, p. 690).

However, these definitions of strategic corporate philanthropy are mainly based on a marketing perspective that focuses on business goals and consumers as the only stakeholder. The only business objectives these scholars considered were those dealing with marketing and sales, rather than companies' other important functions, such as human resources, government relations, international operations, and community relations. This narrow scope of strategic corporate philanthropy resulted in the prevalence of cause-related marketing. Cause-related marketing, or cause marketing, is a marketing strategy a company uses to increase profits by selling more products and services (Kelly, 1998). In exchange for a charitable organization's mission or logo, a company pays some portion of the profits to that organization. Cause-related marketing has been quickly adopted by many companies and is considered to be strategic philanthropy. For example, although it still accounts for only a small portion of corporate philanthropic expenditures, millions of dollars are being invested in cause-related marketing. In 2002, corporations spent \$828 million for cause-related marketing, compared to only \$125 million in 1990 (Porter & Kramer, 2002). However, it is one of five types of common joint ventures and is not primarily a philanthropic activity (Kelly, 1998). Hemphill (1996) agreed, viewing it as a "device completely devoid of altruism and corporate social responsibility" (p. 405). Porter and Kramer (2002) warned that corporate philanthropy aimed solely at increasing a company's profits, such as cause-related marketing, has limited benefits to a company's publicity and no real social impact. Moreover, they argued it may cause public cynicism about corporate motives for giving.

Strategic philanthropy is a win-win strategy for companies to satisfy all its stakeholders—such as investors, employees, customers, government agencies, nonprofit organizations, and communities—who influence a company's viability. Porter and Kramer (2002) argued that the

desired benefit from strategic corporate philanthropy is enhanced goodwill rather than increased sales. They described strategic corporate philanthropy as the corporate effort to find converging areas of both social and economic benefits and viewing these two types of benefits as connected in the long run rather than conflicting. For example, Cisco initiated an educational program—the Cisco Network Academy—to gain both social and economic benefits. In order to meet social needs—increasing job opportunities for high school graduates—the company utilized its unique attributes by providing computer training programs. Additionally, the education program brought benefits to Cisco by reducing a potential constraint on its growth as well as producing network administrators who contributed to enhancing the company’s competitiveness. Cisco’s contributions to social causes have brought mutual benefits to society and the company itself.

Mixed-Motive Model

Strategic corporate philanthropy can be understood in the context of the mixed-motive model, the combination of both self-interest, or egoism, and altruism (Kelly, 1998). Considering philanthropy as *caring*, Martin (1994) defined the mixed-motive model: “Philanthropic giving usually springs from a combination of altruism (caring for others for their sake) and self-interest (caring for one’s own well-being)” (p. 123). He argued that giving behavior is the outcome of mixed motives, rather than either pure altruism or pure self-interest. Every individual or organization has mixed motives regarding philanthropic giving, pursuing its own interest and the common good at the same time (Kelly, 1998). Martin (1994) noted that ambivalent motives of giving are natural, blame-free, and even desirable in society, as well as ubiquitous.

The mixed-motive model suggests that self-interest based philanthropy is not unethical and purely altruistic giving is not necessarily desirable or perfect. Either pure altruism or pure self-interest of corporate giving by itself is not sufficient to fulfill the responsibilities expected by various publics. Making a profit (self-interest of a company) can be more easily accomplished

when it includes corporate contributions to society. In contrast, pursuing pure altruism is rarely even possible. As Porter and Kramer (2002) have argued, “Goodwill alone is not a sufficient motivation” for corporate philanthropy (p. 67). Burlingame and Frishkoff (1996, as cited in Saiia, et al., 2003) also distinguished strategic philanthropy from altruism, which is giving to communities without asking for any reciprocity from the recipients. Thus, the mixed-motive model understands corporate giving as based on companies seeking to benefit themselves while contributing to society at the same time.

From in-depth interviews with executive directors and development officers of charitable organizations, Rumsey and White (2007) found that strategic corporate giving is explained by a blend of altruistic and self-interest motives. The study proposes a model of strategic engagement to explain strategic corporate philanthropy in both inner and outer frames. In the model, a company’s mixed motives play a role in the antecedent conditions when deciding to strategically engage with a charitable organization, yielding mutual benefits and high satisfaction as the result.

Taking the mixed-motive model for granted, Porter and Kramer (2002) provided specific guidelines to advance strategic corporate philanthropy. They argued that corporate philanthropic programs should be tied to well-thought-out social and business goals rather than being superficially tied to business goals, such as in the case of cause-related marketing. Porter and Kramer (2002) described strategic corporate philanthropy as improving companies’ “competitive context—the quality of the business environment in the location or locations where they operate” (p. 58). Improving companies’ contexts in this way is connected to social goals in the long run, not in contraction to them.

Corporate Benefits from Relationships with Charitable Organizations

Strategic corporate philanthropy based on the mixed-motive model yields mutual benefits for both charitable organizations and corporate donors. The direct and obvious benefits that

charitable organizations receive are the resources to accomplish their missions. Rumsey and White (2007) agreed, saying cash and in-kind gifts are the main benefits that the relationship brings to charitable organizations. However, it is neither clear nor simple what benefits corporations expect from the relationship and there is little research on this issue. From a fundraising perspective, Rosso (1991) stated, “Fund raising is at its best when it strives to match the needs of the not-for-profit organization with the contributor’s need and desire to give” (p. 7). As systems theory and stakeholder theory explain, both charitable organizations and corporations need to provide what the other party wants in order to derive mutual benefits from the relationship.

Steinberg (1989) provided two levels of giving motives which are inextricably intertwined. One reason for giving is because people are not satisfied with the current level of a “public good” and wish to raise that level. The public good is the cause advanced by charitable organizations, such as research on breast cancer or access to modern arts. The main motive of this giving is to benefit the good public regardless of who enjoys the good. The other reason for donating is based on expected “private goods” returned to the giver. Private goods can be broken down into three types: tangible (e.g., a front-row seat at the opera or an alumni magazine), intangible but externally observable (e.g., greater prestige), and internal benefits (e.g., feeling good about the act of giving). Providing an example of an intangible private good, Rumsey and White (2007) found that one charitable organization provides corporate donors with favorable visibility through name placement on signage.

Viewing corporate philanthropy as a strategic response to a firm’s stakeholders, Logsdon, et al. (1990) asserted that corporations can expect three strategic outcomes from their contributions: market development, employee development, and external stakeholder

management. Companies can expect to develop markets through corporate giving by the introduction of a new or existing product to new customer groups, which can increase sales. Employee development includes direct benefits to employees (e.g., better public schools for their children) and enhancement of recruitment programs through increased contacts with potential employees (e.g., cooperative programs with universities). Companies can expect to manage external stakeholders by improving their corporate images and interacting with stakeholders other than employees or customers. Among these three possible benefits from corporate contributions, employee development is the most expected, and marketing development is the least expected, benefit, according to Logsdon, et al. (1990).

From an extensive literature review, Galaskiewicz (1989) identified five different reasons corporations make gifts: (a) marketing, (b) tax saving, (c) social currency, (d) public relations, and (e) social responsibility (or enlightened self-interest). Kelly (1998) and Duhé (1996) categorized these reasons into types of benefits sought by corporate donors.

Marketing benefits: In both the short term and long term, companies expect to gain marketing benefits from corporate giving, increasing sales and impacting the bottom-line. Whereas joint-ventures such as cause-related marketing bring short-term benefits of immediate sales, they also bring long-term benefits including attracting and retaining customers.

Tax savings benefits: Corporate contributions are made to take advantage of tax benefits. Along with marketing benefits, tax savings bring economic benefits to companies. While analysis of IRS data showed a positive relationship between tax benefits and corporate giving (Kelly, 1998), an empirical study reported that tax benefit is not a top priority reason for giving. Tax benefits ranked 13 out of 14 corporate giving goals (Marx, 1999).

Social currency benefits: Referred to as *old boy network philanthropy*, the concept of social currency is relevant as economic elites' efforts to meet expectations of business peers. Corporate giving can raise the status of corporate leaders in the business world. Kelly (1998) summarized this, saying that corporations make donations because "senior managers are expected to do so by business peers" (p. 42).

Public relations benefits: Closely associated with social responsibility benefits, public relations benefits enhance corporate image and create a reputation as a good corporate citizen. Rather than aiming at consumer groups to increase sales, public relations benefits contribute to quality relationships with a range of publics, such as employees, communities, governments, activist groups, and ultimately seek the autonomy of the company from external formal controls.

Social responsibility benefits: The last benefit, social responsibility or enlightened self-interest, offers long-term value to companies. This benefit category includes the basic premise that "a better society produces a better environment for business and that companies build supportive communities in which to operate by responding to the needs of their communities through contributions" (Kelly, 1998, p. 593). The category is compatible with the "competitive context" or win-win strategy, suggested by Porter and Kramer (2002).

Whereas all companies seek all five types of benefits to varying degrees, expected benefits from corporate giving vary by donation motive and industry (Kelly, 1998). Duhé (1996), who defined the five categories as giving philosophies, conducted a study on the benefits corporate donors want and get from contributions to a local United Way. She found that companies predominately hold the public relations giving philosophy (71%), followed by social responsibility (41%) and marketing (25%) philosophies. Within the public relations giving philosophy, companies expect to enhance their reputations, receive publicity, and improve

employee morale. She also found that corporations' satisfaction with the relationship with charitable organizations is positively related to the size and the level of donation amount and involvement in the community. Interestingly, despite corporations' candid attitude about the dual motivation for giving, the study revealed a hesitancy on the part of corporate respondents to admit to corporate benefits beyond altruism.

Strategic Relationships: The Key to Strategic Corporate Philanthropy

Charitable Organizations: An Underestimated Public in Corporate Philanthropy

Contributions from corporations go to charitable organizations. This means that charitable organizations are one of the major stakeholder groups of for-profit organizations. In spite of many studies about strategic corporate philanthropy, most of them overlook the important role of the nonprofit sector in strategic corporate philanthropy (Rumsey & White, 2007).

There are approximately 1.47 million nonprofit organizations registered with the U.S. Internal Revenue Service (National Center for Charitable Statistics, 2006). Their tax-exempt status distinguishes nonprofit organizations from business and government entities (Kelly, 1998). There are 27 distinct types of nonprofit organizations, and charitable organizations account for the majority of nonprofits. According to the National Center for Charitable Statistics (2001), 0.9 million of them (61.2%) are 501(c)(3) charitable organizations under the Internal Revenue Code. The most distinct difference between charitable organizations and other nonprofit organizations is that charitable organizations can offer donors a tax deduction for their gifts. Organizations classified as 501(c)(3) are public or private charities having a philanthropic nature. Charitable organizations support a wide range of areas such as the arts, culture, education, healthcare, and human services.

There was a significant increase in the number of nonprofit organizations in the 1960s and 1970s (Marx, 1999). Cutlip, et al. (2000) described a climate change in the nonprofit sector, such

as shifting responsibility for public service, increasing management costs, public concern about the credibility and accountability of the nonprofit sector, and growth of partnership opportunities with corporations. In particular, a historic decline of government support to the nonprofit sector since the Reagan era has resulted in close ties between the third sector and its donor groups, including individuals, foundations, and corporations (Levy, 1999b).

Levy (1999b) addressed the importance of relationships between corporations and charitable organizations. He argued that corporate giving is not one-way giving but creates mutual benefits and interaction between a donor company and a nonprofit grantee. Thus, the relationship between charitable organizations and for-profit organizations should be considered as something more than a one-way benevolent relationship between wealthy donors and dependent recipients. Porter and Kramer (2002) also emphasized the value of partnerships with charitable organizations in strategic corporate philanthropy, noting that “selecting a more effective grantee or partner organization will lead to more social impact per dollar expended” (p. 63). One of the main benefits from the relationship is utilizing the existing efforts and infrastructure of charitable partners.

Strategic Corporate Philanthropy from a Relationship Management Perspective

The concept of strategic corporate philanthropy is also deserving of attention from public relations scholars, because it is inherently related to the function of public relations. J. Grunig (2000) maintained that the core value of public relations is collaboration, considering mutual benefits of both an organization and its publics. Since Ferguson (1984) pointed out that relationship management is the primary role of public relations, many public relations scholars have studied the contribution of public relations to an organization from a relationship management perspective (e.g., J. Grunig & Huang, 2000; Hon & J. Grunig, 1999; Ledingham, 2003). Ledingham and Bruning (1998) also argued that “the essence of public relations is

relationship management...to use communication strategically to create, develop, and nurture a relationship between an organization and its key publics” (p. 2). As Cutlip et al. (2000) defined it, public relations is “the management function that establishes and maintains mutually beneficial relationships between an organization and the publics on whom its success or failure depends” (p.1).

By building and maintaining mutually beneficial relationships with their publics, organizations can overcome crises and challenges (Ledingham, 2003). Strong relationships with beneficiary organizations may appease skepticism about corporate giving. From a systems theory perspective, relationships help an organization manage its interdependence with the environment (L. Grunig, J. Grunig, & Ehling, 1992). Thus, it is necessary to study how the relationships between corporate donors and charitable organizations are defined by both sides.

Types of the Charitable Organization-Corporate Donor Relationships

Reflecting on stakeholder theory, Abzug and Webb (1999) stated that the role of nonprofit organizations in their relationships with corporations moves from the secondary role, supporting or supported, to a central role in collaborations and partnerships. The philanthropy scholars proposed four types of relationships between the two parties, employing the matrix of types and strategies of stakeholders suggested by Savage, Nix, Whitehead, and Blair (1991). Depending on the level of the stakeholder’s potential for both cooperation and threat to the organization, the relationship is divided into the following four types: (a) supportive (high potential for cooperation and low potential for threat), (b) marginal (low potential for cooperation and low potential for threat), (c) non-supportive (low potential for cooperation and high potential for threat), and (d) mixed blessing (high potential for cooperation and high potential for threat). Of the four categories, they viewed the supportive relationship as an ideal case, whereby nonprofit organizations are more likely to cooperate with and less likely to threaten corporations. However,

in the supportive relationship, nonprofit organizations may be exploited by their corporate donors. As Ben-Ner and Van Hoomissen (1991) warned, an organization is mainly controlled and influenced by “demand-side stakeholders” (p. 523), who pay for products for their own use, such as consumers, or who sponsor someone else’s consumption of goods, for example, donors to charitable organizations.

Rumsey and White (2007) argued that the relationship between charitable organizations and corporate donors has evolved from a traditional one-way patronizing relationship, represented by wealthy donors and poor recipients, to a more symmetrical relationship where corporations and charitable organizations are interdependent and pursue mutual benefits. They also found from their interviews with executive directors and development officers that charitable organizations want a symmetrical relationship with their corporate donors, “a genuine partnership with a mutual value exchange and a roughly equal division of control and governance” (p. 22).

Naming the 21st century as “the age of alliances,” Austin (2000, p. 1) also focused on the development of collaboration between charitable organizations and corporations. According to Austin, collaborative relationships between charitable organizations and corporations have shifted from what he called traditionally philanthropic to strategic cooperation. He states the three different stages that compose the collaboration continuum—philanthropic, transactional, and integrative.

The first stage, philanthropic, represents altruistic corporate philanthropy, characterized by benevolent donors and appreciative recipients; mutual benefits are not significant. Rumsey and White (2007) viewed this stage as a one-way patronizing relationship between powerful donors and dependent recipients. In the philanthropic stage, the engagement between two organizations

is limited to an “annual solicitation from an NPO that elicits a donation from a corporation,” such as submitting a grant proposal and gratefully acknowledging the donation (Austin, 2000, p. 20). According to Austin (2000), this primitive relationship is the most common, but many organizations are moving on to the next stage. Seitanidi and Ryan (2007) viewed the first stage as “asymmetrical in nature, as the underpinning motivation is altruism, denoting one-way giving without direct (economic or non-economic) rewards” (p. 248).

The second stage of collaboration, transactional, is compatible with organizations’ resource exchange activities through specific strategies such as cause-related marketing or event sponsorships. Corporations seek various marketing opportunities from their relationships with charitable organizations. Compared to the philanthropic stage, the transactional stage is two-way. While both charitable organizations and corporations derive benefits from the relationship, the benefits basically are commercial and focus on the *deal* with exchange partners. Therefore, although the collaboration is two-way, it is narrowly defined and limited in the benefits it offers. Kelly (1998) asserted that the benefits of cause-related marketing are unbalanced; corporations receive far more than their charitable partners, who usually only get a penny or less for every product sold. The transactional stage is similar to pure self-interest.

The final and highest level of collaboration is the integrative stage, in which both organizations’ missions and activities are equally respected. The integrative stage includes more collective action and organizational integration of the two organizations. This has been described as a “mutual mission relationship” that has the quality of “boundarylessness” (Austin, 2000, p. 26). In this stage, the two parties agree to share resources and each organization’s culture influences the other. The integrative stage includes partners’ mutual commitment and a relationship based on equality rather than commercial exchange. As an ideal stage, the integrated

collaboration between charitable organizations and corporations is desirable for strategic corporate philanthropy in the long run. The integrative stage is compatible with the mixed-motive model of giving. From previous studies, Seitanidi and Ryan (2007) summarized the characteristics of integrative collaboration including longevity, mutual benefits, high investment, commitment, and adaptive behavior. Integrative collaboration results in interdependence and closeness, two-way communication or dialogue, and trust (Seitanidi & Ryan, 2007).

The transactional and integrated stages are related to two types of relationships that an organization can have with its publics, as suggested by Hon and J. Grunig (1999): exchange and communal relationships. The public relations scholars stated that public relations practitioners aim to achieve communal relationships, whereas an exchange relationship is a more marketing-related outcome.

Exchange relationship: This is the marketing relationship based on give-and-take. In an exchange relationship, one party gives benefits to the other only because of the expectation of benefits to be returned in the future (Clark & Mills, 1993; J. Grunig, 2000; Hon & J. Grunig, 1999). In this context, a beneficiary party has an obligation or debt to repay the favor. The exchange relationship is based on marketing's basic concept of *quid-pro-quo* expectation – the trading of benefits between organizations and markets. The transactional collaboration is comparable to an exchange relationship.

Communal relationship: In a communal relationship, an organization provides benefits in response to the need of the other, or with the concern for the welfare of the other (Hon & J. Grunig, 1999). It is beyond the commercial exchange relationship. J. Grunig (2000) argued that a communal relationship is relevant as an outcome of two-way symmetrical communication. According to Clark and Mills (1993), who originally conceptualized it, a communal relationship

is not completely altruistic, rather it ultimately results in mutual benefits for both parties. An organization that provides benefit to another party may benefit itself by building a positive reputation and gaining more support from its publics (J. Grunig, 2000). Integrative collaboration is compatible to a communal relationship. Both lead to truly strategic partnerships between charitable organizations and corporate donors.

In sum, the relationships between corporation donors and nonprofit recipients can be classified into three distinct types based on three different giving motives: (a) patronizing, or philanthropic, relationships based on pure altruism, (b) exchange, or transactional, relationships based on pure self-interest, and (c) communal, or integrative, relationships based on mixed motives. Austin (2000) insisted that it is not necessary for every relationship to go through these stages sequentially. Figure 2-1 presents the three types of relationships between charitable organizations and corporate donors by level of cooperation.

Using the Coorientation Model to Explain the Relationship between Charitable Organizations and Corporate Donors

The coorientation model can be used to explain how charitable organizations and corporate donors perceive and evaluate the relationship between charitable organizations and corporate donors. Broom and Dozier (1990) suggested that the coorientation model is a useful way to compare a company's perspective on an issue with that of its stakeholders.

With theoretical roots in Newcomb's (1953) symmetry model that explained the mutual psychological orientation of two individuals to an object, the coorientation model was expanded into mass communication studies by McLeod and Chaffee (1973). They attempted to understand people's behavior, which is influenced by not only their internal thinking but also by their orientation to others and their perceptions of the views that other people hold. After Broom and Dozier (1990) introduced the theory to the public relations field, it became a model representing

the mutual perceptions of an organization-public relationship. Kelly (1998) revised and developed the model to describe the relationship between a nonprofit organization and an enabling public, its donors.

According to Kelly (1998), the coorientation model includes four elements: (a) the organization's view on an issue; (b) the public's views on the issue; (c) the organization's perception or prediction of the public's views; and (d) the public's perception or prediction of the organization's view.

The interaction between these four elements of the coorientation model yields three measures: agreement, congruency, and accuracy (Seltzer, 2006). Congruency is referred to perceived agreement following Kelly (1998; Kelly, Thompson, & Waters, 2006). As shown in Figure 2-2, agreement refers to the degree to which the organization and the public share similar views on an issue, in this case, the degree to which corporate giving officers of corporate donors and senior fundraisers of charitable organizations agree on their evaluation of the relationship types between their organizations. Perceived agreement, or congruency, is the extent to which one side's view matches its perception of the other side's view on the issue. Accuracy is the degree to which one side's perception or evaluation of the other side's views concurs with the actual views or cognitions of the other side. Measuring the views of both corporate giving officers and senior fundraisers on their evaluation of the relationship type allows this study to determine the level of the three coorientation measures of agreement, perceived agreement, and accuracy on the type of relationship between corporate donors and charitable organizations. Figure 2-2 presents the coorientation model of relationship types between corporate donors and charitable organizations.

Broom and Dozier (1990) classified coorientation between an organization and a public into four states: (a) consensus, (b) dissensus, (c) false consensus, and (d) false conflict (or false dissensus). Consensus occurs when the organization and the public agree on an issue: In this state, both sides fundamentally share the same view and they recognize the agreement. Dissensus, the opposite of consensus, occurs when the two sides disagree and they know that disagreement exists. The other two states result from inaccurate perceptions about the views that the other side holds about the issue. False consensus occurs when both groups believe that they agree on an issue in spite of actual disagreement, whereas false conflict exists when each party misjudges its disagreement on the issue.

The coorientation model is powerful and useful, yet the model is underutilized and few studies apply the model to measure both sides' views on issues (Cutlip, et al., 2000). Dozier and Ehling (1992) stated that "Misperceptions can lead to catastrophic actions whenever the dominant coalition sees agreement or disagreement when none actually exists" (p. 181). Their warning applies to not only for-profit organizations and their publics but also charitable organizations and their donor relationships. The coorientation model may help diagnose perception gaps between corporate donors and charitable organizations on the type of relationship between the two groups.

Hypotheses and Research Questions

Corporate Benefits

The review of the literature suggests that strategic corporate philanthropy requires a new approach to understanding corporate giving. Corporate philanthropy is neither pure altruism nor pure self-interest. As Porter and Kramer (2002) asserted, true strategic corporate philanthropy benefits both charitable organizations and corporations by solving social needs and improving the business environment. Corporate giving based on the mixed-motive model is blame-free and

natural (Kelly, 1998). Moreover, in an economic downturn, corporate grant makers are likely to focus corporate contributions on programs that satisfy both society and the companies themselves (Van Der Werf, 2008). Duhé (1996) found that corporate donors are more satisfied when they receive benefits, and satisfaction with the relationship is positively related to the amount of corporate giving. Logsdon, et al. (1990) suggested that in order to be successful at fundraising, nonprofit managers should provide specific strategic outcomes desired by companies. Thus, it is necessary for charitable organizations to understand the benefits corporate donors expect and actually receive.

Kelly (1998) explained that expected benefits from corporate giving vary along a continuum of motives, with differences over time and among industries. As 10 years has passed since her book was published and as the literature suggests that more corporations now are engaged in strategic corporate philanthropy, it is timely to examine what types of benefits corporate donors expect from charitable organizations. Therefore, the following research questions were posed to guide the study:

RQ1: What types of benefits do corporate donors expect from corporate philanthropy and their relationships with charitable organizations?

RQ2: What types of benefits do charitable organizations think their corporate donors expect?

RQ3: To what extent do both corporate donors and charitable organizations evaluate the importance of overall returned benefits to corporate donors?

The Relationship between Charitable Organizations and Corporate Donors

The literature review suggests that relationships between corporate donors and nonprofit recipients can be classified into three distinct types based on three different giving motives: (a) patronizing relationship based on pure altruism, (b) exchange relationship based on pure self-

interest, and (c) communal relationship based on mixed motives. While many companies report that they implement strategic philanthropic programs (Marx, 1999; Rumsey & White, 2007; Saiia, et al., 2003), there is a scarcity of studies that measure how they view their relationship with charitable organizations. Also, studies rarely consider how the charitable organizations, an important stakeholder for corporations, view the relationship. Therefore, it would be useful to assess how these two organizational parties, corporate donors and charitable organizations, perceive the relationship type with the other. The following research questions were formulated:

RQ4: Which relationship type – patronizing, exchange, or communal – is the most dominant among corporate donors and charitable organizations?

RQ5: To what extent do both corporate donors and charitable organizations evaluate the overall relationship with each other?

Using the coorientation methodology, the study explored the following additional four research questions:

RQ6: To what extent do corporate donors and charitable organizations agree/disagree on the corporate donor-charitable organization relationship type?

RQ7: To what extent do corporate donors and charitable organizations perceive agreement/disagreement between themselves and the other side on the corporate donor-charitable organization relationship type?

RQ8: To what extent are corporate donors and charitable organizations accurate/inaccurate in predicting the other side's views on the corporate donor-charitable organization relationship type?

RQ9: What coorientation state exists between corporate donors and charitable organizations on the corporate donor-charitable organization relationship type?

In addition, the study examined and tested the following research question and hypotheses about the linkage between corporate benefits and relationship type:

H1: Corporate donors and charitable organizations with a high level of agreement on the patronizing relationship type will evaluate overall returned benefits to corporate donors to be less important than corporate donors and charitable organizations with a low level of agreement on the patronizing relationship type.

H2: Exchange relationships are positively related to marketing benefits.

RQ10: What types of corporate benefits are related to the communal relationship?

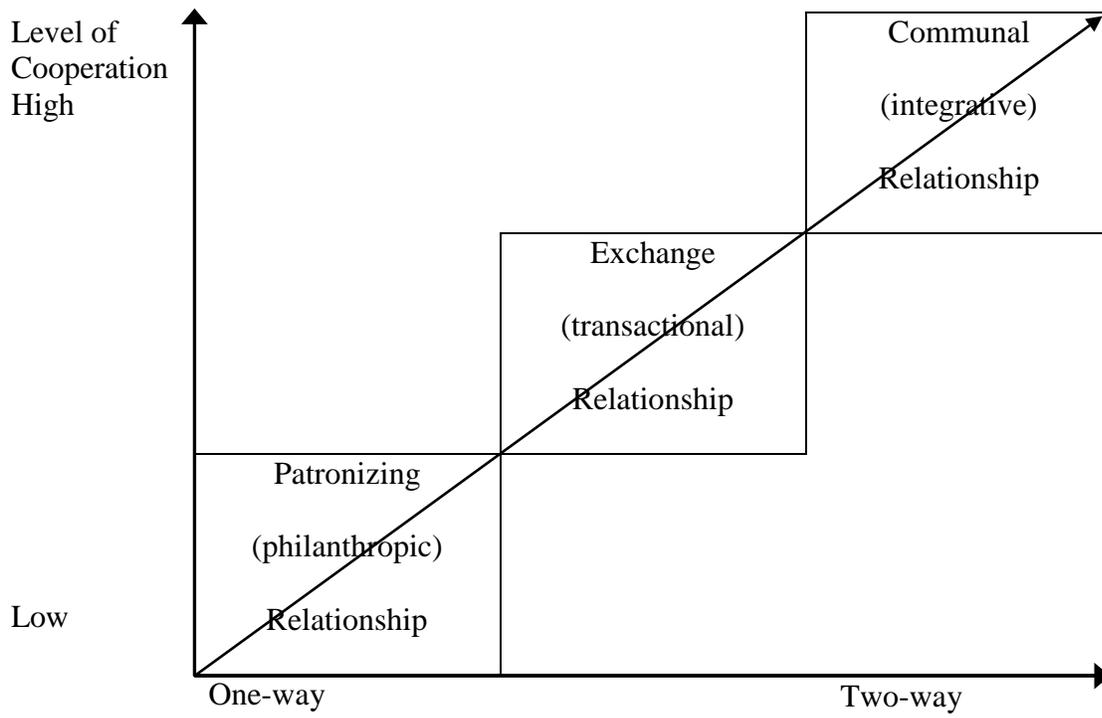


Figure 2-1. Three types of the relationship between charitable organization and corporate donor

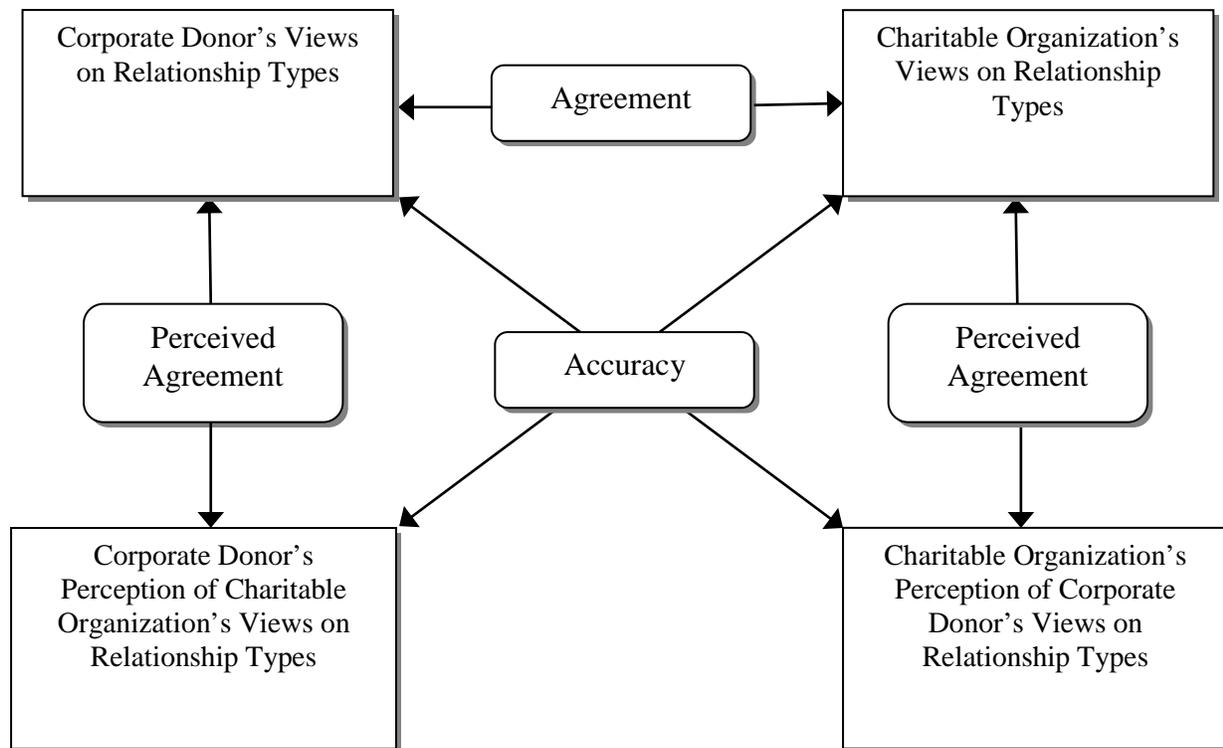


Figure 2-2. Visual depiction of the coorientation model examining the type of relationship between corporate donors and nonprofit charitable organizations.

Figure adapted from Kelly, K. S., Thompson, M., & Waters, R. D. (2006). Improving the way we die: A coorientation study assessing agreement/disagreement in the organization-public relationship of hospices and physicians. *Journal of Health Communication, 11*(6), 607-627.

CHAPTER 3 METHODS

The purpose of the study is to examine what benefits corporate donors expect from corporate philanthropy and what benefits charitable organizations believe their corporate donors expect. Also, adopting the relationship typologies suggested by Austin (2000) and Hon and J. Grunig (1999), the study intends to clarify how corporate donors and charitable organizations perceive the type of relationship they have with each other. Employing the coorientation model will be helpful to better understand the extent to which both corporate donors and charitable organizations agree or disagree on the relationship type.

Because the coorientation model generally is intended to measure one organization and its publics, its use prompts a concern regarding generalization. To ensure more generalized results that represent the overall relationship type between corporate donors and charitable organizations, the study measured the corporate donor-charitable organization relationship type across multiple organizations, employing generic coorientation methodology.

Populations and Sampling Frames

The population of interest in this study is all corporate donors and charitable organizations in the United States. However, it would be impossible to compile such a list due to the large numbers of organizations and the issue of proprietary information. Furthermore, Pareto's principle, or the 80-20 rule, is valid in philanthropy and fundraising, as 80% of the dollars given is from 20% of the donors (Goodwin, 2004). Therefore, this study mainly focused on the top U.S. corporate donors and charitable organizations.

For a sampling frame of corporate donors, the study used the list of Fortune 500 companies, which is compiled and ranked according to revenue. A study showed that corporate revenue is one of the major determinants of engaging in corporate philanthropy (Seifert, et al., 2004). To re-

confirm the finding of the study, the researcher compared the Fortune 500 list and *The Chronicle of Philanthropy*'s listing of the charitable giving by major corporations. All major donor companies, except one, belong to the Fortune 500 list. Therefore, the sampling frame of corporate donors is corporate giving officers in Fortune 500 companies. As there is no list of corporate giving officers of the leading donor companies, the researcher utilized only those for which contact information was available from the companies' Web sites and the *National Directory of Corporate Giving 2008* provided by The Foundation Center. After compiling a contact list from the companies' Web sites and the directory, 274 corporate giving officers of respective companies were selected as a sample.

On the charitable organizations side, the study used the "Philanthropy 400" list compiled by *The Chronicle of Philanthropy* as the sampling frame. The "Philanthropy 400" list represents the 400 nonprofit charitable organizations that raised the most money from private sources in a given calendar year, and the senior fundraiser of each of these organizations was identified. In the same manner used for corporations, information about the names and contact information of the senior fundraisers was collected from the charitable organizations' Web sites, and 224 senior fundraisers of respective charitable organizations were selected.

Survey Instrument

The questionnaire was produced on four 8.5" x 11" pages, which were then photocopied onto both sides of one 11" x 17" sheet of paper. Two versions of the questionnaire were produced: one for corporate giving officers and one for senior fundraisers. The questionnaire was divided into three parts: expected corporate benefits from corporate philanthropy, relationship types, and demographic/organization information. The first part consisted of 15 items that measured five categories of corporate benefits and a single item that measured the importance of overall returned benefits. The second part consisted of 12 items that measured the three

relationship types and one item that measured the evaluation of the degree to which the overall relationship between the two groups is positive or negative. For senior fundraisers, part three consisted of 13 demographic/organization items, whereas corporate giving officers were provided 14 demographic/organization items.

Demographic/organization information covered such variables as gender, age, race, years of experience, years with current organization, years in current position, organization's revenue, amount of contributions given or received in the last fiscal year, the number of charitable organization recipients or corporate donors, and industry or mission of the organization. Unlike senior fundraisers, corporate giving officers were asked to identify the department in which they worked.

Since the researcher is interested in types of corporate donor-charitable organization relationships from both sides, relationship measurement items were appropriately worded and included in both versions of the questionnaire. Excluding organization and demographic variables, the survey items were measured on 9-point Likert scales. For the categories of benefits, 1 represented "No expectation" and 9 represented "High expectation." For the overall importance of returned benefits and the types of relationships, 1 represented "Strongly disagree" and 9 represented "Strongly agree." For the positive/negative degree of the overall relationship, 1 represented "Very negative" and 9 represented "Very positive." The two versions of the survey instrument are presented in Appendices A and B.

Likert Scale Measurement

Corporate Benefits: Items to address corporate benefits were developed based on Galaskiewicz's (1989) five reasons corporations make gifts and Duhé's (1996) and Kelly's (1998) categories of types of benefits sought by corporate donors. These and other previous

studies were considered to operationalize concepts. The operationalized definitions of the benefit categories follow:

- (1) Marketing benefits: Corporate contributions will increase sales.
- (2) Tax saving benefits: Corporate contributions are made to take advantage of tax benefits.
- (3) Social currency benefits: Corporate contributions will gain the approval of business peers.
- (4) Public relations benefits: Corporate contributions will help the company have good relationships with its traditional publics, such as employees, government, and communities.
- (5) Social responsibility benefits: Corporate contributions are made because the company believes fulfilling society's expectations of corporate social responsibility is necessary for the business to make a profit.

As already stated, a total of 15 items were used to measure the five corporate benefit categories. Corporate giving officers were instructed to respond to the items based on the types of benefits their company expects from corporate giving, and senior fundraisers were instructed to respond to the items based on the types of benefits they believe their organization's corporate donors expect. The corporate benefits items were listed in random order on the questionnaires. The items are presented in Table 3-1.

Relationship Types: While many relationship management scholars have tested scales measuring relationship quality, including such concepts as trust, control mutuality, commitment, and satisfaction, only rarely have studies focused on the relationship types suggested by Hon and J. Grunig (1999). Moreover, compared to scales measuring relationship quality variables, the

reliability of scales measuring relationship types has been relatively low. Due to the lack of measurement scales, Hon and J. Grunig's (1999) measurement scales were adapted in this study to measure types of relationships between corporate donors and charitable organizations.

A shortened list of measurement items was adopted, and because the items were originally developed to measure the relationship between one organization and its public, the items were slightly modified to better represent types of relationships between corporate donors and charitable organizations. Also, this study added one category, patronizing relationship, to the original two relationship types. As no empirical studies had measured this relationship category, this study adopted items from Austin's (2000) work, which provided detailed descriptions with a vivid example of the relationship between Timberland and City Year. Two versions of the questionnaire asking about the relationship types between the two groups of organizations were tailored to their respective respondents. The relationship type items were listed in random order. The items are presented in Tables 3-2 and Table 3-3.

Survey Administration and Data Collection Procedures

The study used the survey research method to address the hypotheses and research questions. Babbie (2001) maintained that the survey is an appropriate method for social scientists who are interested in collecting data describing a situation or phenomenon. Since Web-based surveys have the advantage of convenience and efficiency in data collection (Wimmer & Dominick, 2007), this study combined both traditional and Web-based survey methods: A Web-based survey was used for the pretest, and a traditional mail survey was implemented for the main survey.

Pretest

Wimmer and Dominick (2007) argued that pretesting is the best way "to determine whether the study approach is correct and to help refine the questions" (p.194). In order to check

the design adequacy of the research instrument, a pretest was conducted with a convenience sample. Ten corporate giving officers and 15 fundraisers received an invitation to take an online pretest survey. Two corporate giving officers and 10 fundraisers participated in the pretest. Results showed no specific problems with the questionnaire's design, wording, or procedure.

Mail Survey

A traditional mail survey was conducted for the main study. To increase the response rate, the study used three waves of mailing, plus an e-mail follow-up. In the first mailing, a survey package that contained a cover letter printed on University of Florida letterhead, the survey questionnaire, an informed consent form, and return envelope with paid postage was sent to each member of the sampling frame. In the second mailing, sample members received a postcard reminder one week after the original questionnaire was sent. Reflecting the fact that about 40 million full-time workers in the nation had Internet access in their work environment early in the 21st Century, and two-thirds of them accessed the Internet at least once per day (Pew Internet and American Life Project, 2000), the researcher sent a follow-up email message and attached an electronic version of the survey questionnaire to those with accessible email address among members of the sampling frame two weeks after the postcard reminder was sent. 134 corporate giving officers of a total of 279 and all 224 senior fundraisers received the follow-up email message. Finally, a replacement survey packet was sent to those who had not responded four weeks after the initial mailing. The survey was conducted from January 26, 2009 to March 9, 2009. Copies of the survey components, including the cover letter, informed consent form, and the two follow-up mailings, are shown in Appendices C to K.

Data Analysis

To test the hypotheses and answer the research questions, several different statistical procedures were employed to analyze the data collected from the two groups. Using SPSS®, the

researcher calculated Cronbach's alpha to determine the reliability of the indexes for the categories of corporate benefits and relationship types. Mean scores for corporate benefits were calculated for corporate giving officers and senior fundraisers. The researcher also calculated mean scores for each side's viewpoint on the relationship type variables and mean scores for each side's estimate of the other side's agreement/disagreement on the relationship types. Since the main purpose of the study was to compare two different groups on two major issues—corporate benefits and relationship types—independent t-tests were used to determine statistically significant differences between groups, and paired sample t-tests were used for perceived agreement/disagreement. In addition, D-scores for the relationship type variables were calculated by subtracting mean scores of the two groups on views and perceived views, which answered the research questions regarding the coorientation model.

A one-way analysis of variance (ANOVA) was conducted to test hypothesis 1, which addresses the relationship between the patronizing type of relationship and importance of overall returned benefits. A series of correlation analyses were conducted to examine the relationships between the exchange type of relationship and expected marketing benefits to test hypothesis 2, as well as to answer research question 10, which asked the relationships between the communal type of relationship and expected benefits. The 95% rule was adopted for all analyses in this study.

Table 3-1. Items for corporate benefits from corporate philanthropy

Benefit Category	Items
Marketing benefits	Increased sales Expanded markets Increased profits
Tax saving benefits	Tax benefits in general Federal income tax deduction State income tax deduction
Social currency benefits	Advancement of executives' social positions among their business peers Approval from other corporate contributors Achievement of philanthropic standards held by business peers
Public relations benefits	Improved employee morale Company publicity/ positive media coverage Improved quality of life in community
Social responsibility benefits	Satisfaction of doing a good thing Enhanced company reputation as a socially responsible company Fulfillment of society's expectation as a corporate citizen

Table 3-2. Items for relationship types provided to corporate giving officers

Relationship Type	Items
Patronizing Relationship	<p>My corporation does not expect any reward from charitable organizations.</p> <p>Corporate giving officers such as me have minimal personal connection to the cause of recipient organizations.</p> <p>Other than making contributions, my corporation rarely interacts with recipient organizations.</p> <p>Engagement between my corporation and charitable organizations we support is limited to annual solicitations.</p>
Exchange Relationship	<p>My corporation will compromise with charitable organizations when we know that we will gain something.</p> <p>Whenever my corporation makes a contribution to a charitable organization, we generally expect something in return.</p> <p>My corporation takes care of charitable organizations that are likely to reward the company.</p> <p>Even when my corporation has had a long-time relationship with a charitable organization, we still expect something in return when we extend a favor.</p>
Communal Relationship	<p>My corporation considers charitable organizations as strategic partners in gain mutual benefits.</p> <p>My corporation is very concerned about the welfare of recipient charitable organizations.</p> <p>Aiding charitable organizations while achieving corporate goals gives us pleasure.</p> <p>My corporation does not take advantage of charitable organizations that are vulnerable.</p>

Table 3-3. Items for relationship types provided to senior fundraisers

Relationship Type	Items
Patronizing Relationship	<p>Corporate donors do not expect any reward from my charitable organization.</p> <p>Corporate giving officers have minimal personal connection to our cause. Other than making contributions, corporate donors rarely interact with my organization.</p> <p>Engagement between corporations and my charitable organization is limited to annual solicitations.</p>
Exchange Relationship	<p>Corporate donors will compromise with my charitable organization when they know they will gain something.</p> <p>Whenever corporations make a contribution to my charitable organization, they generally expect something in return.</p> <p>Corporate donors take care of charitable organizations that are likely to reward the company.</p> <p>Even when a corporate donor has had a long-time relationship with my organization, it still expects something in return whenever it extends us a favor.</p>
Communal Relationship	<p>Corporate donors consider my charitable organization as a strategic partner in gaining mutual benefits.</p> <p>Corporate donors are very concerned about the welfare of my charitable organization.</p> <p>Corporate donors get pleasure from helping us while achieving their goals.</p> <p>Corporate donors do not take advantage of charitable organizations that are vulnerable.</p>

CHAPTER 4 RESULTS

This chapter consists of four parts and presents answers to the study's 10 research questions, as well as the results of the hypotheses tests. The first part provides response rates, demographic/organizational information of respondents, and reliability of indexes. The second part addresses the research questions about corporate benefits, and the third section addresses the research questions related to the corporate donor-charitable organization relationship types and the coorientation model. The last part reports the results of the hypotheses tests and a research question, which examine the linkage between relationship types and corporate benefits.

Response Rates

Of the 279 questionnaires mailed to corporate giving officers, a total of 59 were collected. Among the 59 collected surveys, 36 were completed, 11 were returned by sample members who decline to participate, and 12 were returned by the U.S. Postal Service as undeliverable. Therefore, the response rate was 13.5% for corporate giving officers.

Of the 224 survey questionnaires that were sent to senior fundraisers nationwide, 3 surveys were returned due to wrong addresses and 13 were returned by sample members. Of the 208 remaining surveys, 68 were collected, including 2 unusable surveys. A total of 66 surveys were used for data analysis, resulting in a response rate of 29.9% for senior fundraisers.

Description of Survey Participants

Corporate Giving Officers and Their Companies

As shown in Table 4-1, of the 36 corporate respondents, the majority (58.8%) were the head of corporate contributions for their companies. The majority also was female (57.1%) and Caucasians were the largest group (82.9%). The mean age of the corporate giving officers was 50.9 years ($SD = 12.91$). The average number of years working with the current corporation was

17.43 years ($SD = 12.71$), while the mean number of years working in their current position was 7.34 ($SD = 4.73$). The average number of years of experience as a corporate giving officer was 9.21 ($SD = 6.21$). The demographic description of corporate giving officers is presented in Table 4-1.

The plurality of the corporate respondents worked in the corporate contributions department or the company's foundation (47.2%). Regarding the position to which they directly report, more than half of the respondents (60%) reported to a senior vice president/vice president. The average revenue of the corporations in the last fiscal year was \$13.17 billion, demonstrating that participating corporate giving officers did, indeed, work for the largest U.S. corporations. On average, corporate cash and product donations accounted for only 0.2% of the companies' revenues. The mean amount of cash that corporations contributed to charitable organizations in the last fiscal year was \$10.79 million, and the average amount of product giving by the corporations was \$4.9 million. The average amount of corporate contributions, including both cash and product donation, was \$16 million. The average number of charitable organizations the corporations supported was 757.03 ($SD = 876.06$) with a very wide range from 13.5 to 4,000 charitable organizations.

As for the industry that best describes the company's primary business, 10 (27.8%) were from manufacturing, followed by transportation ($N = 6$, 16.7%). Four respondents were from finance (11.1%), and another 4 were from mining, oil, and gas, followed by health ($N = 2$, 5.6%), retail ($N = 2$, 5.6%), and agriculture ($N = 1$, 2.8%). About 16.7 percent indicated *other* in response to this question (e.g., semi-conductors, consumer packaged goods, utilities, household and personal, and insurance). The organizational description of corporate donors represented in the study is presented in Table 4-2.

Senior Fundraisers and Their Organizations

The majority of the 66 fundraising respondents (60.61%) were the head of fundraising or corporate relations for their organization. The majority also was female (54.54%) and most of the senior fundraisers were Caucasian (92.42%). The average age of the senior fundraiser respondents was 47.73 ($SD = 10.36$). The average number of years working in the current organization was 9.31 ($SD = 8.25$), while the mean years of working in their current position was 4.68 ($SD = 4.19$). The average number of years of work experience as fundraisers was 13.39 ($SD = 8.13$). The plurality of the respondents reported directly to the senior vice president/vice president of their organizations (41.5%).

The average amount the respondents' charitable organizations raised in private gifts in the last fiscal year was \$117.7 million. The respondents reported that corporate donations, on average, accounted for 19.45% of the amount raised. The average number of companies that contributed to the respondents' charitable organization each year was 664.44 ($SD = 1398.37$) with a very wide range from 5 to 9,500. With regard to charitable organizations' annual revenues, \$588.9 million was the average revenue, which shows that they are large charitable organizations.

The majority of the respondents worked for educational charitable organizations ($N = 42$ or 63.64%), followed by health ($N = 6$ or 9.10%), human service ($N = 4$ or 6.06%), and religion ($N = 3$ or 4.55%). There was one respondent whose organization was in the arts, culture, and humanities category, one in international affairs, while seven indicated *other* in response to this question (e.g., community foundation, sports). The demographic and organizational descriptions for senior fundraisers and the charitable organizations represented in the study are presented in Tables 4-1 and 4-3.

The demographic/organization description of both corporate giving officers and senior fundraisers showed that the respondents do not seem to differ from the populations from which

they were selected; in other words, they do represent the top corporate donors and charitable organizations.

Reliability

A reliability analysis of the five categories of corporate benefits and the three relationship types was conducted. Cronbach's alpha was calculated to check whether there was "internal consistency of the items measuring the same construct" (Spathis & Ananiadis, 2005, p. 201). While Langdrige (2004) suggested .70 as an expected alpha, John and Benet-Martinez (2000) argued that .70 is a guide rather than a criterion, stating that "alpha needs to be interpreted in terms of its two main parameters—inter-item correlation as well as scale length—and in the context of how these two parameters fit the nature and definition of the construct to be measured" (p. 346). In this study, alphas of .60 to .69 were considered to indicate moderate reliability, whereas alphas of .70 and above were considered strong. However, because this study is exploratory and includes original scales, some of the items show less-than-desirable reliability.

Regarding the reliability of corporate benefits, Cronbach's alpha for corporate giving officers on all of the 15 items of expected corporate benefits was .82. The 15 items measured five benefit categories: marketing, tax savings, social currency, public relations, and social responsibility benefits. Cronbach's alphas for marketing and tax savings benefits were strong, .75 and .77, respectively, while alphas for social currency and social responsibility benefits were moderate, as shown in Table 4-4. However, the alpha for public relations benefits was -.06. The researcher hypothesizes that this undesirable reliability score is because the public relations category includes a wide range of public relations practices, such as improved employee morale, company publicity/positive media coverage, and improved quality of life in the community. It also shows that, unlike public relations scholars, corporate giving officers do

not consider the three different areas as one field of public relations. In spite of the undesirable reliability, the study retained the three different items used to measure public relations benefits.

Cronbach's alpha for senior fundraisers on the 15 items of expected corporate benefits was .89. Alphas for all benefit categories except public relations were strong, ranging from .72 to .92. Even though the alpha for the public relations category was low ($\alpha = .51$), it was much higher than the alpha for the corporate giving officers index. This probably means that senior fundraisers share more common ground regarding public relations practice with public relations scholars than do corporate giving officers.

Two items on the relationship types scales (1 each from the patronizing and communal scales) had low reliability and were deleted. The deleted item measuring the patronizing relationship type stated that "corporate donors do not expect any reward from charitable organizations." The item measuring the communal relationship that was deleted stated that "corporate donors do not take advantage of charitable organizations that are vulnerable." As Table 4-4 shows, the reliability of the scales for the three different types of relationships varied. Alphas for the exchange relationship type were found to be strongly reliable for both my views and others' views, ranging from .75 to .84. In general, alphas for the scales for the patronizing relationship type for both groups were moderate, ranging from .59 to .71. However, alphas for the communal relationship type scales ranged from .33 to .65, and the reliability of others' views was higher than for my views.

Research Questions Regarding Corporate Benefits

The first research question asked what types of benefits corporate donors expect from their corporate philanthropy and their relationship with charitable organizations. To answer this question, respondents who were corporate giving officers were asked to evaluate the extent to which their company expects each of the 15 benefit items, which fall into five benefit categories,

from its contributions to charitable organizations. As shown in Table 4-5, of the five benefit categories, social responsibility was the benefit category that was rated as the most highly expected by corporate donors ($M = 7.53, SD = 1.18$), followed by public relations benefits ($M = 6.98, SD = .98$). Tax savings benefits ($M = 4.18, SD = 1.59$) and social currency benefits ($M = 4.08, SD = 1.57$) were similar in the degree the corporations expect them in return for their contributions to charitable organizations. Marketing benefits ($M = 2.79, SD = 1.58$) had the lowest rating of the five categories of benefits corporate donors expect, falling far below the scale's neutral point of 4.5. In other words, according to their corporate giving officers, some of the largest U.S. corporations and top corporate donors expect very little or no marketing benefits from their contributions to charitable organizations. The mean score for corporate donors on the overall expected benefits was 5.11 ($SD = 1.00$).

Therefore, the answer to research question 1 is that social responsibility and public relations benefits are the most highly expected and marketing benefits are the least expected by corporate donors.

The second research question asked what types of benefits charitable organizations believe their corporate donors expect. Senior fundraisers were asked to rate the extent to which corporate donors to their organizations expect each item. The items were identical to those provided to corporate giving officers. Senior fundraisers answered that their organization's corporate donors most expect social responsibility benefits ($M = 6.71, SD = 1.56$), followed by public relations benefits ($M = 6.17, SD = 1.34$). Social currency benefits ($M = 4.81, SD = 1.67$) were ranked by senior fundraisers as the third highest expected benefits, followed by tax savings ($M = 4.66, SD = 2.28$). Senior fundraisers reported that marketing benefits ($M = 4.48, SD = 2.02$) are the least expected by their corporate donors, falling slightly below the mid-point between no expectations

and high expectations. Thus, the organization's donors have low expectation of marketing benefits, but the mean is higher than for corporate donors. The mean score for charitable organizations on the overall benefits their corporate donors expect was 5.37 ($SD = 1.32$).

In summary, the answer to research question 2 is that charitable organizations believe that social responsibility and public relations benefits are the most highly expected and marketing benefits are the least expected by corporate donors.

For further analysis, a series of two-tailed, independent sample t-tests were conducted to examine potential differences in mean scores of corporate giving officers and senior fundraisers. Results are presented in Table 4-5. No significant difference was found between corporate donors and charitable organizations concerning the overall benefits expected by corporate donors ($t = -1.12$, $df = 89.56$, $p > .05$). However, when items were broken down into the five categories of benefits, t-test results show there are significant differences between the two groups on every category except tax savings benefits. In general, corporate donors expect more social responsibility and public relations benefits than charitable organizations believe their corporate donors expect. While both groups reported that social responsibility benefits were the most highly expected benefits by corporate donors, corporate giving officers rated these benefits higher than did senior fundraisers ($t = 2.98$, $df = 89.44$, $p < .05$). The difference between expected public relations benefits by corporate donors, according to corporate giving officers and senior fundraisers, was statistically significant ($t = 3.49$, $df = 91.15$, $p < .01$).

On the other hand, senior fundraisers rated social currency, tax savings, and marketing benefits higher than corporate giving officers. The mean scores show that fundraisers in charitable organizations considered social currency benefits as more likely to be expected by their corporate donors than corporate donors actually rank them, and the two means are

significantly different ($t = -2.13$, $df = 99$, $p < .05$). The difference in the mean scores for marketing benefits between corporate donors and charitable organizations is even more significant ($t = -4.66$, $df = 87.82$, $p < .001$). In other words, charitable organizations believe that corporate donors expect marketing benefits, such as increased sales, increased profits, and expanded markets, more so than corporate donors even though both scores were below the scale's mid-point of 4.5. However, both corporate giving officers and senior fundraisers similarly evaluated the degree to which corporate donors expect tax savings benefits ($t = -1.24$, $df = 92.91$, $p > .05$).

The third research question asked to what extent both corporate donors and charitable organizations evaluate the importance of overall returned benefits to corporate donors. Both groups evaluated returned benefits to corporate donors as important, although the senior fundraisers of charitable organizations believe they are more important than do the giving officers of corporate donors. The mean score for senior fundraisers on the importance of overall returned benefits was 7.02 ($SD = 1.67$), whereas corporate giving officers' mean score was 5.28 ($SD = 2.42$). As shown in Table 4-6, the two means are significantly different ($t = -4.16$, $df = 94$, $p < .001$).

Therefore, the answer to research question 3 is that both corporate donors and charitable organizations evaluated returned benefits to corporate donors as important.

Research Questions Regarding Relationship Types

The fourth research question asked which of the three relationship types—patronizing, exchange, and communal—is the most dominant among corporate donors and charitable organizations. As presented in Table 4-7, corporate giving officers chose the communal relationship ($M = 7.60$, $SD = .99$) as the type best describing the relationship their company has with charitable organizations that receive its contributions, followed by the patronizing

relationship ($M = 3.41$, $SD = 1.68$), and the exchange relationship ($M = 2.87$, $SD = 1.73$). Senior fundraisers reported the communal relationship ($M = 6.71$, $SD = 1.18$) also is the best description of the relationship their charitable organization has with its corporate donors, followed by the exchange relationship ($M = 5.30$, $SD = 1.95$), and the patronizing relationship ($M = 3.19$, $SD = 1.65$).

Even though both groups agreed that the communal relationship type is the best description of their organizations' relationship with the other party, corporate donors more highly agreed on the communal relationship than charitable organizations ($t = 3.76$, $df = 97$, $p < .001$). Regarding the patronizing relationship type, corporate donors and charitable organizations scored similarly with no significant difference ($t = .632$, $df = 98$, $p > .05$).

Importantly, corporate giving officers highly disagreed that the exchange relationship type described their company's relationship with the charitable organizations that receive its contributions, while senior fundraisers agreed that the exchange relationship type described the relationship between their charitable organization and its corporate donors. The difference in mean scores is significant ($t = -6.13$, $df = 97$, $p < .000$). In other words, charitable organizations view their relationship with corporate donors as somewhat marketing-oriented, based on give-and-take, whereas corporate donors do not agree that a marketing-like exchange describes their relationship with charitable organizations.

Therefore, the answer to research question 4 is that both corporate donors and charitable organizations chose the communal relationship as the type best describing the relationship with each other.

Research question 5 dealt with the extent to which both corporate donors and charitable organizations evaluate their overall relationship with each other. Corporate giving officers ($M =$

7.82, $SD = .97$) evaluated their company's relationship with charitable organizations more positively than senior fundraisers ($M = 7.35$, $SD = 1.07$) evaluated their organization's relationship with corporate donors. As Table 4-8 shows, the answer to research question 5 is that both groups positively view the relationship with each other whereas the difference is significant ($t = 2.15$, $df = 97$, $p < .05$).

Agreement/Disagreement

The study's sixth research question sought to determine whether corporate donors and charitable organizations viewed the relationship with each other similarly regarding the three different relationship types: patronizing, exchange, and communal. This research question was addressed using the same statistics as those used to answer RQ4. As explained earlier, the three relationship types were measured on a 9-point agree/disagree scale, with a score of 4.5 as the neutral point, or midpoint between agreement and disagreement.

As shown in Table 4-9, analysis revealed that corporate giving officers and senior fundraisers agreed on the communal and patronizing relationship types, but they disagreed on the exchange relationship type. As reported above, both corporate giving officers and senior fundraisers agreed that the communal relationship type described their organization's relationship with the other party ($M = 7.60$ & 6.71 , respectively), although corporate giving officers' agreement was significantly stronger than that of senior fundraisers. The two groups also agreed that the patronizing relationship type did not describe their organization's relationship with the other party. Corporate giving officers ($M = 3.41$) and senior fundraisers ($M = 3.19$) both negatively evaluated indicators of this relationship type, with mean scores below the scale's neutral point. The D-score for communal relationships was .89, while the D-score for patronizing relationships was .22.

On the other hand, the two groups disagreed on the exchange relationship type. Corporate giving officers strongly disagreed that the exchange relationship describes their company's relationship with charitable organizations that receive its contributions ($M = 2.87$), whereas senior fundraisers somewhat agree that the exchange relationship type describes their charitable organization's relationship with its corporate donors ($M = 5.30$). The D-score on this variable was 2.43, and the difference in mean scores is significant.

Therefore, the answer to research question 6 is that corporate donors and charitable organizations are in agreement on the communal and patronizing relationship types (i.e., the former describes their relationship with the other party and the latter does not), but significantly disagree on the exchange relationship type.

Perceived Agreement

The seventh research question sought to determine whether each side of the corporate donor-charitable organization relationship perceived agreement with the other side about the three different relationship types: patronizing, exchange, and communal. First of all, in regard to corporate donors' perceptions, Table 4-10 shows the comparison between corporate giving officers' views and their estimates of how senior fundraisers of charitable organizations that receive their company's contributions would answer the same question. The study found that corporate giving officers' views accord with their estimates of senior fundraisers' views on all three relationship types. Corporate giving officers predicted that senior fundraisers would strongly agree with them on the communal relationship type and also agree with them on both the patronizing and exchange relationship types.

However, there were statistically significant differences in the degree of perceived agreement on the communal and exchange relationship types. Corporate giving officers estimated that senior fundraisers would rate the communal relationship type lower than they, the

corporate giving officers, did (D-score = .51; $t = 2.64$, $df = 31$, $p < .05$) and would rate the exchange relationship higher (D-score = 1.27; $t = -5.38$, $df = 31$, $p < .001$). There was no significant difference between their own views and their estimated views of fundraisers on the patronizing relationship (D-score = .45; $t = -2.00$, $df = 32$, $p > .05$).

Turning to perceived agreement from the senior fundraisers' viewpoint, the results show that senior fundraisers also perceived agreement from the other side on all the relationship types. Senior fundraisers estimated that, like them, corporate giving officers would disagree that the patronizing relationship type describes their organization's relationship with the other party, with mean scores below the neutral point on the 9-point scale. They also estimated that corporate giving officers would agree with them that both the exchange and communal relationship types describe their organization's relationship with the other party, with mean scores higher than 4.5. Furthermore, senior fundraisers perceived a small but highly significant difference with corporate giving officers in the degree of agreement on the exchange relationship type (D-score = .34; $t = 2.588$, $df = 64$, $p < .001$). Interestingly, in view of findings already reported, senior fundraiser predicted that corporate giving officers would rate the exchange relationship type lower than they, the fundraisers, did. Results are presented in Table 4-11.

In summary, the answer to research question 7 is that both corporate donors and charitable organizations perceive agreement between themselves and the other side on all three relationship types, although they also perceived significant differences in some of the viewpoints.

Accuracy

Research question 8 asked how accurate the two sides were in their estimates. This question was answered by comparing the estimates of one group with the actual evaluations by the other group. Examining the accuracy of corporate giving officers' views first, they were inaccurate on the exchange relationship type, and there was a statistically significant difference

between their estimates and senior fundraisers' actual views on the exchange relationship type (D-score = 1.17; $t = 2.75$, $df = 95$, $p < .01$). In contrast, they were very accurate on the other two relationship types, and t-test results showed no significant difference between corporate giving officers' estimates and senior fundraisers' actual views on the patronizing and communal relationship types. Results are shown in Table 4-12.

Similarly, Table 4-13 shows that senior fundraisers were inaccurate on the exchange relationship type and accurate on the patronizing and communal relationship types, although they significantly underestimated the views of corporate giving officers on the communal relationship type (D-score = .77; $t = 3.13$, $df = 97$, $p < .01$). Importantly, senior fundraisers estimated that corporate giving officers would slightly agree that the exchange relationship type describes their company's relationship with charitable organizations that receive its contributions, whereas corporate giving officers actually disagreed. The degree of difference was large and statistically significant (D-score = 2.1; $t = -5.71$, $df = 97$, $p < .001$).

Answering research question 8, both corporate donors and charitable organizations are accurate in predicting the other's views on the patronizing and communal relationship types, but inaccurate when predicting views on the exchange relationship type. Corporate donors underestimated the views of charitable organizations on the exchange relationship, whereas charitable organizations overestimated the views of corporate donors on this relationship type. Both groups' misjudgment of views on the exchange relationship type implicates that charitable organizations may inappropriately approach corporate donors as commercial partners.

States of Coorientation

The ninth research question called for an examination of the states of coorientation. The coorientation model posits four states: consensus, dissensus, false consensus, and false conflict. Recapping the study's findings, results show that corporate donors and charitable organizations

are in agreement on the patronizing and communal relationship types, but they disagree on the exchange relationship type. In spite of differences in degrees, both sides perceived agreement on all three relationship types, although corporate giving officers predicted that, like them, senior fundraisers would disagree that the exchange relationship type describes the corporate donor-charitable organization relationship and senior fundraisers predicted that corporate giving officers would agree that it does describe the relationship.

Applying the coorientation states to these findings, the answer to research question 9 is that corporate donors and charitable organizations are in a state of consensus on the patronizing and communal relationship types, but they are in a state of false consensus on the exchange relationship type. As Table 4-14 shows, the states of dissensus and false conflict were absent in this study.

Hypotheses and Research Question Regarding Corporate Benefits and Relationship Types

The first hypothesis stated that corporate donors and charitable organizations with a high level of agreement on the patronizing relationship type will evaluate overall corporate benefits less importantly than corporate donors and charitable organizations with a low level of agreement on the patronizing relationship type. A one-way Analysis of Variance (ANOVA) was used to test this hypothesis. The independent variable was the level of agreement of the patronizing relationship type (high and low), and the dependent variable is the importance of overall returned benefits. In order to determine the level of agreement on the patronizing relationship type, respondents were placed into one of two groups based on their mean scores on the patronizing relationship type. The mean scores on the patronizing relationship type ranged from 1 to 8, and the total respondents were divided into the following two groups: The first group included those with scores from 1 through 2.67 (N = 45 or 47%), and the second group included those with scores from 2.67 through 8 (N = 51 or 53%). As Table 4-15 shows, there is

no significant difference between levels of the patronizing relationship type on the evaluation of the importance of overall benefits returned to corporate donors ($F(1.94) = 3.58, p > .05$). Thus, the hypothesis was not supported. However, the mean scores for the two groups showed that both believe benefits are important. The mean score for the high level of the patronizing relationship type is 5.98 ($SD = 2.34$), whereas the mean score for the low level of the relationship type is 6.80 ($SD = 1.84$).

Considering that the definition of the patronizing relationship type is that corporate donors do not expect any benefits from their giving, the researcher conducted a series of correlation tests between the patronizing relationship type and all five categories of expected benefits. As Table 4-16 shows, the patronizing relationship type is not correlated with any benefit category, confirming that patronizing relationship type includes corporate giving without expectation of benefits even though the hypothesis was not supported.

The second hypothesis stated that the exchange relationship type is positively related to marketing benefits. A Pearson's correlation coefficient was computed to test the hypothesis. The analysis indicated that the exchange relationship is moderately but significantly correlated with marketing benefits ($r = .47, p < .01$). Therefore, hypothesis 2 was supported.

The tenth and last research question sought to examine what types of corporate benefits are related to the communal relationship type. A series of correlation tests were executed. As shown Table 4-17, the answer to research question 10 is that a communal relationship is weakly but significantly correlated with social responsibility benefits ($r = .32, p < .01$) and public relations benefits ($r = .27, p < .01$). It has no relationship with the three other categories of benefits: marketing, tax savings, and social currency.

Therefore, the answer to RQ 10 is that the communal relationship type is related to social responsibility and public relations benefits.

Table 4-1. Demographic description of corporate giving officers and senior fundraisers

Variable	Category	Corporate Giving Officers Frequencies (Percentage)	Senior Fundraisers Frequencies (Percentage)
Gender	Male	15 (42.9%)	30 (45.5%)
	Female	20 (57.1%)	36 (54.5%)
Race	African-American	3 (8.6%)	3 (4.5%)
	Asian	1 (2.9%)	0
	Caucasian	29 (82.9%)	61 (92.4%)
	Hispanic/Latino	2 (5.7%)	1 (1.5%)
	Other	0	1 (1.5%)
Age	Less than 30 years	0	1 (1.5%)
	30-39	8 (24.2%)	16 (24.2%)
	40-49	5 (15.2%)	18 (27.3%)
	50-59	14 (42.4%)	21 (31.8%)
	60-69	5 (15.2%)	10 (15.2%)
	70 years and older	1 (3%)	0
Years with Current Organization	0-5 years	7 (19.4%)	29 (43.9%)
	6-10 years	8 (22.2%)	18 (27.3%)
	11-20 years	6 (16.7%)	14 (21.2%)
	21-30 years	11 (30.6%)	2 (3.0%)
	31-40 years	3 (8.3%)	3 (4.6%)
	More than 40 years	1 (2.8%)	0
Years of Experience	0-5 years	12 (34.3%)	11 (16.9%)
	6-10 years	13 (37.1%)	19 (29.2%)
	11-15 years	3 (8.3%)	16 (24.6%)
	16 – 20 years	5 (14.0%)	8 (12.1%)
	More than 20 years	2 (5.6%)	11 (16.7%)
Years in Current Position	0-5 years	16 (44.4%)	51 (77.3%)
	6-10 years	12 (33.3%)	11 (16.4%)
	11-15 years	4 (11.1%)	2 (3%)
	16-20 years	4 (11.1%)	1 (1.5%)
	More than 20 years	0	1 (1.5%)
Reports to	Chairman/CEO/President	8 (22.2%)	10 (15.4%)
	Other Chief Officer	1 (2.8%)	9 (12.3%)
	Senior Vice President/Vice President	21 (55.6%)	31 (41.5%)
	Director	0	7 (10.8%)
	Other	6 (16.7%)	13 (20%)
Head of Department	Yes	20 (55.6%)	40 (60.6%)
	No	14 (38.9%)	26 (39.4%)
Respondent's Department	Corporate	17 (47.2%)	
	Contributions/Foundation		
	Community Relations	2 (5.6%)	
	Corporate Communications/Public Relations	4 (11.1%)	
	Human Resources	1 (2.8%)	
	Public Affairs	4 (11.1%)	
	Other	9 (25.0%)	

Table 4-2. Organizational description of corporate giving officers' companies

Variable	Category	Frequencies	Percentage
Cash Contributions	Less than \$1 million	4	12.1%
	\$1 - 5 million	9	27.3%
	\$5.1 - 10 million	10	30.3%
	\$10.1 – 20 million	4	12.1%
	More than \$20 million	6	18.2%
Product Contributions	No product giving	12	46.2%
	Less than \$100,000	2	7.7%
	\$100,001 – 500,000	5	19.2%
	\$500,001 – 1 million	1	3.9%
	1.1 – 10 million	3	11.5%
	10.1 – 50 million	2	7.7%
	More than 50 million	1	3.8%
Number of Charitable Organization Recipients	Less than 100	8	24.2%
	101 – 500	9	27.3%
	501 – 1,000	9	27.3%
	1,001 – 2,000	5	15.1%
	More than 2,000	2	6.1%
Revenue	Less \$1 billion	1	4.2%
	\$1.1 – 10 billion	12	50.0%
	\$10.1 - 20 billion	8	33.3%
	20 - 50 billion	2	8.3%
	Over 50 billion	1	4.2%
Industry	Agriculture, Forestry, and Fishing	1	2.9%
	Manufacturing	10	28.6%
	Finance, Insurance, and Real Estate	5	14.3%
	Health and Pharmaceutical	2	5.7%
	Mining, Oil, and Gas	4	11.4%
	Retail Trade	2	5.7%
	Transportation, Communication, Electric, Gas, and Sanitary Services	6	17.1%
	Other	5	14.3%

Table 4-3. Organizational description of senior fundraisers' charitable organizations

Variable	Category	Frequencies	Percentage
Amount of Private Gifts	Less than \$1 million	1	1.6%
	\$1 – 100 million	40	63.5%
	\$101 – 500 million	21	33.3%
	More than 500 million	1	1.6%
Percentage of Gifts from Corporations	5 % or less	10	16.1%
	5 – 10%	15	24.2%
	11 – 15%	7	11.3%
	16 – 20%	12	19.4%
	21 – 30%	8	12.9%
	31 – 50%	6	9.7%
	51% or more	4	6.4%
Number of Corporate Donors	Less than 100	17	32.7%
	100 – 500	17	32.7%
	501 – 1,000	10	19.2%
	1,001 – 5,000	7	13.5%
	More than 5,000	1	1.9%
Revenue	Less than \$100 million	16	37.2%
	\$101 million – 500 million	16	37.2%
	501 million – 1 billion	5	11.6%
	More than 1 billion	6	14.0%
Mission	Arts, Culture, & Humanities	1	1.5%
	Education	42	63.6%
	Religion	3	4.6%
	Human Services	4	6.1%
	Health	6	9.1%
	International Affairs	1	1.5%
	Public-Society Benefit	2	3.0%
	Other	7	10.6%

Table 4-4. Cronbach's alphas of corporate benefits and relationship types indexes

	Corporate Giving Officers' Views	Senior Fundraisers' Views
Overall Benefits	.82	.89
Marketing benefits	.75	.89
Tax savings benefits	.77	.92
Social currency benefits	.60	.72
Public relations benefits	-.06	.51
Social responsibility benefits	.64	.81
My View		
Patronizing Relationship Type	.68	.68
Exchange Relationship Type	.83	.83
Communal Relationship Type	.33	.36
Others' Views		
Patronizing Relationship Type	.59	.71
Exchange Relationship Type	.84	.75
Communal Relationship Type	.65	.51

Table 4-5. Mean scores on expectation of corporate benefits by categories

Expected Corporate Benefits	Corporate giving officers		Senior Fundraisers		Sig. (2-tailed)
	<i>M</i>	<i>SD</i>	<i>M</i>	<i>SD</i>	
Marketing benefits	2.79	1.58	4.48	2.02	.000***
Tax savings benefits	4.18	1.59	4.66	2.28	.217
Social currency benefits	4.08	1.57	4.81	1.67	.036*
Public relations benefits	6.98	.98	6.17	1.34	.001**
Social responsibility benefits	7.53	1.18	6.71	1.56	.004*
Overall expected benefits	5.11	.996	5.37	1.32	.265

* $p < .05$

** $p < .01$

*** $p < .001$

Table 4-6. Importance of overall returned benefits

	Corporate giving officers		Senior Fundraisers		Sig. (2-tailed)
	<i>M</i>	<i>SD</i>	<i>M</i>	<i>SD</i>	
Benefits' importance	5.28	2.42	7.02	1.67	.000***

*** $p < .001$

Table 4-7. Mean scores on types of relationships between corporate donors and charitable organizations

Relationship Types	Corporate giving officers		Senior Fundraisers		Sig. (2-tailed)
	<i>M</i>	<i>SD</i>	<i>M</i>	<i>SD</i>	
Patronizing relationship	3.41	1.68	3.19	1.65	.529
Exchange relationship	2.87	1.73	5.30	1.95	.000***
Communal relationship	7.60	.99	6.71	1.18	.000***

p < .001

Table 4-8. Overall relationship evaluation

	Corporate giving officers		Senior Fundraisers		Sig. (2-tailed)
	<i>M</i>	<i>SD</i>	<i>M</i>	<i>SD</i>	
Overall Relationship Evaluation	7.82	.97	7.35	1.07	.034*

*
p < .05

Table 4-9. Agreement/disagreement between corporate giving officers and senior fundraisers on three relationship types

Variable	Corporate Giving Officers' Views		Senior Fundraisers' Views		D-Score
	<i>M</i>	<i>SD</i>	<i>M</i>	<i>SD</i>	
	Patronizing Relationship	3.41	1.68	3.19	
Exchange Relationship	2.87	1.73	5.30	1.95	2.43***
Communal Relationship	7.60	.99	6.71	1.18	.89***

p < .001

Table 4-10. Corporate giving officers' perceived agreement with senior fundraisers on three relationship types

Variable	Corporate Giving Officers' Views		Corporate Giving Officers' Estimate of Senior Fundraisers' Views		D-Score
	<i>M</i>	<i>SD</i>	<i>M</i>	<i>SD</i>	
	Patronizing Relationship	3.39	1.73	3.84	
Exchange Relationship	2.86	1.75	4.13	2.00	1.27***
Communal Relationship	7.60	1.01	7.10	1.11	.51*

*
p < .05

p < .001

Table 4-11. Senior fundraisers' perceived agreement with corporate giving officers on three relationship types

Variable	Senior Fundraisers' Views		Senior Fundraisers' Estimate of Corporate Giving Officers' Views		D-Score
	M	SD	M	SD	
Patronizing Relationship	3.19	1.65	3.28	1.65	.09
Exchange Relationship	5.30	1.95	4.96	1.74	.34***
Communal Relationship	6.71	1.18	6.83	1.24	.12

 $p < .001$

Table 4-12. Corporate giving officers' accuracy on three relationship types

Variable	Corporate Giving Officers' Estimate of Senior Fundraisers' Views		Senior Fundraisers' Views		D-Score
	M	SD	M	SD	
Patronizing Relationship	3.84	1.57	3.19	1.65	.65
Exchange Relationship	4.13	2.00	5.30	1.95	1.17**
Communal Relationship	7.10	1.11	6.71	1.18	.39

**
 $p < .01$

Table 4-13. Senior fundraisers' accuracy on three relationship types

Variable	Senior Fundraisers' Estimate of Corporate Giving Officers' Views		Corporate Giving Officers' View		D-Score
	M	SD	M	SD	
Patronizing Relationship	3.28	1.65	3.41	1.68	.13
Exchange Relationship	4.96	1.74	2.87	1.73	2.1***
Communal Relationship	6.83	1.24	7.60	.99	.77**

**
 $p < .01$

 $p < .001$

Table 4-14. Coorientation states on three relationship types

Relationship Type	Agreement between two sides	Agreement perceived by corporate giving officers	Agreement perceived by senior fundraisers	State of coorientation
Patronizing Relationship	Yes	Yes	Yes	Consensus
Exchange Relationship	No	Yes	Yes	False consensus
Communal Relationship	Yes	Yes	Yes	Consensus

Table 4-15. One-Way ANOVA on importance of overall returned benefits with level of agreement on the patronizing relationship

	Patronizing Relationship	N	M	SD	F	Sig.
Benefits' Importance	Low	45	6.80	1.84	3.58	.06
	High	51	5.98	2.34		

Table 4-16. Correlations between the patronizing relationship type and benefit categories

	Patronizing Relationship	Marketing Benefits	Tax Savings Benefits	Social Currency Benefits	Public Relations Benefits	Social Responsibility Benefits
Patronizing Relationship	———					
Marketing Benefits	-.071	———				
Tax Savings Benefits	.065	.352**	———			
Social Currency Benefits	-.135	.550**	.474**	———		
Public Relations Benefits	-.046	.163	.328**	.444**	———	
Social Responsibility Benefits	.023	.108	.304**	.490**	.683**	———

** $p < .01$

Table 4-17. Correlations between the communal relationship type and benefit categories

	Communal Relationship	Marketing Benefits	Tax Savings Benefits	Social Currency Benefits	Public Relations Benefits	Social Responsibility Benefits
Communal Relationship	————					
Marketing Benefits	-.043	————				
Tax Savings Benefits	.189	.352**	————			
Social Currency Benefits	.109	.550**	.474**	————		
Public Relations Benefits	.273**	.163	.328**	.444**	————	
Social Responsibility Benefits	.318**	.108	.304**	.490**	.683**	————

** $p < .01$

CHAPTER 5 DISCUSSION

The purpose of this study was to better understand corporate philanthropy and relationships between corporate donors and charitable organizations. By examining the views of both leading U.S. corporations and charitable organizations, the study investigated two major issues of corporate philanthropy: benefits companies expect from their contributions and types of relationships between the contributing and recipient organizations. Additionally, by applying the coorientation model to measure the two sides of the corporate donor-charitable organization relationship, the study investigated to what extent both groups agree or disagree on the relationship types, as well as perceived agreement and accuracy.

In this chapter, interpretation of the findings of the study will be presented along with theoretical and practical implications of the study. The chapter concludes with the study's limitations as well as suggestions for future research.

The Study's Findings

Corporate Benefits

The survey results show that corporate donors and charitable organizations had different degrees of benefits expected by corporate donors, although both groups similarly evaluated the importance of overall expected benefits. In general, both corporate donors and charitable organizations believe that corporate donors expect more social responsibility and public relations benefits than benefits that directly impact on corporations, such as marketing and tax savings, or benefits that affect corporate leaders, called social currency benefits. Both groups held the view that fulfilling society's expectations and enhancing a corporation's reputation as a socially responsible company are most important. This is followed by a variety of public relations benefits consisting of improvement of relationships with the community and improved employee

morale, as well as positive media coverage. On the other hand, both groups viewed marketing, tax savings, and social currency benefits as less expected. In particular, both groups answered that marketing benefits, which consist of increased sales, expanded markets, and increased profits, are the least expected. But corporate donors placed a very low value on marketing benefits while charitable organizations estimated their value to their corporate donors the same as other direct benefits. Moreover, charitable organizations rated the value of tax savings and social currency benefits higher than did corporate donors.

These results are similar to those of Duhé's study (1996), which concluded that the giving philosophies of public relations and social responsibility are dominant in corporate contributions. Some major findings of this study are that corporate donors are more polarized on benefit preferences than charitable organizations believe. In other words, corporate donors desire more social responsibility and public relations benefits than charitable organizations believe, whereas they expect fewer benefits that directly influence on corporations themselves or corporate leaders than charitable organizations believe. Charitable organizations also reported that their corporate donors consider overall returned benefits to be more important than do corporate donors. Put another way, charitable organizations believe that returned benefits to corporate donors are more important than corporate donors, themselves, believe.

The findings uncovered gaps between the two groups regarding benefits corporate donors expect. For example, as Rumsey and White (2007) showed, charitable organizations believe that corporate donors often expect marketing benefits. But these benefits are not as much anticipated by corporate donors represented in this study as fundraisers think. Senior fundraisers of charitable organizations may misunderstand what their corporate donors really expect from their contributions and from the charitable organizations they support, even though they approach

corporate giving as more strategic or with mixed-motives. According to Rosso (1991), fundraising is at its best when charitable organizations provide what their contributors need. Rather than emphasizing the direct benefits corporations can enjoy from contributions, charitable organizations should underline the benefits of fulfilling social responsibility and enhancing public relations practices when they recruit corporate donors.

Corporate Donor-Charitable Organization Relationship Types

Among three types of relationships between corporate donors and charitable organizations, both corporate giving officers of corporate donors and senior fundraisers of charitable organizations perceive the relationship as more communal based on mixed motives than either one-way patronizing or *quid pro quo* exchange. Both groups consider each other as a strategic partner beyond a patronizing or exchange relationship. However, corporate donors and charitable organizations differed on characterizing their relationships with the other party as patronizing and exchange types. While senior fundraisers somewhat agree that their organization has an exchange relationship with corporate donors of the organization, corporate giving officers rated that relationship type as the least characteristic of their company's relationships with recipients of its contributions. In other words, corporate donors do not view their relationship with charitable organizations as based on *quid-pro-quo*, whereas charitable organizations do moderately agree that they have this type of relationship. However, both groups view their relationship as beyond a one-way patronizing one, represented by wealthy donors and poor recipients. This confirms the findings of the exploratory study by Rumsey and White (2007), which found that, in general, the donor-recipient relationship has evolved from a traditional patronizing one to a more symmetrical one. This study confirms that the communal relationship type is dominant from the perspectives of both corporate donors and charitable organizations. It

reflects that corporate donors approach corporate giving in a strategic way, pursuing the communal relationship with their charitable organizations as Porter and Kramer (2002) argued.

Findings from the coorientation model illustrate that there is a gap in perceived agreement between corporate donors and charitable organizations. Both groups estimated the others' views and both groups perceived agreement on each relationship type. However, an important finding is that the D-scores for corporate giving officers' views and their estimate of senior fundraisers' views are higher than D-scores for senior fundraisers' views and their estimate of corporate giving officers' views. Put differently, corporate donors are more likely to perceive gaps between their own views and senior fundraisers' views than are senior fundraisers. For example, both groups negatively evaluate the patronizing relationship and both perceive agreement about this. However, corporate donors' D-score is .45, whereas senior fundraisers' D-score is .09. The gap in D-scores regarding the exchange relationship is wide. In spite of perceived agreement on exchange relationships, the D-score for corporate donors is 1.27, whereas the D-score for senior fundraisers is .34. This shows that corporate giving officers overestimate or underestimate senior fundraisers' views on relationship types, while senior fundraisers perceive their organization's views as the same as those of corporate donors. The two sides disagree on the extent to which the exchange relationship type describes relationships with the other side and corporate donors disagree that it describes the relationship, whereas charitable organizations agree that it does.

Also, both sides predicted that fundraisers would rate the exchange relationship type significantly higher than corporate giving officers would rate it. This reveals that fundraisers more overtly consider their relationship with corporate donors to be based on the exchange relationship.

Regarding the accuracy on the type of relationships between corporate donors and charitable organizations, both groups are accurate in estimating the other's views on the patronizing and communal relationship types. However, each group inaccurately estimates the other side's views on the exchange relationship type.

The two groups are in a state of consensus on the patronizing and communal relationship types. Corporate donors and charitable organizations share the same view that communal relationship is the best description of their relationship and patronizing does not describe the relationship, and each knows that agreement exists. However, a state of false consensus exists on the exchange relationship. Corporate donors and charitable organizations mistakenly think there is agreement on exchange relationships when, in fact, there is disagreement. This shows that there is a possibility of miscommunication between two groups and that corporate donors are not willing to openly share their opinions about exchange relationships with charitable organizations. As a result, fundraisers may inappropriately approach potential corporate donors, introducing themselves as commercial partners who will bring tangible benefits to corporate donors rather than as strategic partners who will help to accomplish corporate goals. The study results demonstrate that there is a burden on fundraisers to better understand their corporate donors.

Linkage between Corporate Benefits and the Relationship Types

Guided by two hypotheses and a research question, this study uncovered linkages between corporate benefits and relationship types. First of all, there was no significant difference between level of agreement on the patronizing relationship type and the importance of overall returned benefits. Contrary to expectation, the mean scores of the two groups (high and low) were higher than the neutral point on the 9-point scale. This means that regardless of level of agreement on the patronizing relationship type, both corporate donors and charitable organizations evaluate returned benefits importantly.

The exchange relationship type is positively related to marketing benefits. Corporate donors in exchange relationships with recipient charitable organizations expect to gain marketing benefits from their contributions, benefits that impact their bottom-line, such as increased sales. The results show that corporate donors deem marketing benefits to be significantly less expected than charitable organizations believe. Senior fundraisers whose organization has exchange relationships with corporate donors might overemphasize marketing benefits when they cultivate and solicit corporate donors. Results of the coorientation model measurement show that senior fundraisers moderately agree that their charitable organization has an exchange relationship, even though corporate donors strongly disagree that they have this kind of relationship. Thus, there might be some miscommunication in that charitable organizations may emphasize less expected benefits to corporate donors, and their fundraising efforts may ultimately be less effective.

On the other hand, the communal relationship type is more related to the benefits of social responsibility and public relations than to benefits that directly impact on corporations and corporate leaders. In its original conceptualization, the communal relationship was not viewed as altruistic (Clark and Mills, 1993). It is also not based on self-interest. Communal relationships are based on mixed-motives and result in mutual benefits to both parties rather than unbalanced benefits to one side.

In sum, corporate donors and charitable organizations evaluated the relationship as being more communal than either patronizing or exchange. They also emphasized social responsibility and public relations benefits as the most expected benefits in corporate philanthropy. Corporate donors and charitable organizations evaluated the overall relationship with each other very

positively, as well as acknowledged the importance of overall benefits returned to corporate donors.

One of the key findings of the study is that corporate donors do not implement a narrow scope of strategic corporate philanthropy as Mark (1991) and other business scholars asserted. Business scholars view strategic corporate philanthropy as the integration of marketing practices and socially responsible activities, mainly focusing on business goals and on consumers as the only stakeholder. This approach resulted in that the belief that cause-related marketing was prevalent in corporate charitable giving. However, this study's findings reveal that, rather than having solely a business-oriented approach, corporate donors consider strategic corporate philanthropy as a win-win strategy to satisfy all the stakeholders who influence a company's viability.

Kelly (1998) argued that very few donations are made for purely altruistic reasons. This applies to the corporate giving area: corporate donors expect returned benefits for their contributions and evaluate these benefits as important. Kelly also asserted that corporate contributions based on social responsibility benefits can build supportive communities, which produces a better business environment in the long run. This is also related to the concept of the "competitive context" advocated by Porter and Kramer (2002). Companies' efforts to pursue social responsibility benefits as the most expected reflects the fact that their corporate giving is based on a win-win strategy that provides both economic and societal benefits. As the results of this study show, both corporate donors and charitable organizations understand their relationship with each other as communal, viewing their partnership as strategic. Based on the communal relationship, it is natural for corporate donors to pursue benefits that influence their viability rather than to seek short-term benefits. By meeting societal needs that ultimately develop

competitive contexts, strategic corporate philanthropy can accomplish dual missions: to make a profit and to act as corporate citizens.

Implications

Understanding corporate philanthropy and the corporate donor-charitable organization relationship is crucial in order to accomplish mutual benefits for charitable organizations and the companies that contribute to them. In spite of the importance of strategic corporate philanthropy, there is a lack of studies that address corporate benefits and the corporate donor-charitable organization relationship. This study sought to address the issues of strategic corporate philanthropy, corporate benefits, and the corporate donor-charitable organization relationship, which are essential to expand the breadth and depth of understanding about corporate giving.

First of all, based on the mixed-motive model, the study unveiled what types of benefits corporate donors expect from their contributions to charitable organizations. As Kelly (1998) asserted, expected benefits from corporate giving vary along a continuum of motives, over time, and among industries. While some scholars have provided a brief description of reasons that corporations donate, these were developed more than a decade ago (Galaskiewicz, 1989; Logsdon, 1990). Many corporations have adopted strategic corporate philanthropy as a way to resolve tensions over corporate giving, but there are few empirical studies that examine what benefits corporate donors expect to receive. By looking at what benefits corporate donors expect from their contributions, this study found that corporate donors implement corporate philanthropy based on the mixed-motive model, a mixture of pure self-interest and pure altruism, same as old description of “enlightened self-interest. Rather than direct benefits to corporations or corporate leaders, corporate donors expect indirect benefits, such as enhancing corporate reputation as being socially responsible, which is an effective public relations practice. This gratifies societal demands and fulfills corporate goals.

Moreover, this study shows that there is a difference between corporate donors and charitable organizations in their views of corporate benefits. This was done by asking senior fundraisers to estimate what corporate donors of their organization expect from their contributions. Charitable organizations' misunderstanding of corporate benefits may lead to ineffective fundraising efforts. By comparing what benefits corporate donors expect with the charitable organizations' beliefs about the benefits their corporate donors expect, the study provides guidance for charitable organizations on how to approach corporate donors.

From a relationship management perspective, nonprofit charitable organizations have been undervalued even though they are a major stakeholder group for corporations. As Porter and Kramer (2002) suggested, it is crucial for corporations to choose appropriate charitable organizations and develop relationships with them in order to implement successful corporate giving. Because most studies dealing with corporate giving have focused on internal and external publics outside of the relationship, such as consumers, local communities, and employees (Hall, 2006; Logsdon et al., 1990; Maignan & Ferrell, 2001), there is a lack of research addressing corporations' relationships with charitable organizations. Considering them as key publics of each other, this study illuminated the relationship between corporate donors and charitable organizations. Furthermore, the study presented and tested three types of relationships between corporate donors and charitable organizations developed from Hon and J. Grunig (1999) and Austin's (2000) studies.

Of the three types of relationships -- patronizing, exchange, and communal -- the study's results show that both corporate donors and charitable organizations view their relationship with each other as communal rather than patronizing, or based on pure altruism. The findings also bolster Kelly's (1998) argument that the relationship between corporate donors and charitable

organizations is best understood as interdependent rather than benevolent. One key finding is that there is a significant difference between the two groups regarding the exchange relationship type. Charitable organizations more positively evaluated the exchange type than did corporate donors. This result provides fundraisers and charitable organizations with better insight on how they may differently evaluate their relationships with corporate donors. Charitable organizations and their fundraisers may be giving too much emphasis on exchange relationships with corporate donors.

Lastly, the study tested the linkage between corporate benefits and the corporate donor-charitable organization relationship types. Whereas the communal relationship is correlated with social responsibility and public relations benefits, the exchange relationship is highly correlated with marketing benefits, such as increased sales and profits and expanded markets. Corporate donors and charitable organizations evaluate corporate benefits as somewhat important regardless of their level of agreement on the patronizing relationship type. The study confirmed that corporations view strategic corporate philanthropy as forming communal relationships and seeking social responsibility and public relations benefits that bring both organizational and social benefits, as suggested by Porter and Kramer (2002). If both groups are perceived as strategic partners, as findings of this study suggest, then fundraisers of charitable organizations should emphasize social and economic benefits from corporate contributions rather than emphasizing potential marketing benefits. Most importantly, they should research their own charitable organization's corporate donors regarding expected benefits and desired relationship, and not make assumptions based on hunches or generic findings.

Limitations and Future Research

Even though this study makes a significant contribution to the areas of corporate philanthropy, fundraising, and public relations, the study has several limitations. One of the major drawbacks of the study is the small size of the respondents. On the basis of Pareto's

principle that 80% of the dollars are contributed from 20% of the donors, the study focused on leading U.S. corporations and charitable organizations rather than a more accessible population of corporate donors and charitable organizations. The elite status of the sampling frames likely contributed to the low response rates. Moreover, educational organizations were dominant in the sampling frame of charitable organizations. Considering the great variety and number of organizations in the for-profit and nonprofit sectors, the study's findings are unlikely to be generalizable to all but the small but still meaningful corporate donors and charitable organizations that participated in the study. In addition, the study limits the scope of its findings by utilizing only those organizations for which contact information was available. Future studies should include larger samples. Also, the study may not be replicable in different cultural settings because it focuses on corporate philanthropy and charitable organizations in the United States. In addition, future studies can utilize different representatives of corporate donors and charitable organizations other than giving officers and fundraisers.

Related to concerns about the sample, the study measured corporate benefits and relationship types with generic samples, rather than one organization and its publics. Survey respondents were asked to evaluate overall corporate benefits and relationship types. While a corporation's contribution policy is generally applicable to various fields of charitable organizations, some corporations may have unique policies that relate to specific beneficiary organizations or fields. For example, corporations may not expect any returned benefits from charitable organizations whose mission is to serve disaster relief needs, but they may expect more publicity benefits from educational organizations. Since this study seeks to understand generic views on corporate benefits and relationship types, the results may differ from studies of designated organizations and their publics (corporate donors or charitable organizations).

Another main concern of this study is the scales that were used to measure corporate benefits and types of relationships between corporate donors and charitable organizations. This is a relatively unexplored area, and there are no well-developed scales to measure corporate benefits. The very low reliability of public relations benefit items illustrates the need for better scales. This study adopted Hon and J. Grunig's (1999) scales for exchange and communal relationships, whereas the scale for patronizing relationships were original to this study and were adopted from the relationship type items in Austin's (2000) work on patronizing relationships. Considering that Hon and J. Grunig's scales for relationship types were shown to be less reliable than scales for relationship quality and have never been applied to corporate donor-charitable organization relationships, the study yielded low reliability scores measuring the communal relationship type for both *my views* and *other's views*. Future studies should develop more reliable scales to measure relationship types customized to the relationship between corporate donors and charitable organizations.

Lastly, to address corporate benefits, the study mainly examined what benefits corporate donors expect and charitable organizations' beliefs of what their corporate donors expect. In order to better evaluate corporate benefits, it is necessary for charitable organizations to understand the benefits corporate donors expect and actually receive. The study is limited in that it only measured benefits corporate donors expect, without further comparing the benefits that corporate donors expect to those they actually receive. Future studies should examine both the benefits that corporations expect and receive from their contributions to charitable organizations. Moreover, the study suggests that future study may explore what benefits charitable organizations expect and received from corporate donors.

In conclusion, the study represents an important step in better understanding corporate philanthropy by examining the views of corporate donors and charitable organizations about benefits corporate donors expect and the relationship types. It also adds to the public relations, philanthropy, and fundraising bodies of knowledge.

APPENDIX A
SURVEY FOR CORPORATE GIVING OFFICERS

Corporate Philanthropy and Charitable Organizations

Thank you for taking time to participate in this survey. The questionnaire should take only about 15 minutes to complete. This research examines views about benefits and relationships resulting from corporate philanthropy. Your answers will be used only for statistical purposes and will remain strictly confidential. Please read the instructions carefully and answer all questions.

1. The items below describe benefits that some corporations expect from their philanthropy and others do not. For each benefit, please evaluate the extent to which your corporation expects the benefit from its contributions to charitable organizations. Please circle the number that best represents your response on the 9-point scale provided, where **1 equals "No Expectation" (None) and 9 equals "High Expectation" (High)**.

	Expectation								
	None.High
Increased sales	1	2	3	4	5	6	7	8	9
Improved employee morale	1	2	3	4	5	6	7	8	9
Advancement of executives' social positions among their business peers	1	2	3	4	5	6	7	8	9
Tax benefits in general	1	2	3	4	5	6	7	8	9
Satisfaction of doing a good thing	1	2	3	4	5	6	7	8	9
Company publicity/positive media coverage	1	2	3	4	5	6	7	8	9
Approval from other corporate contributors	1	2	3	4	5	6	7	8	9
Enhanced company reputation as a socially responsible company	1	2	3	4	5	6	7	8	9
Federal income tax deduction	1	2	3	4	5	6	7	8	9
Expanded markets	1	2	3	4	5	6	7	8	9
Achievement of philanthropic standards held by business peers	1	2	3	4	5	6	7	8	9
Improved quality of life in community	1	2	3	4	5	6	7	8	9
Fulfillment of society's expectation as a corporate citizen	1	2	3	4	5	6	7	8	9
Increased profits	1	2	3	4	5	6	7	8	9
State income tax deduction	1	2	3	4	5	6	7	8	9

2. Thinking overall about benefits, please circle a number below that corresponds to how important returned benefits are to your corporate philanthropy program.

Not at all important Very important
 1 2 3 4 5 6 7 8 9

3. The next section lists statements about relationships between corporate donors and charitable organizations. First, please evaluate the degree to which each statement describes the relationship your corporation has with charitable organizations that receive its contributions and circle the number that best represents your response in the column **left** of the statement. Then, circle a number in the **right-hand** column that best represents your estimate of how senior fundraisers at the charitable organizations would respond to the statement. On the 9-point scale provided, **1 equals "Strongly Disagree" (SD) and 9 equals "Strongly Agree" (SA).**

Your View as Corporate Giving Officer			Your Estimate of the View of Sr. Fundraisers	
S D	S A		S D	S A
1 2 3 4 5 6 7 8 9		My corporation does not expect any reward from charitable organizations.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		My corporation will compromise with charitable organizations when we know that we will gain something.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		My corporation considers charitable organizations as strategic partners in gaining mutual benefits.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		Corporate giving officers such as me have minimal personal connection to the cause of recipient organizations.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		Whenever my corporation makes a contribution to a charitable organization, we generally expect something in return.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		My corporation is very concerned about the welfare of recipient charitable organizations.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		Other than making contributions, my corporation rarely interacts with recipient organizations.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		Aiding charitable organizations while achieving corporate goals gives us pleasure.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		My corporation takes care of charitable organizations that are likely to reward the company.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		Engagement between my corporation and charitable organizations we support is limited to annual solicitations.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		My corporation does not take advantage of charitable organizations that are vulnerable.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		Even when my corporation has had a long-time relationship with a charitable organization, we still expect something in return when we extend a favor.	1 2 3 4 5 6 7 8 9	

4. Thinking overall about your company's relationship with charitable organizations, please circle a number below that corresponds to how you view the relationship:

Overall Relationship

Very negative Very positive

1 2 3 4 5 6 7 8 9

Please answer the following demographic questions.

5. What is your gender? _____ Male _____ Female

6. What is your age? _____ years old

7. What is your race?

_____ African-American/Black _____ Asian _____ Caucasian
_____ Hispanic/Latino _____ Middle Eastern
_____ Native American _____ Other: (Specify) _____

8. How long have you worked for your current company? _____ year(s)

9. How long have you worked in your current position? _____ year(s)

10. How long have you worked as a corporate giving officer? _____ year(s)

11. Which of the following best describes the department in which you work?

_____ Corporate Contributions/ Foundation _____ Community Relations
_____ Corporate Communications/Public Relations _____ Human Resources
_____ Public Affairs _____ Other (Specify) _____

12. To which one of the following positions do you report?

_____ Chairman/CEO/President _____ Other Chief Officer
_____ Senior Vice President/Vice President _____ Other (Specify) _____

13. Are you the head of Corporate Contributions for your company?

_____ Yes _____ No

Please answer the following questions about your company's philanthropy program.

14. Approximately, what was the total amount of cash your company contributed to charitable organizations in the last fiscal year? \$ _____

15. Approximately, what was the total amount of product giving your company contributed to charitable organizations in the last fiscal year? \$ _____

16. Approximately, how many charitable organizations does your company contribute to each year, on average? _____

17. What was your company's approximate total revenue in the last fiscal year?

\$ _____

18. Please check the one industry that best describes your company's primary business.

_____ Agriculture, Forestry, and Fishing _____ Construction _____ Manufacturing
_____ Finance, Insurance, and Real Estate _____ Health and pharmaceutical
_____ Mining, Oil and Gas _____ Retail Trade _____ Services
_____ Transportation, Communication, Electric, Gas, and Sanitary Services
_____ Wholesale Trade _____ Other (Specify) _____

19. In one or two sentences, please describe how the current economic situation is affecting your corporate contributions program.

FINISHED!

This concludes the survey.

The space provided below is for any comments or additional information about corporate philanthropy and charitable organizations that you would like to make. Confidentiality is guaranteed.

Thank you for your time and participation.

Please return your completed questionnaire and the consent form in the enclosed self-addressed, stamped envelope by February 20, 2009, or mail to:

Moonhee Cho
Graduate Division
College of Journalism and Communications
Weimer Hall, P.O. Box 118400
University of Florida
Gainesville, FL 32611-8400

APPENDIX B
SURVEY FOR SENIOR FUNDRAISERS

Corporate Philanthropy and Charitable Organizations

Thank you for taking time to participate in this survey. The questionnaire should take only about 15 minutes to complete. This research examines views about benefits and relationships resulting from corporate philanthropy. Your answers will be used only for statistical purposes and will remain strictly confidential. Please read the instructions carefully and answer all questions.

The items below describe benefits that some corporations expect from their philanthropy and others do not. Please evaluate the extent to which corporate donors to your charitable organization expect each benefit. Please circle the number that best represents your response on the 9-point scale provided, where **1 equals "No Expectation" (None) and 9 equals "High Expectation" (High)**.

	Expectation								
	None.High
Increased sales	1	2	3	4	5	6	7	8	9
Improved employee morale	1	2	3	4	5	6	7	8	9
Advancement of executives' social positions among their business peers	1	2	3	4	5	6	7	8	9
Tax benefits in general	1	2	3	4	5	6	7	8	9
Satisfaction of doing a good thing	1	2	3	4	5	6	7	8	9
Company publicity/positive media coverage	1	2	3	4	5	6	7	8	9
Approval from other corporate contributors	1	2	3	4	5	6	7	8	9
Enhanced company reputation as a socially responsible company	1	2	3	4	5	6	7	8	9
Federal income tax deduction	1	2	3	4	5	6	7	8	9
Expanded markets	1	2	3	4	5	6	7	8	9
Achievement of philanthropic standards held by business peers	1	2	3	4	5	6	7	8	9
Improved quality of life in community	1	2	3	4	5	6	7	8	9
Fulfillment of society's expectation as a corporate citizen	1	2	3	4	5	6	7	8	9
Increased profits	1	2	3	4	5	6	7	8	9
State income tax deduction	1	2	3	4	5	6	7	8	9

2. Thinking overall about benefits, please circle a number below that corresponds to how important returned benefits are to your corporate donors.

Not at all important Very important
 1 2 3 4 5 6 7 8 9

3. The next section lists statements about relationships between corporate donors and charitable organizations. First, please evaluate the degree to which each statement describes the relationship your organization has with companies that contribute to it and circle the number that best represents your response in the column **left** of the statement. Then, circle a number in the **right-hand** column that best represents your estimate of how corporate giving officers at the companies would respond to the statement. On the 9-point scale provided, **1 equals “Strongly Disagree” (SD) and 9 equals “Strongly Agree” (SA).**

Your View as Senior Fundraiser			Your Estimate of the View of Corp Giving Officers	
SD	SA		SD	SA
1 2 3 4 5 6 7 8 9		Corporate donors do not expect any reward from my charitable organization.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		Corporate donors will compromise with my charitable organization when they know they will gain something.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		Corporate donors consider my charitable organization as a strategic partner in gaining mutual benefits.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		Corporate giving officers have minimal personal connection to our cause.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		Whenever corporations make a contribution to my charitable organization, they generally expect something in return.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		Corporate donors are very concerned about the welfare of my charitable organization.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		Other than making contributions, corporate donors rarely interact with my organization.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		Corporate donors get pleasure from helping us while achieving their goals.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		Corporate donors take care of charitable organizations that are likely to reward the company.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		Engagement between corporations and my charitable organization is limited to annual solicitations.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		Corporate donors do not take advantage of charitable organizations that are vulnerable.	1 2 3 4 5 6 7 8 9	
1 2 3 4 5 6 7 8 9		Even when a corporate donor has had a long-time relationship with my organization, it still expects something in return whenever it extends us a favor.	1 2 3 4 5 6 7 8 9	

4. Thinking overall about your organization’s relationship with corporate donors, please circle a number below that corresponds to how you view the relationship on the following scale:

Overall Relationship

Very negative Very positive

1 2 3 4 5 6 7 8 9

Please answer the following demographic questions.

5. What is your gender? _____ Male _____ Female

6. What is your age? _____ years old

7. What is your race?

_____ African-American/Black _____ Asian _____ Caucasian
_____ Hispanic/Latino _____ Middle Eastern _____ Native American
_____ Other: (Specify) _____

8. How long have you worked for your current organization? _____ year(s)

9. How long have you worked in your current position? _____ year(s)

10. How long have you worked as a fundraiser? _____ year(s)

11. To which one of the following positions do you report?

_____ Chairman/CEO/President _____ Other Chief Officer
_____ Senior Vice President/Vice President _____ Other (Specify) _____

12. Are you the head of Fundraising/Corporate Relations for your organization?

_____ Yes _____ No

Please answer the following questions about your organization's fundraising.

13. Approximately, what was the total amount your charitable organization raised in private gifts in the last fiscal year? \$ _____

14. Of the amount raised in the last fiscal year, approximately, what percentage came from corporate donors, as opposed to individuals or foundations? _____ %

15. Approximately, how many companies contribute to your charitable organization each year, on average? _____

16. What was your organization's approximate total revenue in the last fiscal year?

\$ _____

17. Based on mission, check the one category that best describes your charitable organization.

_____ Arts, Culture, & Humanities _____ Education _____ Religion
_____ Human Services _____ Health _____ International Affairs _____
Environment & Animals _____ Public-Society Benefit
_____ Other (Specify) _____

18. In one or two sentences, please describe how the current economic situation is affecting your fundraising program.

FINISHED!

This concludes the survey.

The space provided below is for any comments or additional information about corporate philanthropy and charitable organizations that you would like to make. Confidentiality is guaranteed.

Thank you for your time and participation.

Please return your completed questionnaire and the consent form in the enclosed self-addressed stamped envelope by February 20, 2009, or mail to:

Moonhee Cho
Graduate Division
Weimer Hall, P.O. Box 118400
College of Journalism and Communications
University of Florida
Gainesville, FL 32611-8400

APPENDIX C
UNIVERSITY OF FLORIDA INSTITUTIONAL REVIEW BOARD INFORMED CONSENT
APPROVAL

STATEMENT OF INFORMED CONSENT

You are cordially invited to participate in a research project conducted by the University of Florida. The purpose of the study is to better understand corporate philanthropy and relationships between corporate donors and charitable organizations. Participation in the study is completely voluntary. To participate, please read the following information about the project and complete the enclosed questionnaire, which should take only 15 minutes. Then, place the completed questionnaire in the self-addressed stamped envelope provided and mail it back to the researcher.

Thank you in advance for your participation.

Protocol Title: Top Corporate Donors and Charitable Organizations: Utilizing the Coorientation Model to Examine Benefits and Relationships

Please read this consent document before you decide to participate in this study.

Purpose of this study: The purpose of the study is to better understand corporate philanthropy and relationships between corporate donors and charitable organizations by examining the views of leading U.S. corporations and charitable organizations about such issues as benefits companies expect from their contributions.

What you will be asked to do in the study: Upon reading the description about the study and agreeing to participate, you will be asked to complete the enclosed questionnaire. The questionnaire consists of three sets of questions: (1) questions about corporate benefits (2) questions about charitable organization—corporate donor relationships, and (3) questions about your individual demographics and characteristics of your organization.

Time required: 15 minutes

Risks and benefits: There are no anticipated physical, psychological, or economic risks involved with the study. There are no direct benefits to you for participating in this study; however, your participation will increase knowledge about philanthropy and nonprofit management.

Compensation: There is no financial compensation for participating in this research.

Confidentiality: Neither your name nor your contact information will be collected. Your returned questionnaire will be assigned a code number. Neither you nor your organization will be linked to your responses. The data will be kept confidential to the extent provided by law.

Voluntary participation: Participation in this study is voluntary. There is no penalty for not participating.

Right to withdraw from the study: You have the right to withdraw from the study at anytime without consequence.

Whom to contact if you have questions about the study:

Ms. Moonhee Cho, Graduate student, Department of Public Relations, College of Journalism and Communications, University of Florida; 352-870-9311, moonhee.cho@ufl.edu

Dr. Kathleen S. Kelly, Professor, Department of Public Relations, College of Journalism and Communications, University of Florida; 352-392-9359, kskelly@jou.ufl.edu

Whom to contact about your rights as a research participant in the study:

Institutional Review Board Office, Box 112250, University of Florida, Gainesville, FL 32611-2250; 352-392-0433, irb2@ufl.edu.

Agreement: By signing on the following line and completing the enclosed questionnaire, I acknowledge that I have read the procedure described above. I voluntarily agree to participate in the procedure, and I have received a copy of this description.

Signature of Participant

Date

Approved by
University of Florida
Institutional Review Board 02
Protocol # 2008-U-1147
For Use Through 12/15/2009

APPENDIX D
COVER LETTER MAILED TO CORPORATE GIVING OFFICERS

January 26, 2009

(FIRST NAME) (LAST NAME)
(ADDRESS)
(CITY), (STATE) (ZIP CODE)

Dear (INSERT CORPORATE GIVING OFFICER'S NAME):

As a senior corporate giving officer for one of the largest U.S. corporations, you are cordially invited to participate in a research study relevant to your work – a study that holds promise for advancing knowledge about corporate philanthropy and relationships with nonprofit charitable organizations.

In the midst of the current economic crisis, I realize you and your company are dealing with serious issues that command your time and attention. Yet I hope that your commitment to increasing effectiveness in corporate philanthropy will prompt you to spare about 15 minutes to participate in this study. The study is part of my graduate degree requirements at the University of Florida, where a course in philanthropy first introduced me to the intricacies of corporate philanthropy and corporate giving officers' pursuit of ways to best practice strategic corporate giving. I approach corporate contribution programs as an important management function, which must satisfy both investors and demands by other stakeholders regarding sustainability and social responsibility. More so than ever, this recession requires new knowledge to assist corporate giving officers, such as you.

You and your company were selected from the Foundation Center's *National Directory of Corporate Giving 2008* to represent top corporate donors. If you no longer work in corporate giving, please forward this survey to the person in charge of the function. Your company's participation is important because the survey was sent to only a small group of leading corporate donors. Please complete the enclosed questionnaire and return it by February 16, 2009.

Your answers will be used only for statistical purposes and will remain strictly confidential. The research protocol was reviewed by UF's Institutional Review Board to ensure maximum protection of participants (see enclosed Statement of Informed Consent).

If you have any questions, please contact me at moonhee.cho@ufl.edu, (352) 870-9311. You may also contact my advisor, Dr. Kathleen Kelly, at kskelly@jou.ufl.edu, (352) 392-9359. Also, if you would like to receive a summary of the study's findings, please send a business card along with your completed questionnaire in the enclosed self-addressed, stamped envelope.

Thank you in advance for your valuable time and much-appreciated participation.

Sincerely,

Moonhee Cho
Graduate Student

APPENDIX E
COVER LETTER MAILED TO SENIOR FUNDRAISERS

January 26, 2009

(FIRST NAME) (LAST NAME)
(ADDRESS)
(CITY), (STATE) (ZIP CODE)

Dear (INSERT SENIOR FUNDRAISER'S NAME):

As a senior fundraiser for one of the largest U.S. charitable nonprofit organizations, you are cordially invited to participate in a research study relevant to your work – a study that holds promise for advancing knowledge about corporate philanthropy and relationships with corporate donors.

In the midst of the current economic crisis, I realize you and your organization are dealing with serious issues that command your time and attention. Yet I hope that your commitment to increasing effectiveness in fundraising will prompt you to spare about 15 minutes to participate in this study. The study is part of my graduate degree requirements at the University of Florida, where a course in philanthropy first introduced me to the intricacies of fundraising and corporate philanthropy, as well as trends in strategic corporate giving that face fundraisers today. I approach fundraising as an important management function, which must satisfy the needs of both the charitable organization and its corporate donors, as well as other stakeholders. More so than ever, this recession requires new knowledge to assist fundraisers, such as you.

Your organization was selected from the *Chronicle of Philanthropy*'s most recent "Philanthropy 400" list to represent charitable organizations receiving the highest amount of private support. You were selected through preliminary analysis of the sample. If you no longer work in fundraising, please forward this survey to the person in charge of the function. Your organization's participation is important because the survey was sent to only a small group of leading charitable organizations. Please complete the enclosed questionnaire and return it by February 16, 2009.

Your answers will be used only for statistical purposes and will remain strictly confidential. The research protocol was reviewed by UF's Institutional Review Board to ensure maximum protection of participants (see enclosed Statement of Informed Consent).

If you have any questions, please feel free to contact me at moonhee.cho@ufl.edu, (352) 870-9311. You may also contact my advisor, Dr. Kathleen Kelly, at kskelly@jou.ufl.edu, (352) 392-9359. Also, if you would like to receive a summary of this study's findings, please send a business card along with your completed questionnaire in the enclosed self-addressed, stamped envelope.

Thank you in advance for your valuable time and much-appreciated participation.

Sincerely,

Moonhee Cho
Graduate Student

APPENDIX F
POSTCARD REMINDER MAILED TO CORPORATE GIVING OFFICERS

Dear (INSERT CORPORATE GIVING OFFICER'S NAME):

You recently received a survey about corporate philanthropy and charitable organizations. If you have already completed the survey, thank you! If you have not had the time to finish the survey yet, please take a few moments to complete the survey and return it to me in the self-addressed stamped envelope provided. Your answers will be kept confidential. If you have any questions, please contact me at (352) 870-9311 or moonhee.cho@ufl.edu.

Thank you in advance for your participation,

Moonhee Cho
Graduate Student
University of Florida

APPENDIX G
POSTCARD REMINDER MAILED TO SENIOR FUNDRAISERS

Dear (INSERT SENIOR FUNDRAISER'S NAME):

You recently received a survey about corporate philanthropy and charitable organizations. If you have already completed the survey, thank you! If you have not had the time to finish the survey yet, please take a few moments to complete the survey and return it to me in the self-addressed stamped envelope provided. Your answers will be kept confidential. If you have any questions, please contact me at (352) 870-9311 or moonhee.cho@ufl.edu.

Thank you in advance for your participation,

Moonhee Cho
Graduate Student
University of Florida

APPENDIX H
EMAIL REMINDER TO CORPORATE GIVING OFFICERS

Dear (INSERT CORPORATE GIVING OFFICER'S NAME):

You recently received a survey about corporate philanthropy and charitable organizations. If you have already completed the survey, thank you! If you have not had the time to finish the survey yet, please take a few moments to complete and return it in the self-addressed stamped envelope provided by February 16, 2009.

If you prefer to return the survey via email, please fill out the attached survey questionnaire and send it to moonhee.cho@ufl.edu. Your help will be greatly appreciated, as it is crucial in completion of my thesis. It is only with your contribution that this research can be successful.

I really appreciate your participation in the survey and support. If you have any questions, please feel free contact me at (352) 870-9311 or moonhee.cho@ufl.edu.

Thank you in advance for your participation,

Moonhee Cho
Graduate Student
University of Florida

APPENDIX I
EMAIL REMINDER TO SENIOR FUNDRAISERS

Dear (INSERT SENIOR FUNDRAISER'S NAME):

You recently received a survey about corporate philanthropy and charitable organizations. If you have already completed the survey, thank you! If you have not had the time to finish the survey yet, please take a few moments to complete and return it in the self-addressed stamped envelope provided by February 16, 2009.

If you prefer to return the survey via email, please fill out the attached survey questionnaire and send it to moonhee.cho@ufl.edu. Your help will be greatly appreciated, as it is crucial in completion of my thesis. It is only with your contribution that this research can be successful.

I really appreciate your participation in the survey and support. If you have any questions, please feel free contact me at (352) 870-9311 or moonhee.cho@ufl.edu.

Thank you in advance for your participation,

Moonhee Cho
Graduate Student
University of Florida

APPENDIX J
COVER LETTER SAMPLE OF REPLACEMENT MAIL TO CORPORATE GIVING
OFFICERS

(FIRST NAME) (LAST NAME)
(ADDRESS)
(CITY), (STATE) (ZIP CODE)

Dear (INSERT CORPORATE GIVING OFFICER'S NAME):

A short time ago, you received an invitation to participate in a research study about corporate donors and charitable organizations. The purpose of the study is to advance knowledge about corporate philanthropy and relationships with nonprofit charitable organizations. As a senior corporate giving officer for one of the largest U.S. corporations, your opinion about this topic is very important and valuable.

If you have already completed the survey, thank you! If you have misplaced it, or not had the time to finish the survey yet, a replacement questionnaire and self-addressed, stamped return envelope are enclosed in the packet. Please take a few moments to complete the survey and return it to me by March 16, 2009. Your help will be greatly appreciated, as it is crucial in completion of my thesis. It is only with your contribution that this research can be successful.

If you have any questions, please contact me at moonhee.cho@ufl.edu, (352) 870-9311. You may also contact my advisor, Dr. Kathleen Kelly, at kskelly@jou.ufl.edu, (352) 392-9359. Also, if you would like to receive a summary of the study's findings, please send a business card along with your completed questionnaire in the enclosed self-addressed, stamped envelope.

Thank you in advance for your valuable time and much-appreciated participation.

Sincerely,

Moonhee Cho
Graduate Student

APPENDIX K
COVER LETTER SAMPLE OF REPLACEMENT MAIL TO SENIOR FUNDRAISERS

(FIRST NAME) (LAST NAME)
(ADDRESS)
(CITY), (STATE) (ZIP CODE)

Dear (INSERT SENIOR FUNDRAISER'S NAME):

A short time ago, you received an invitation to participate in a research study about corporate donors and charitable organizations. The purpose of the study is to advance knowledge about corporate philanthropy and relationships with nonprofit charitable organizations. As a senior fundraiser for one of the largest U.S. charitable nonprofit organizations, your opinion about this topic is very important and valuable.

If you have already completed the survey, thank you! If you have misplaced it, or not had the time to finish the survey yet, a replacement questionnaire and self-addressed, stamped return envelope are enclosed in the packet. Please take a few moments to complete the survey and return it to me by March 16, 2009. Your help will be greatly appreciated, as it is crucial in completion of my thesis. It is only with your contribution that this research can be successful.

If you have any questions, please contact me at moonhee.cho@ufl.edu, (352) 870-9311. You may also contact my advisor, Dr. Kathleen Kelly, at kskelly@jou.ufl.edu, (352) 392-9359. Also, if you would like to receive a summary of the study's findings, please send a business card along with your completed questionnaire in the enclosed self-addressed, stamped envelope.

Thank you in advance for your valuable time and much-appreciated participation.

Sincerely,

Moonhee Cho
Graduate Student

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BIOGRAPHICAL SKETCH

Moonhee Cho attended Ewha Women's University in Seoul, Korea, earning a B.A. with a double major in psychology and advertising/public relations. Her name was on the Dean's list there for three years. Prior to entering the graduate program at the University of Florida, she worked as a fundraiser and foundation coordinator at Partners for the Future Foundation, the charity arm of the American Chamber of Commerce in Korea. In the fall of 2007, she began her graduate studies at the University of Florida, specializing in public relations. During her graduate studies, she was nominated for the Outstanding International Student award at the University of Florida. After completing her Master of Arts in Mass Communication, she plans to begin doctoral studies at the University of Florida.