

Presented on JUNE 4th, 2020

Philanthropy in a pandemic:

CHALLENGES & INNOVATION
IN CORPORATE COMMUNITY INVESTMENT

ACKNOWLEDGEMENTS

SUPPORTED BY:



Foundation

Prepared by Steven Ayer of Common Good Strategies on behalf of Imagine Canada

TOPICS COVERED



Charities are experiencing unprecedented revenue declines



Demand for services has spiked for many, but community organizations are adapting



Funding and corporate community investment trends



The need for innovation and what happens next



Imagine Canada's next steps

REVENUE DECLINE

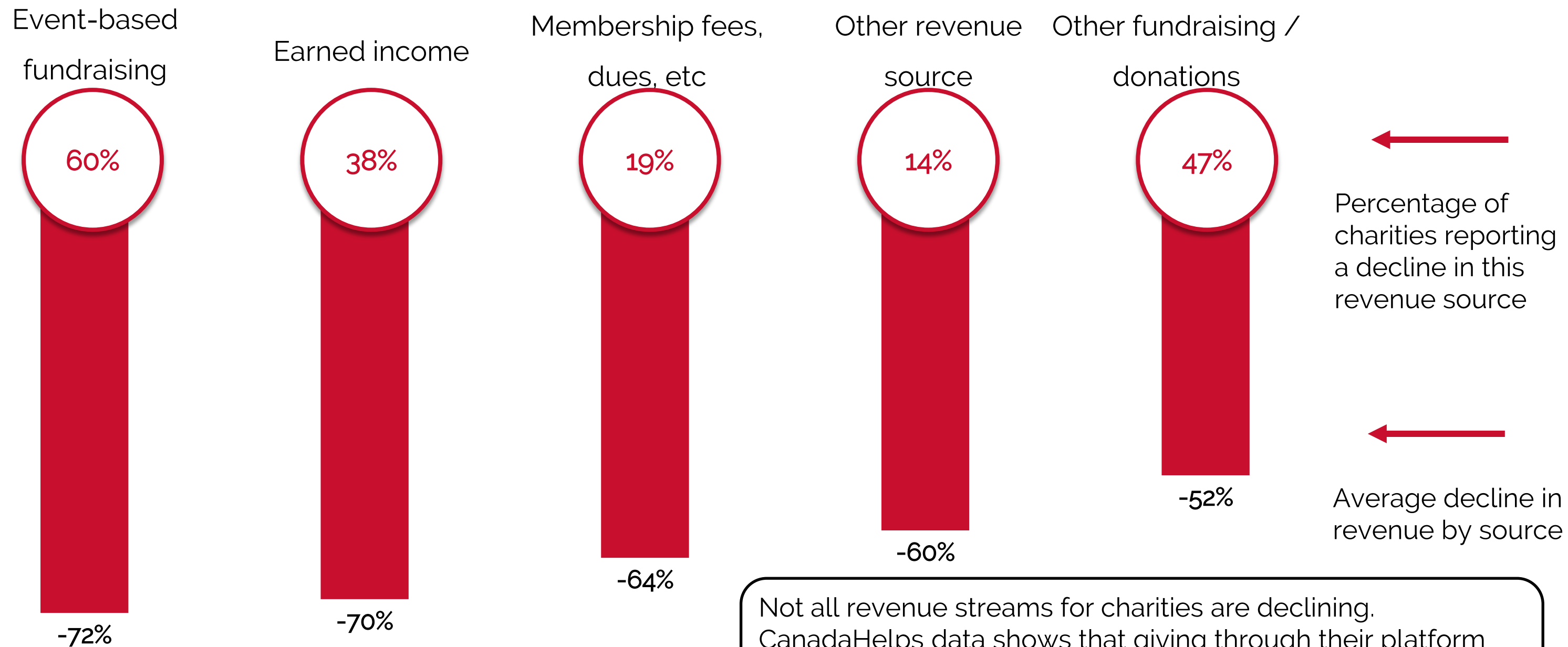
Canadian charities have seen completely unprecedented decreases in revenue

	Present day	2008/09
REVENUES		
Increase	6%	31%
Remain about the same	26%	37%
Decrease	69%	32%
Average change	-30.65%	-0.75%

Imagine Canada forecast in March that the charitable sector could lose \$15.7 billion in revenue (11%) and have to layoff about 200,000 full-time equivalent positions

REVENUE DECLINE

Revenue declines hit every revenue source for charities

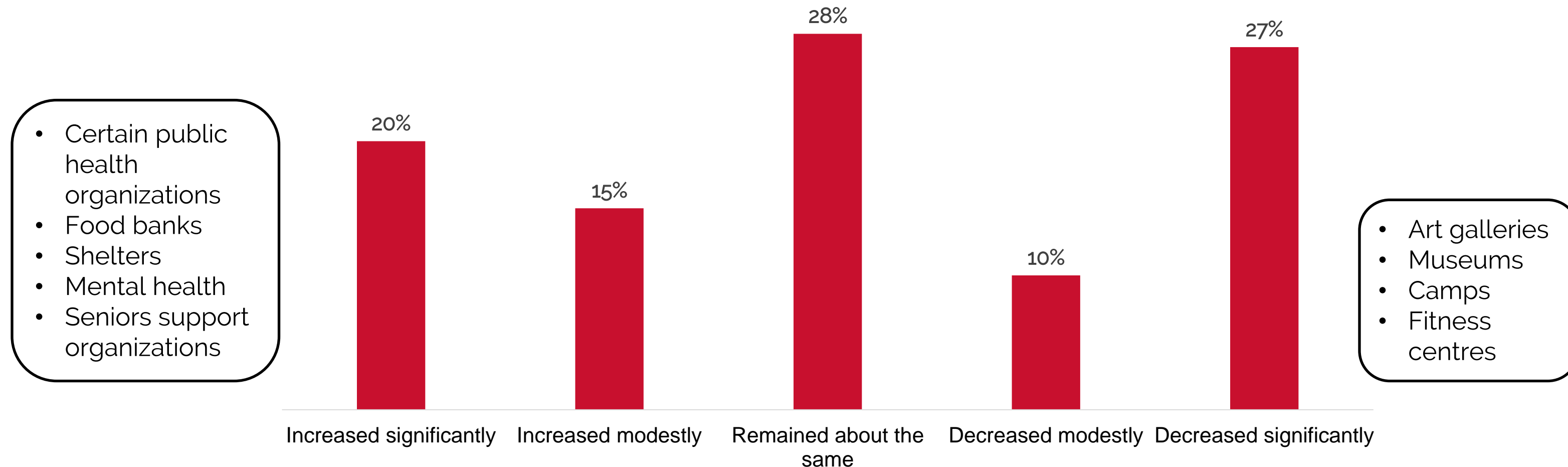


Not all revenue streams for charities are declining. CanadaHelps data shows that giving through their platform was growing 21% faster than normal in April. Visit the [Canadian Charity Fundraising Data Portal](#) for more details.

**Demand for services has
spiked for many, but
community organizations
are adapting**

DEMAND FOR SERVICE

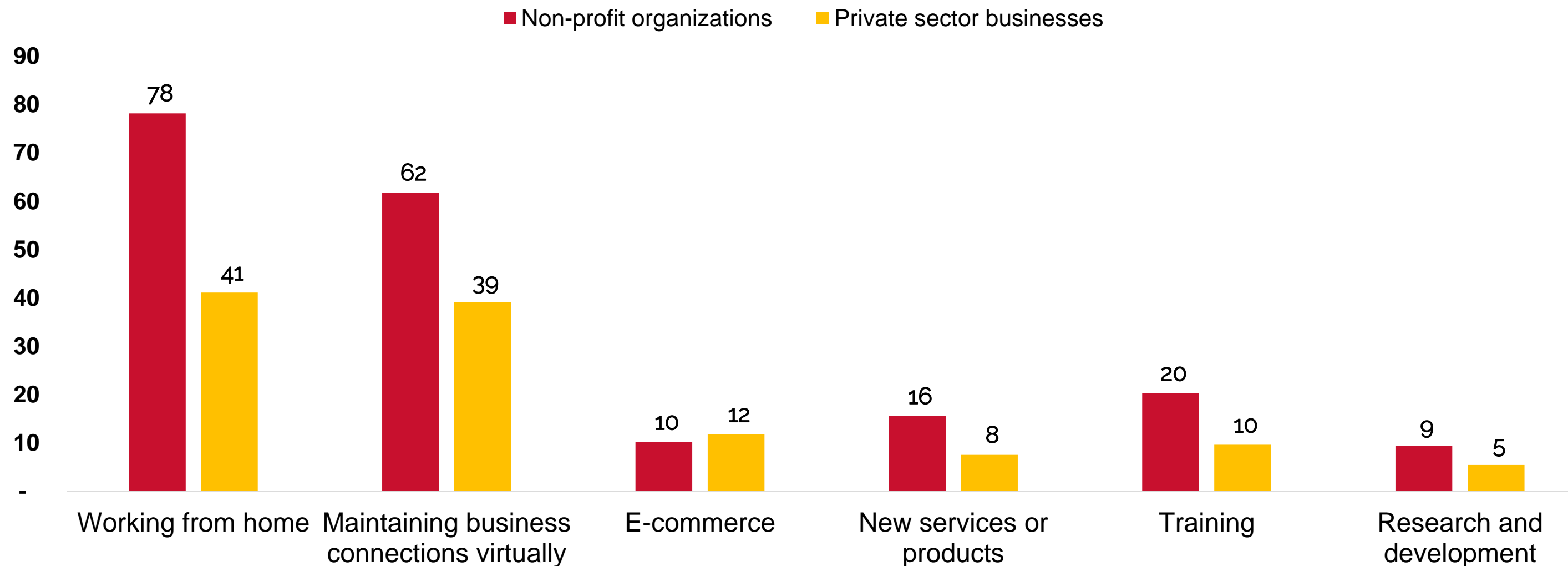
Organizations are impacted differently: service demand has surged for some, collapsed for others



DEMAND FOR SERVICE

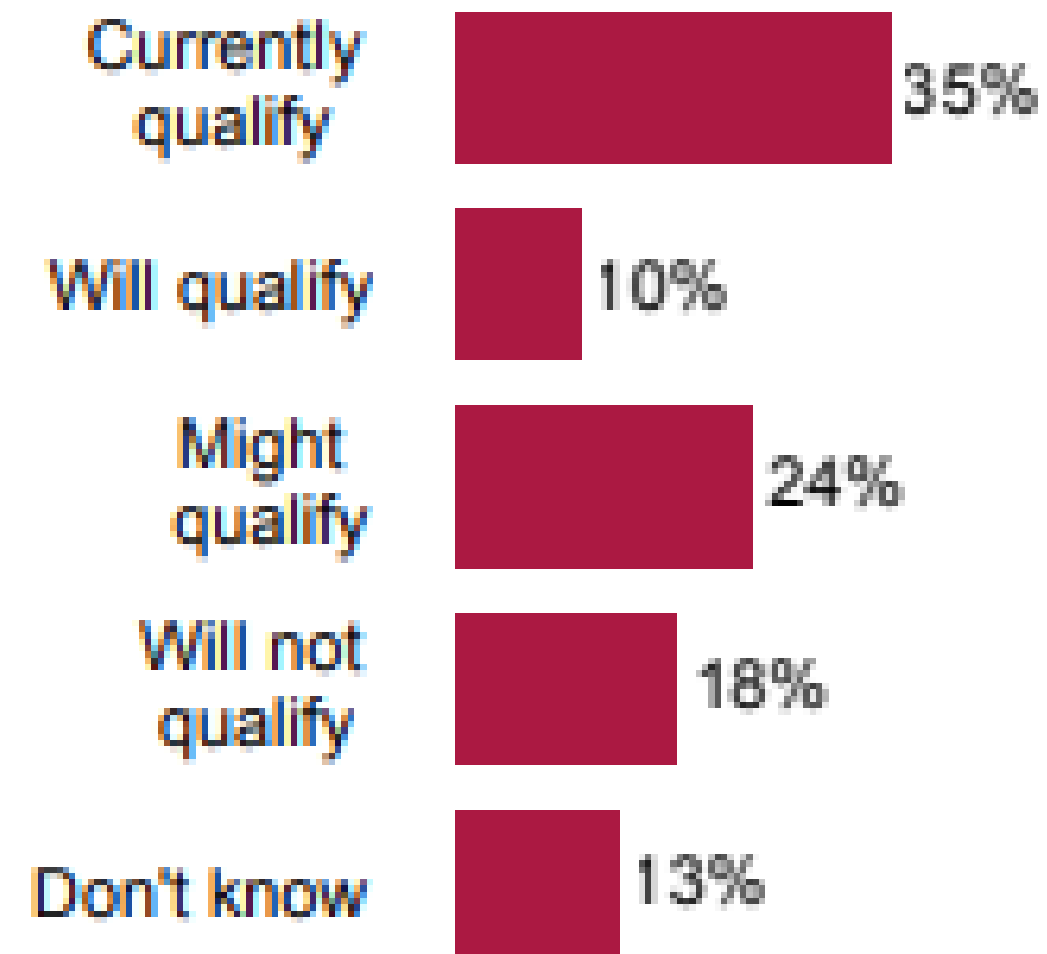
Nonprofits responded to the pandemic with widespread innovation

Business practices tested or used while social distancing measures were in place, by business characteristics



DEMAND FOR SERVICE

Almost half of charities reported they were eligible for the Canada Emergency Wage Subsidy



- Government wage subsidies are keeping many workers employed
- But poses risks once the program ends at the end of August
- The complicated rules may mean that some charities temporarily lose funding to regain it later

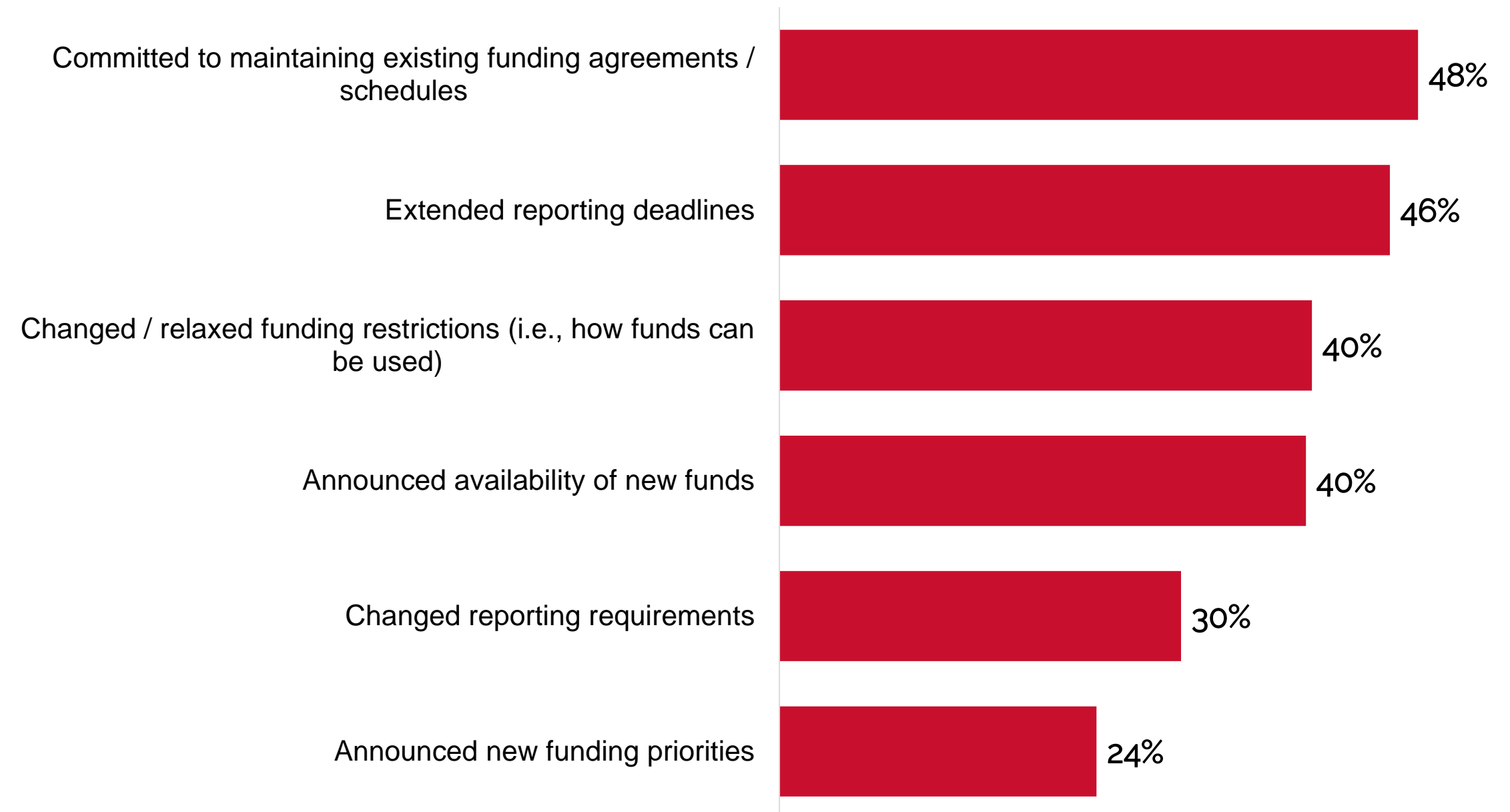
Implications for corporate partners

- LONG-TERM Consider long-term funding commitments where possible
- STABILITY Understand which of your partners are relying on **emergency wage subsidies** and what their plans are for when they end
- REVENUE Understand which of your partners are experiencing **decreased revenue** and which are experiencing **increased demand**
- OPERATIONS Understand which of your partners have had to **shut down entirely**; can you help them plan to **reopen later**
- DIGITAL Charities are **pivoting to digital**; many will need support to continue this for the Fall and Winter

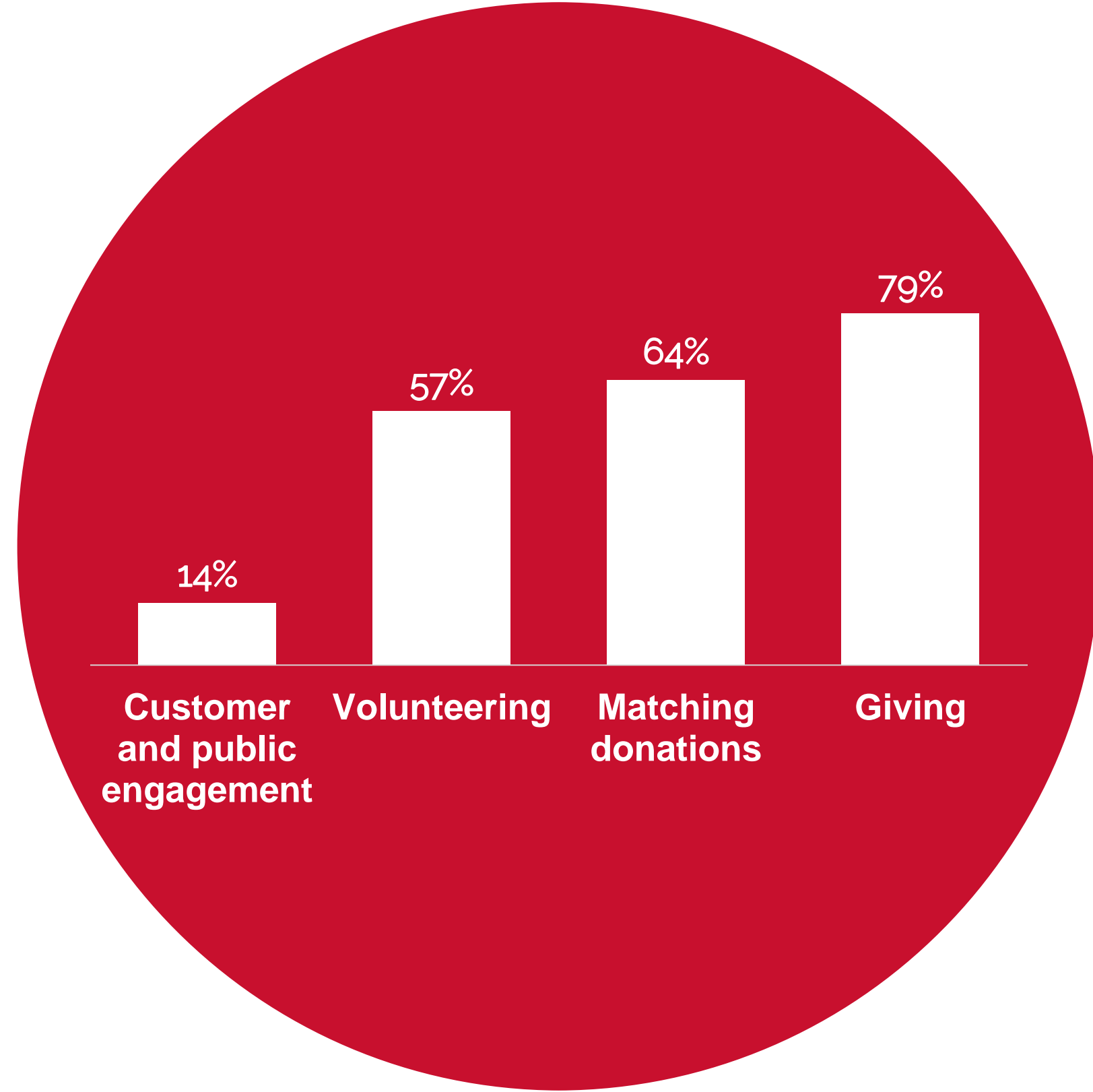
Funding and corporate community investment trends

Funders are making many changes in response to the challenges, but many charities reported they have not yet benefited from changes.

How charities report their funders have responded to the pandemic



Source: [Sector Monitor: Charities & The COVID-19 Pandemic](#),



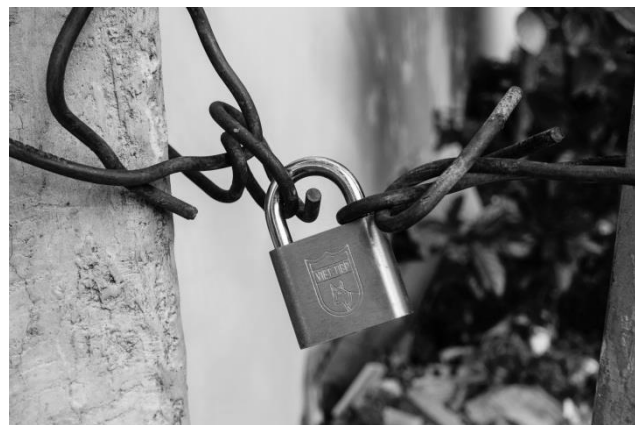
Most large corporate partners responded with new programs

82% of companies in the CECF network increased or reallocated existing funding for community investment during the pandemic (Source: Chief Executives for Corporate Purpose)

EMPLOYEES ARE
INCREDIBLY ENGAGED
IN COVID-19 DONATION
EFFORTS

+15X

Corporations offering COVID-19
fundraising opportunities are
experiencing an engagement level
more than 15 times higher than
average engagement level



Help reduce restrictions for partners whenever possible



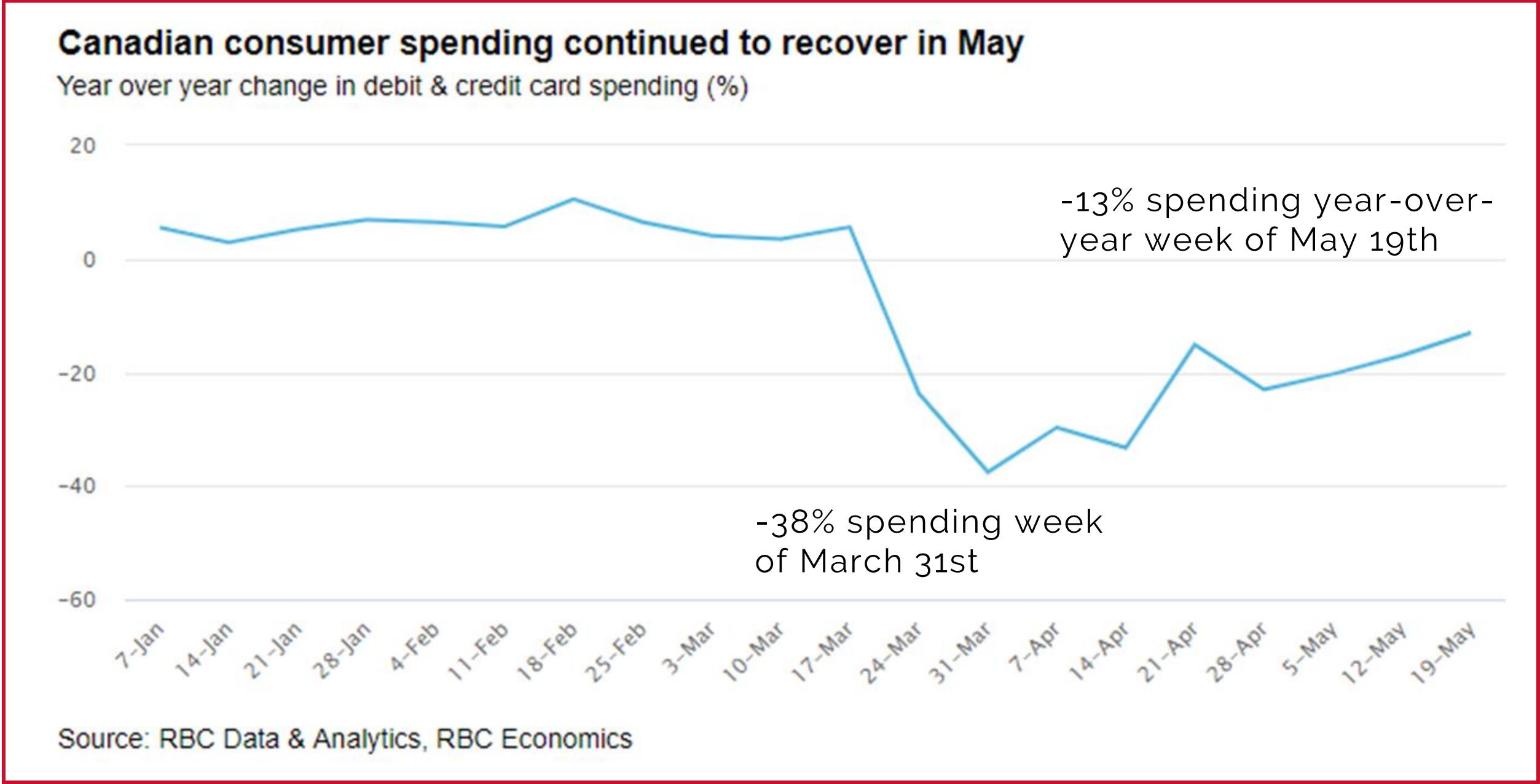
Employees are incredibly engaged in donation campaigns around COVID-19



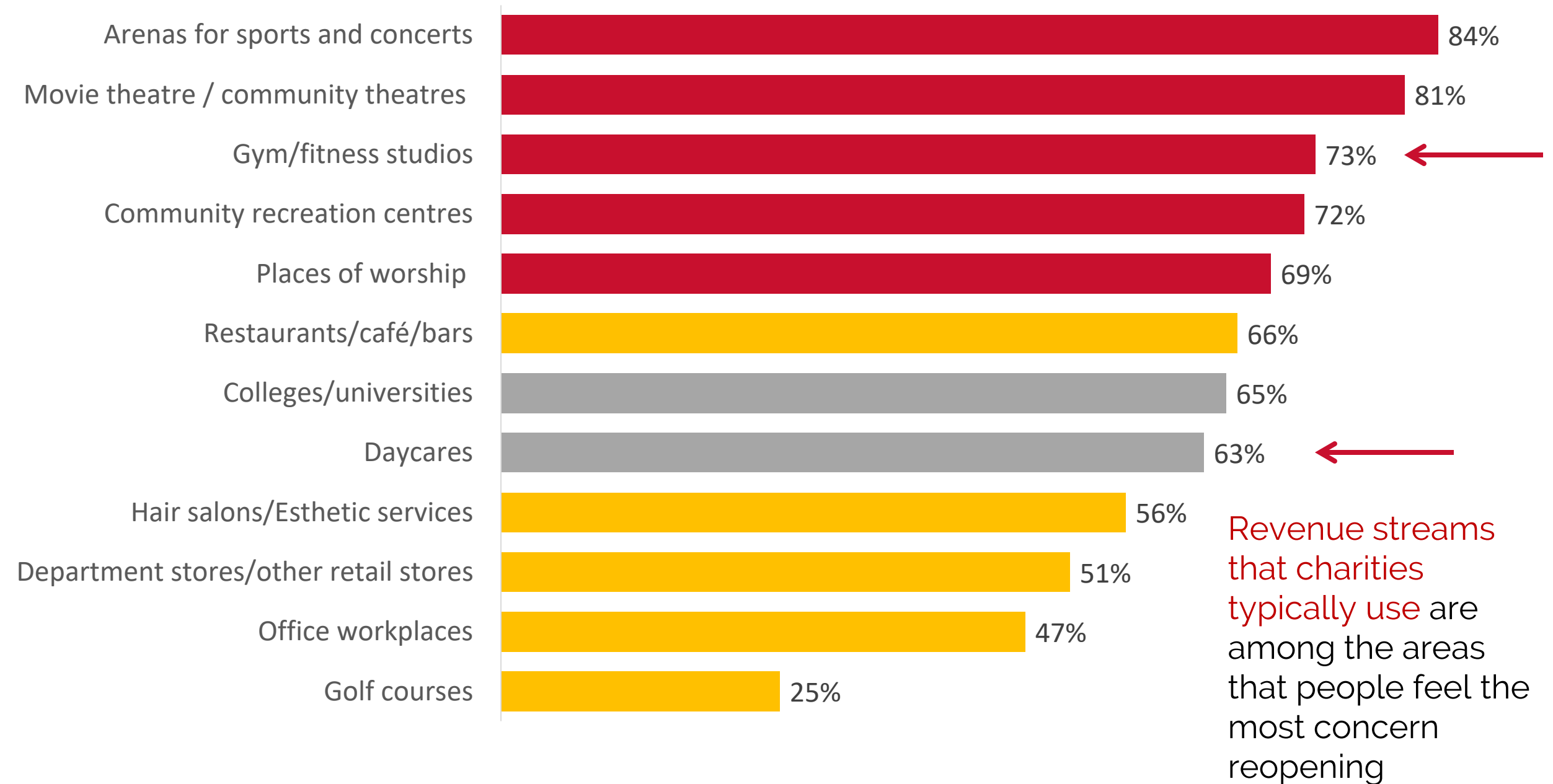
New types of employee volunteering initiatives will be needed to allow community organizations to use their skills

What happens next and the need for innovation

Canadian spending is slowly increasing as time continues



But Canadians think
it is “too soon” to
reopen any major
earned income
source for charities



Canadians are saying the pandemic is putting a spotlight on inequality

Percent in Canada who agree

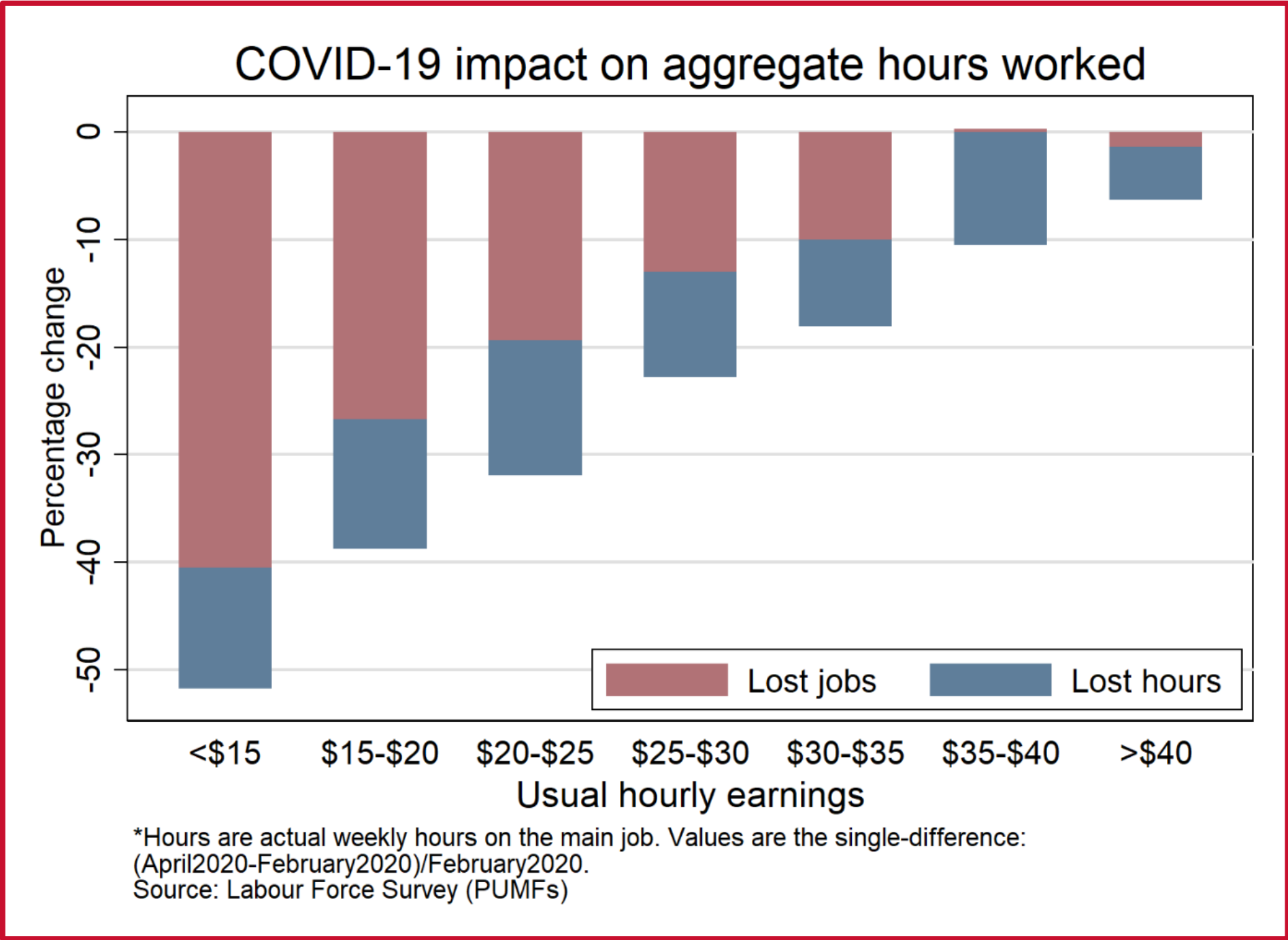
60%

This pandemic has made me realize how big the gap in this country is between the rich and the working class, and that something must be done to more fairly distribute our country's wealth and prosperity

64%

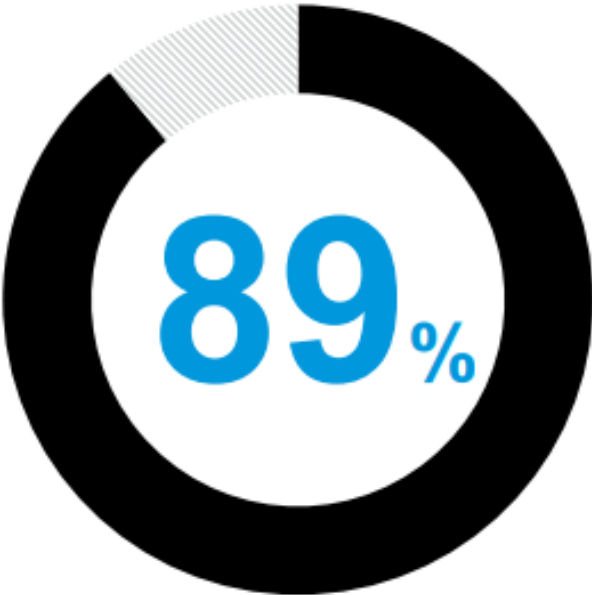
Those with less education, less money and fewer resources are being unfairly burdened with most of the suffering, risk of illness, and need to sacrifice due to the pandemic

Lost jobs and hours
have been
concentrated
among the most
vulnerable



CANADIANS ARE INCREASING EXPECTING CEOS TO HAVE A VOICE IN CRITICAL SOCIAL ISSUES

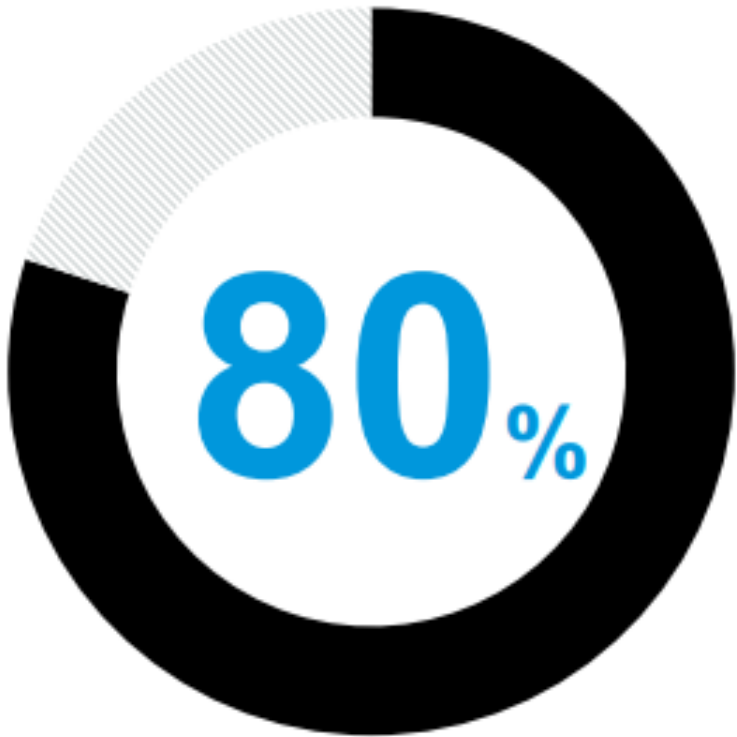
It is important that **my employer's CEO speak out** on one or more of these issues



—

Training for jobs of the future	81
Ethical use of tech	75
Automation's impact on jobs	74
Income inequality	74
Diversity	70
Climate change	67
Immigration	53

CEOs should take the lead on change rather than waiting for government to impose it



Change,
2018 to 2020

Since May 25th, donations have been surging to justice and equality organizations via corporate giving platforms as protests of anti-Black racism and police brutality continue

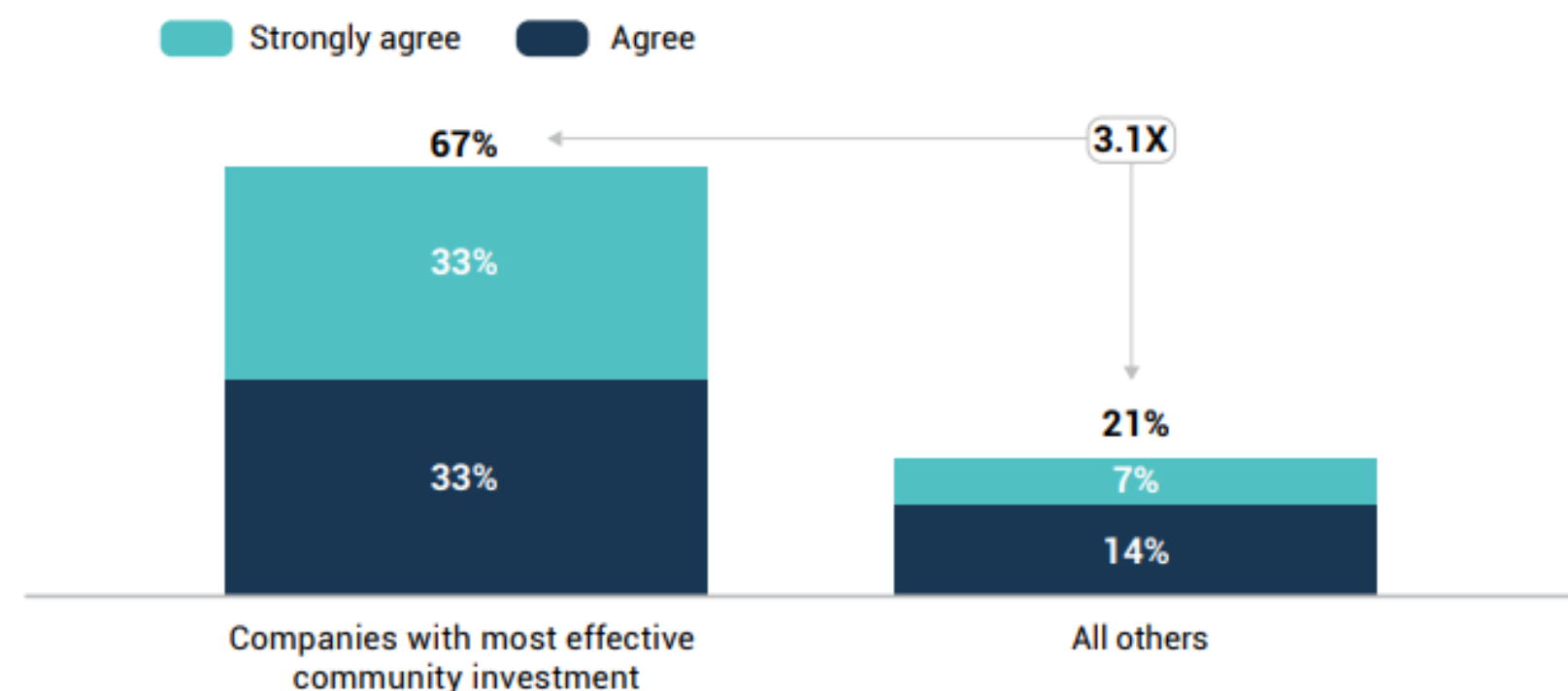


	Rank before May 25	Rank after May 25	Shift
NAACP Legal Defense and Educational Fund	529	1	↑528
Black Lives Matter Foundation	683	2	↑681
Minnesota Freedom Fund	730	3	↑727
Equal Justice Initiative	399	4	↑395
American Civil Liberties Union	71	5	↑66
Policing Equity	866	6	↑860
Bail Project	509	11	↑498
Faith in Action Network	900	14	↑886
Race Forward	577	15	↑562
NAACP Empowerment Programs	937	16	↑921

INNOVATION IS ONE OF THE BIGGEST PREDICTORS OF SUCCESSFUL COMMUNITY INVESTMENT

WHAT COMPANIES TELL US

PERCENTAGE THAT BELIEVE THEIR COMMUNITY INVESTMENT TEAM IS SET UP TO INNOVATE SUCCESSFULLY, MOST EFFECTIVE COMPANIES VERSUS OTHERS



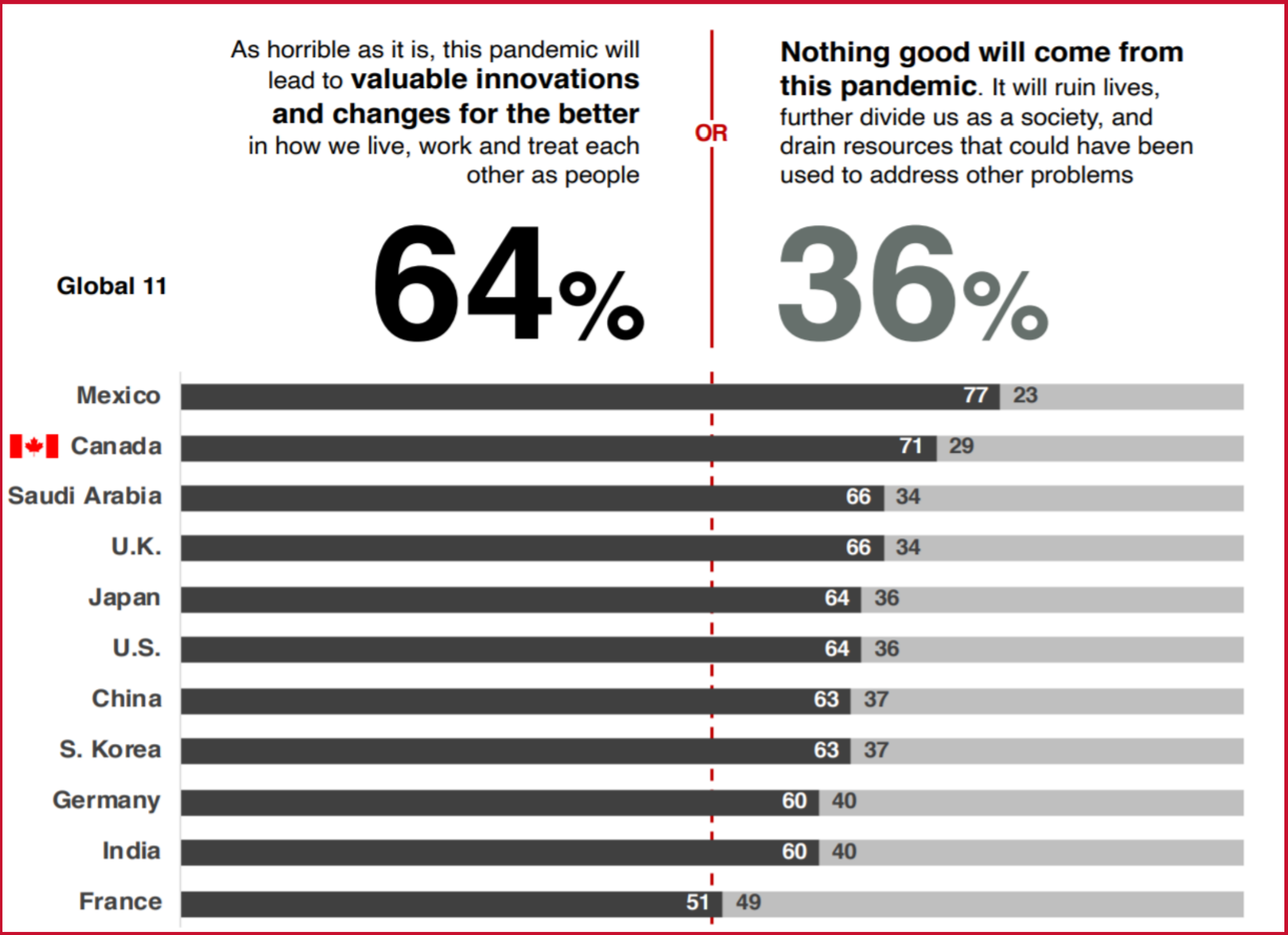
Source: Leading Companies Survey (n = 65)

In our 2019 report “**Profit, Purpose, and Talent: Trends and Motivations in Corporate Giving & Volunteering**” we asked companies to self-rate their effectiveness at community investment

We also asked them to rate the characteristics of their organizations

The single biggest predictor of effectiveness was whether their team was setup to innovate

Canadians are among the most optimistic in the world that the pandemic will lead to positive changes



Imagine Canada's next steps

Exploring the future of Canadian corporate community support

Imagine Canada will be extending our previous research series on corporate community investment to better understand the short and long-term implications of the pandemic on community investment in Canada

If you want to participate in our research through interviews or other means, either on the record or off, please contact **Alexandra Gardner** at agardner@imaginecanada.ca

Imagine Canada Resources

Visit our [COVID-19 Resource Hub](#)

COVID-19 RESOURCE HUB

Knowledge and Resources for Charities and Nonprofit Organizations During COVID-19

Insights and resources to help navigate the pandemic and the expected economic downturn. Find out how Canadian charities are responding to COVID-19 and how to meet the needs of your nonprofit organization.

ADVOCACY HUB

COVID-19 INSIGHTS

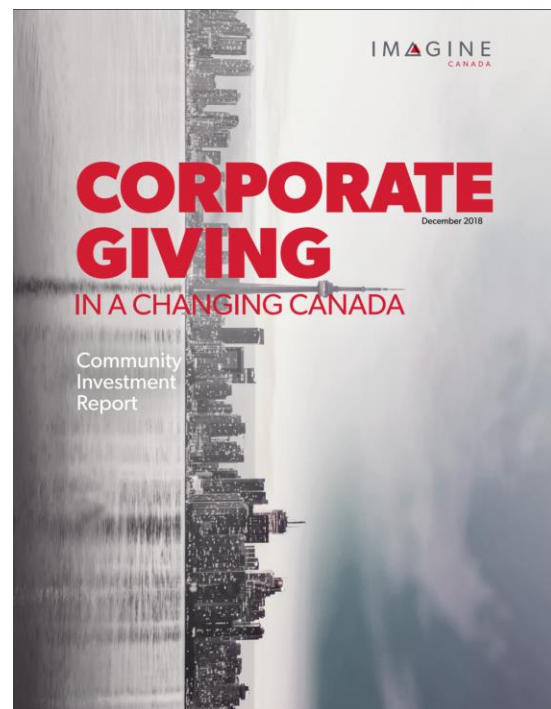
IMAGINE
CANADA

Imagine Canada Research



Profit, Purpose and Talent: Trends and Motivations in Corporate Giving and Volunteering

This report shows that employees value the community contributions of their employers, and that high levels of community engagement lead to long-term business advantages for corporations.



Corporate Giving in a Changing Canada: Community Investment

In the last ten years, corporate giving in Canada has responded and evolved to both market pressures & wider social shifts. Corporate philanthropy is alive and well, playing a significant role in the incubation of new ideas and building the reputation of both company & nonprofit brands alike

Federal Government COVID-19 Measures

IMPLICATIONS FOR SECTOR ORGANIZATIONS

Imagine Canada has a continually [updating list of relief measures for sector organizations](#)



Imagine Canada's Caring Company Program

Since 1988

Our trustmark is Canada's premier public expression of excellence in community investment and social responsibility.

The 1% commitment

Caring Companies commit to giving at least 1% of their pre-tax profit in support of their communities.

[Learn More](#)

REFERENCES

ONLINE SOURCES

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- Benevity. [Special Report: COVID-19 Relief](#)
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- RBC Economics. [RBC Data & Analytics](#).
- Statistics Canada. [April Labour Force Survey](#)
- Statistics Canada. [Table 33-10-0238-01 Business practices tested or used while social distancing measures were in place, by business characteristics](#)
- Your Cause + Blackbaud. [COVID-19: A Corporate Response Strategy](#)