A Defining Moment for Leadership

An Interview with Charles H. Moore, Executive Director, Committee Encouraging Corporate Philanthropy (CECP)


Charles H. Moore

EDITORS' NOTE *A graduate of Cornell University with a B.M.E., Charles Moore has held numerous senior executive positions in a variety of companies, including Gulf + Western Industries, Interpace Corporation, Clevepak Corporation, Ransburg Corporation, and Illinois Tool Works. He also served as Director of Athletics at Cornell University. He assumed his current post in 1999.*

ORGANIZATION BRIEF *CECP (www.CorporatePhilanthropy.org) is a membership forum comprised of 175 CEOs and chairpersons committed to corporate philanthropy. CECP's members represent companies responsible for more than 40 percent of all corporate philanthropy in America. The organization's mission is to lead the business community in raising the level and quality of corporate philanthropy while engaging with the public, private, and independent sectors. Paul Newman and Ken Derr were CECP's Founding Co-Chairs.*

What is CECP's focus?

CECP operates along three guiding strategies: we represent the perspective of the CEO in corporate philanthropy; we help bring the best of business to philanthropy; and we set the standards for quantitative and qualitative measurement in corporate giving.

How broadly do you define corporate philanthropy?

Corporate philanthropy is about corporate behavior: how companies reach out to their community partners and invest in programs that support social, environmental, and economic development. You can look at business's contract with society in terms of three levels: the basic level is what business is required to do by law, like pay taxes; the second level entails efforts that may not be legally required, but are still implicitly agreed upon, such as providing safe and fair workplace practices; and corporate philanthropy exists as the third level, where there are no formal expectations but rather great opportunities for businesses to not only invest in their communities and address social needs, but also to differentiate themselves.

How does your relationship differ with CEOs versus corporate giving officers?

As the only organization in the world focused on CEO leadership in corporate philanthropy, we give executives the opportunity to come together to share strategy and best practices. A CEO becomes a member of CECP to be a part of this powerful network. By joining CECP, that CEO demonstrates that he or she wants to advance the understanding of and strategy behind business's investing in society.

On the other hand, if you're focused on metrics, you'd say the real value proposition for joining CECP is for the corporate giving officers. CECP offers unparalleled peer-to-peer benchmarking to help giving professionals better develop their philanthropy portfolios and understand the strengths and areas of improvement of their companies' giving strategies.

Each February, CECP spearheads International Corporate Philanthropy Day in conjunction with the United Nations, an effort to raise awareness for corporate giving and advance community investment practices. Our members and partner organizations receive extensive media attention to help foster a greater understanding of the value of corporate philanthropy in communities around the world.

How do challenging economic times affect your organization?

First, you must consider that through philanthropy, companies are investing in educational, social, health-related, and environmental programs that will build not only stronger communities, but a stronger private sector as well. Therefore, you cannot just pull back from these kinds of commitments during an economic downturn. Philanthropy is not a discretionary line item in a budget; what a company contributes to its communities is a necessary and ordinary business expense and an investment in the future.

I believe that this is a defining moment for corporate leadership. The opportunities are enormous; I expect many CEOs to step up their companies' giving even in this economic climate because they understand the competitive context of corporate philanthropy. One company can't afford to decrease giving significantly when others are stepping up. In the coming months and years, businesses will continue to better align their philanthropy with their core competencies. They will also better leverage corporate resources like employee expertise and in-kind donation opportunities to provide further support to nonprofit organizations that are experiencing increased need. ●

CECP'S 2009 BOARD OF BOARDS CEO CONFERENCE

Demonstrating that corporate philanthropy is a business priority even in a strained economic climate, 55 leading CEOs and chairpersons gathered on the morning of International Corporate Philanthropy Day, February 23, 2009, for a dialogue on the theme, Global Leaders: Confronting a Crucial Decision.

Tom Brokaw, Jeffrey Immelt, and Carlos Ghosn led their peers in exploring ways in which business leaders can rise to heightened public accountability expectations in an intrinsically altered financial and social landscape.

The following are a few of the key takeaways from this event:

1. Elevate and Prioritize the Social Contract

Corporate leaders recognize the interdependency between business and society, and the pressing need to regain public trust. CEOs understand that business has yet to reach its full potential in living up to the social contract. With stimulus funds now being disbursed to businesses globally, accountability expectations are on the ascent. This creates an opportune moment for corporate leaders to demonstrate their conviction that philanthropic initiatives support long-run economic vitality.

Opportunities

Eighty-two percent of attendees indicated that philanthropy can help restore trust in the business sector, signaling their belief that corporate giving can create a 'social stimulus,' and set in motion the beginnings of a regenerative cycle in distressed communities. CEOs indicated their desire to use corporate contributions as a means of supporting the government's priorities of strengthening neighborhoods and helping families in need.

Poll question: "In recent years, how effective has business been in living up to its social contract?"

Somewhat Successful: 72%
Not Successful: 18%
Very Successful: 10%

2. Initiate an Inclusive Dialogue

Eighty percent of business leaders in attendance consider their employees and customers to be the most important constituencies when crafting giving strategy. However, the CEOs discussed how factors such as government support of threatened industries, the stimulus package, and intensifying public scrutiny are swiftly expanding the number and size of stakeholder groups.

Opportunities

They viewed the inextricable link across the fates of all stakeholder groups as an occasion to engage in a multi-sector, collaborative problem-solving process. Specifically, the companies represented saw not only the need to share philanthropy best practices with one another, but also to invite diverse organizations to the table with the hope of surfacing, exploring, and implementing fresh ideas.

Poll question: "When considering a change in your company's contributions, which constituency most influences your decision?"

Employees: 51%
Customers: 29%
Shareholders/Board: 12%
Government/Community Leaders: 8%
Media: 0%

For the full report from the 2009 CECP Board of Boards CEO Conference, visit www.CorporatePhilanthropy.org.