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Cowton, Christopher J.

Charities and company giving: Some reflections

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it does not reflect gifts in kind. Some companies make mention of some of their projects, say in the annual report, but according to my questionnaire survey replies, most would not disclose even the cash total of their gifts if they were no longer required to do so. Although it might be reasonable to question why companies are so reticent in publicising their charitable giving, it is clearly inappropriate for charities to take a crude, simplistic view of the kind of pay offs for which companies are looking.

Companies are critical not only of the attitude of some charities in soliciting donations, but also of the competence with which they administer their appeals. A number of writers mention the negative reaction likely to result from an approach which is not personalised or which is to a chairman who has been retired or dead for years. It is also important to suggest an air of efficiency by getting the name and address of the company right. Most of the necessary information can be obtained from directories like The Times 1000⁽¹¹⁾. Although the information is reasonably up-to-date, Hilary Blume comments that it might be worth telephoning to check⁽¹²⁾. This is also a good way of finding the appropriate person to whom the request should be made.

There are also complaints that some charities mail their requests too near to the time they need the money. Many companies have an appeals committee which may meet only once a quarter, or which may even decide its main allocations on an annual basis. While an individual employee may be given discretion to disburse small sums at any time, many larger requests are bound to fail because there will be no possibility of making a donation of the desired size before the appeal date has passed.

No doubt there are many individual points which annoy company donors, but the final one I wish to mention here is the provision of feedback information. It seems that companies often fail to receive a direct acknowledgement of a gift or any report on how the project they have supported, or the charity in general, are progressing. Reporting back to donors may be seen as a duty, but in the case of large donors it is also likely to be a very cost-effective way of maintaining goodwill for further appeals.

Criticisms of Companies

While there are undoubtedly shortcomings in the way in which some charities

approach the business world for funds, it should be said that some of the problems, if not the fault of companies, could at least be alleviated by them. It is not surprising that requests for help often seem to be very general or inappropriate when so little is known about the policies and administrative procedures of companies when making donations.

There is a considerable amount of information available on companies, but little of it is of direct relevance to a charity seeking to raise funds. Foster Murphy recommends⁽⁹⁾ that charities should seek industrial or geographical associations when soliciting donations, as this exploits the preference of many companies for giving money to causes with some sort of connection with their operations. My own research suggests that charities do indeed look for such associations. These can be discovered in sources such as The Times 1000 or the Yellow Pages. However, much of what would be useful to know beyond this — favoured types of charity, who to write to, preferred date of application etc. — is not generally available and so appeals are limited in their specificity and sophistication.

One way for companies to divulge more useful information would be in replying to charities, whether their request is met or not. The statement could indicate to the charity whether a future request would be treated favourably and, if so, how and when it should be made. Some charities already keep records of companies which have supported them in the past and they would presumably welcome any additional guidance. At present, some companies justify their rejection of a request by saying that it was too late, when in fact they have no intention of ever supporting the charity. This may appear to soften the blow in the short term but misleads and encourages the charity to try again at a later date and so incur unnecessary fund raising costs.

An alternative approach would be for companies to take more positive steps to declare their donations policy and practices. There are signs that the secrecy which has traditionally surrounded the topic is beginning to disappear. The B.O.C. Group, for example, have made available a statement on their donations policy, a practice which seems likely to become more widespread⁽²⁾. A number of people have also written about their own companies in a Directory of Social Change book, Raising Money from Industry, which has already been alluded to⁽¹³⁾.