

Corporate Foundations in a globalised world

Mini conference for Corporate Foundations

Monday 3 December 2018 - Rotterdam School of Management, Erasmus University - Mandeville Building, Woudestein Campus

Hosted by Prof. Lucas Meijs and Dr. Lonneke Roza

Have a purpose, our mission is to be 'a force for positive change' in the world, by Professor Steef van de Velde, Dean Rotterdam School of Management

In the opening address the Dean, after the first round of workshops, welcomed the corporate foundation managers on Monday 3 December. He described how the design and implementation of the current mission statement of RSM fit the theme of the conference about the societal impact of corporate foundations. This year RSM celebrates its 50th anniversary and the department of Business-Society Management its 20th. 20 years ago studying social aspects of business was not very common. Business school were seen rather as a cause of all evil by social organisations, than a partner to collaborate with. Luckily we have always had great researchers addressing the pain points and continued to the role of businesses in our society at large. Prof. Van de Velde continued with some examples. "About 10 years ago, we started the [IWill initiative](#). It was and maybe still is much to ask an 18 year old to think about and quote their purpose in life, but we have made great progress with this goalsetting intervention. We now have more than 20000 IWill statements and many of them articulate what they want to contribute to society."

For society at large RSM was also seeking for a common purpose, we have redesigned our strategy and the execution of it several times in these 50 years. About 10 years ago nobody knew our mission statement. All business schools have the same mission, so we thought more about the consultation, the narrative and how to walk the talk. We started to work on the effects of our educational programmes and research aligned with the UN Sustainable Development Goals. This is where we now can say RSM has a purpose. Being committed to the SDG's and their relevance for the business world, gives RSM efficient, effective and powerful aims, said Van de Velde.

Introduction to the upcoming academic handbook '*Corporate Foundations: Corporate and Civil Society Perspectives*' by [Dr. Lonneke Roza](#)

During the mini-conference, Dr. Lonneke Roza presents the first ever academic handbook on corporate foundations, a theoretical framework on a field of study which has largely been ignored academics so far. The topics of today's event are conducted by the forthcoming academic handbook; *Corporate foundations: Corporate and Civil Society Perspectives*, which will be published in April 2019. Roza says these topics relate to the role of corporate foundations in resolving grand challenges and become a learning organisation; alignment with their related company, but also how they are governed. Moreover, we have first insights into stakeholder involvement such as employees and how non-profit partners make sense of their collaborations with corporate foundations. We also touch upon a very contemporary issue of many organisations, including corporate foundations: how to measure the impact on beneficiaries and society.

Researching corporate foundations globally is unique and has taken some pioneering. . . Setting a theoretical framework is one, but in our journey we always look at practice and hope to have

succeeded today in giving a very first and valuable translation for practitioners to work with. Lonneke says: We understand that you will probably not read our 500-page book, but therefore we develop workshops, trainings, brochures and alike to still give you access to all what we have learned in this journey. We partner with companies, corporate foundations, platforms and other universities to make sure these 'tools' are available for those working in the field. We are also collaborating in new projects such as the [Erasmus Dynamics of Inclusive Prosperity](#), to make sure we stay aligned with all stakeholders, Lonneke Roza concluded her keynote.

How to move forward

If you want to move forward you need to learn from history, said **Professor Jan Peter Balkenende**, former prime minister of the kingdom of the Netherlands and Professor of Governance, Institutions and Internationalisation at Erasmus University Rotterdam.

After his prime ministership Prof. Balkenende was asked to become partner for social responsibility at EY. Currently having multiple positions in CSR programmes for business and government and board positions in foundations, Prof. Balkenende complimented Erasmus University with the alignment to social economic and business development.

To be able to relate to the latest relevant economic academic insights he advised everyone in the room to read some books. Here's his list to put on your must reads for the holiday break:

- This time is different, eight centuries of financial folly, Carmen M. Reinhart
- Why nations fail, the origins of power, prosperity and poverty, Daron Acemoglu
- Doughnut economics, seven ways to think like a 21st century economist, Kate Raworth
- The entrepreneurial state, debunking public vs. private sector myths, Mariana Mazzucato
- The value of everything, making and taking in the global economy, Mariana Mazzucato
- Economics for the common good, Jean Tirole

Prof. Balkenende continued to talk about the current business landscape and future perspectives. It is all about the quality of society, he said. You need to have a long term perspective, learn from history, endorse change and keep a view on the future. Corporate foundations are in the excellent position to have this long term perspective, learn from what happens in society and adapt to change whilst being honest of the results that they achieve.

Corporate foundations; global trends and regional differences

Prof. Georg von Schnurbein, Professor on foundation management at the Faculty of Business and Economics and founding director of the [Center for Philanthropy Studies \(CEPS\)](#) at the University of Basel gave the audience a summary of the most recent research results on corporate foundations. "These results are used for the academic handbook, but I have summarised the global trends for you", he said.

He explains that so far the positioning of the corporate foundation is neglected as we tend to look from two different approaches in literature; societal and managerial perspectives. It is here, that we developed a frame that actually positions the corporate foundations themselves. Looking at regional differences we can conclude that the function and perception of a corporate foundation vary locally, but the corporate foundations as such have become global phenomenon while rapidly growing in numbers all over the world.

Pioneering corporate foundations by [Professor Lucas Meijs](#)

Prof. Lucas Meijs concluded the plenary session of the event by thanking the corporates such as Alliander Foundation, Vebego Foundation, ING Nederland Fonds, ANWB, IBM, KPMG, Nuon Foundation en NN Group who have been pioneering with RSM since 2011 on corporate citizenship and corporate

foundations. He concluded; "We created SGD goal 18, called 'voice'. We manage to listen to companies and organisations in order to collaborate and add practical insights to our work."

WORKSHOPS

Four workshops were each led by an expert. Discussions followed an introduction to the subject and brief examples. A pattern emerged identifying a need for creating and measuring impact and effects of stakeholder management, but varying motivations to do so.

Read reports from the [workshop](#) sessions here.

Seeking Strategic Alignment: Exploring the why and the how

Strategic alignment refers to the linkages between a corporate foundation and the associated company and/or their business practices, [Priscilla Boiardi](#), Knowledge Centre and Policy Director, EVPA explained in her workshop about seeking strategic alignment.

Is seeking alignment between the business strategy and the corporate foundation a positive or negative thing? To debate the answer Boiardi asked her audience to comment on the following statements;

- A corporate foundation should actively look for alignment with the corporates strategy,
- Being strategically aligned is selling out my social purpose to the one who holds the power (i.e. money),
- Changing the system of how companies do business is not within the scope of corporate foundations,
- Over time, the sustainability challenge will be primarily tackled by the business, bringing back the corporate foundation to its original role of charity.

Priscilla Boiardi concluded: Corporate foundations should engage in social innovations that have a potential business value. Having your corporate foundation strongly aligned with the business strategy has its advantages and disadvantages but also not having your corporate foundation aligned with the business strategy has its advantages and disadvantages. Therefore, it is difficult to say what the right approach should be.

Scaling social impact by employee engagement

Oftentimes companies and corporate foundations fall into the trap of taking the business relevance as a starting point when designing an employee engagement programme. However, to make sure that social impact is at the core of the programme and really makes a meaningful contribution to society, corporate foundations should start with assessing what their partners really need, [Karoline Heitmann](#) from EVPA stated in her workshop about scaling employee engagement. This might be self-evident, but in our research we see that companies and corporate foundations too often neglect the impact on the non-profits and their beneficiaries. It is here where corporate foundations play a unique role with their 'impact first' mind-set rather than a 'finance first' mind-set of companies. They are in the best position to design programmes that really make a difference and by doing so they can address the motivation of many employees by offering them to be part of something bigger, a way of giving purpose, and contribute to society, said Heitmann

Hybrid Financing

[Jamy Goewie](#), Market and Community Development Director at European Venture Philanthropy Association asked her participants to think what types of financing would be best available option for social entrepreneurship? What role should the corporate foundation take? And what are the implications of the different types of finance?

Goewie gave the audience some insights on current financing models. Social entrepreneurship touches upon a new area of finance. It seeks finance with not only a financial purpose but also a social or

sustainable purpose. Social entrepreneurship is a hybrid business model with elements of both the traditional way of doing business and philanthropy since social and or sustainable impact comes first. In contrast to charity, social entrepreneurship does not only seek grants but mainly debt finance. Social entrepreneurs often lack the knowledge to choose the right finance structure. Finance often goes hand in hand with non-financial means such as organizational support from the donating party. Both the financial and non-financial means are very important to the fund seeking party, she said. Goewie concluded that corporate foundations can create a bridge between the social enterprises, the company and the different types of funders since corporate foundations understand both worlds.

What does impact management mean for my organisation?

Knowing how much social impact your corporate foundation or CSR programme will have is a complex discussion. Participants attending this workshop were eager to find methods to measure and frame social impact, its output and outcomes. Led by an academic framework from the [Impact Centre Erasmus](#), Marjelle Vermeulen and Carly Relou presented their 'impact grow story' and worked with an example of a corporate foundation in need of impact and reason.

The process of your programme can be designed and controlled until you come to the phase of outcomes and impact. Quantifying your implementation and output is one, to know what people 'do' with your programme and if it will change their behaviour, is another, Carly Relou said in her introduction for the theory of change. This theory of change explains you need to define activities and results to be able to measure its effects. Marjelle Vermeulen used a case of a social initiative, implemented by an international company working towards a social innovation relay. Participants of the workshop had to work towards full insights and solid substantiation of the social impact following the steps of the theory of change.

The conference concluded with a networking lunch. Curious about the look and feel? We have captured the pictures and presentations on [our webpage](#).