September 2021

Corporate Philanthropy: A Systematic Review

Priya Yash Pal Sharma
University of Windsor, sharm12t@uwindsor.ca

Corporate Philanthropy: A Systematic Review

By

Priya Sharma

A Major Research Paper

Submitted to the Faculty of Graduate Studies
through the Odette School of Business
in Partial Fulfillment of the Requirements for
the Degree of Master of Business Administration

at the University of Windsor

Windsor, Ontario, Canada

2021

Corporate Philanthropy: A Systematic Review

by

Priya Sharma

APPROVED BY:

F. Schlosser
Odette School of Business

K. Walker, Advisor
Odette School of Business

August 31, 2021

DECLARATION OF ORIGINALITY

I hereby certify that I am the sole author of this thesis and that no part of this thesis has been published or submitted for publication.

I certify that, to the best of my knowledge, my thesis does not infringe upon anyone's copyright nor violate any proprietary rights and that any ideas, techniques, quotations, or any other material from the work of other people included in my thesis, published or otherwise, are fully acknowledged in accordance with the standard referencing practices. Furthermore, to the extent that I have included copyrighted material that surpasses the bounds of fair dealing within the meaning of the Canada Copyright Act, I certify that I have obtained a written permission from the copyright owner(s) to include such material(s) in my thesis and have included copies of such copyright clearances to my appendix.

I declare that this is a true copy of my thesis, including any final revisions, as approved by my thesis committee and the Graduate Studies office, and that this thesis has not been submitted for a higher degree to any other University or Institution.

ABSTRACT

A systematic review of the corporate philanthropy literature is conducted. A sample of 60 academic articles was created and analyzed. The sample was examined to (1) develop a definition of corporate philanthropy contrasting it with related concepts; (2) review how corporate philanthropy has been examined theoretically; (3) review how it has been operationalized and determine commonly examined control, independent and dependent variables; (4) the societal implications of corporate philanthropy and (5) identify gaps in the literature and areas for future research. Findings suggest there is little cohesion in the literature regarding a standard definition, wide use of theories to situate corporate philanthropy, and several narrow conceptualizations with opportunities for an empirical and theoretical investigation to enhance the understanding of corporate philanthropy. The gaps identified in the literature review consist of (1) the further study of corporate philanthropy as an independent variable to determine the impacts of corporate action; (2) whether there is a certain amount of optimality associated with corporate donations; (3) whether there are cultural limitations to the findings of attitude towards corporate philanthropy, and (4) a fuller study of the risks and/or benefits posed by corporate philanthropy to society.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

INTRODUCTION

Corporate philanthropy bridges business functions and societal well-being (Ricks Jr & Williams, 2005). As a result, it is a widely studied concept because of the importance of understanding the societal implications and business implications of the philanthropic investment of resources (Gao & Hafsi, 2015). It is an important corporate concept that has been positively related to firm performance, employee retention, firm reputation, and financial performance (Gao & Hafsi, 2015).

Firms have an interconnected relationship with society, and as a result, responsiveness to social matters can impact firm performance, internal functions, and investor reactions (Brammer & Millington, 2015). Firms can also be affected by their environment and industry, influencing corporate philanthropic decisions (Brammer & Millington, 2015). Understanding the motivations for corporate philanthropy, benefits, and consequences discussed in current literature is important to comprehend the intersectionality and relationship between corporations and society. This paper creates a sample of highly cited articles to develop a definition of corporate philanthropy, delineate the theories and variables used to examine it, and identify areas for future research.

The paper will proceed as follows. In Chapter 1, the development of the sample and its description is provided. In Chapter 2, corporate philanthropy is defined and differentiated from other related concepts. In Chapter 3, the most frequent theories used in the sample to evaluate corporate philanthropy are discussed. In Chapter 4, the various control, independent, and dependent variables are identified and related to our understanding of corporate philanthropy. In Chapter 5, the implications of corporate philanthropy on society are discussed. In Chapter 6, areas for future research to better conceptualize corporate philanthropy are reviewed. Finally, Chapter 7 provides a conclusion and summary of the findings discussed in this paper.

CHAPTER 1

METHODOLOGY AND SAMPLE

In this chapter, the development of the sample, as well as its description, is provided. A sample of 60 highly cited academic papers was created. The search for the term ‘corporate philanthropy’ in the title yielded 265 results on the Web of Science database. The term ‘corporate philanthropy’ was decided on after searching variations that did not provide research specific to corporate philanthropic action. Moreover, the search of the term ‘corporate philanthropy’ was limited to the title to filter for articles focused on corporate philanthropy. Web of Science was used because it permits the researcher to keep track of the quality of the paper assessed through the number of citations. Using a minimum of 20 citations as the cutoff point, 60 papers were identified. A 20-citation cutoff point was necessary to make the sample manageable yet comprehensive.

Quality Assessment

In the development of the sample size, the articles were filtered and assessed to determine a sample of high quality and relevance. The articles were filtered for relevant business, management, and ethics fields, reducing the original number of articles from 265 to 153 results. This paper offers insights across all three; however, the sample heavily reflects articles from the Journal of Business Ethics (57%), and as a result, may contribute primarily to future research in ethics. The sample was further reduced to include the highest cited articles to increase the quality of the study. The 153 results were sorted to list the most to the least cited. Papers with over 20 citations were included in the study for a total of 60 academic papers under the search term 'corporate philanthropy' in the title. Twenty citations were considered a high citation count within the philanthropy literature and a reasonable cutoff to establish a large but manageable sample of 60 papers. Citations ranged from 20 to 1194, with a mean of 129.21 citations and a median of 47 citations and a mode of 32.

Sample

Table 1 shows the journals and the papers' published. Of note is that 57% of the papers reviewed were published in the Journal of Business Ethics. The concentration of research published to the *Journal of Business Ethics*, shows the specialization and compartmentalization of the research on corporate philanthropy. The trends in philanthropic research are reflected in a citation report from Web of Science for the 153 articles. This report showed that research in corporate philanthropy began around the early 1980s and peaked in 2015 with 17 publications that year. This indicated that there was a recent shift towards researching corporate philanthropy.

Data Extraction

During the review of the articles, specific data were searched and recorded. Data such as the year of publication, title, the journal of publication, abstract, theories used, definitions of corporate philanthropy and related terms, method of research, and all variables used (independent, dependent, and control variables) were recorded. The initial data review resulted in 70 pages of raw research data that contained the key findings, research gaps if specified, and methods and/or measurements. A second data review screened for definitions, applied theories, measurements, independent, dependent and control variables. This resulted in 45 pages of condensed data, which was analyzed extensively and provided the main data for the findings from this systematic review.

CHAPTER 2

DEFINING CORPORATE PHILANTHROPY

To fully define corporate philanthropy, it is vital to understand its orientation in a business context. Corporate philanthropy is oriented as a function of larger, overarching business activities and behaviours. Of the 60 papers in the sample, 35 gave definitions of corporate philanthropy (see *Table 2)*. A definition of corporate philanthropy was repeated in two articles as “an unconditional transfer of cash or other assets by private firms for public purpose” (Gautier & Pache, 2015, p. 343; Godfrey, 2005, p. 778). Overarchingly, concepts of ‘voluntariness,’ ‘discretion,’ ‘public,’ ‘promote’ were mentioned six, eight, six and six times, respectively, in given definitions.

Through the review of 60 academic articles, it became clear that it was important to differentiate corporate philanthropy from the related terms Corporate Social Performance (“CSP”), Corporate Social Responsibility (“CSR”), and specific types of corporate philanthropy, including strategic and non-strategic. Each is reviewed, defined, and differentiated in the following section.

How Corporate Philanthropy is Oriented

Corporate Social Performance

Corporate Social Performance is an inclusive, global concept (Carroll, 1991). It is defined as a focus on corporate action where social goals and programs are integrated into the decision-making and policies of a company (Carroll, 1991). Social goals in this definition include attention to the businesses' relationships with stakeholders because of their deliberate and unintentional results on the business (Wood, 2018)

Within corporate social performance, social responsiveness consists of multidimensional action. It consists of a large array of corporate behaviour concerning corporate resources, processes, and outputs as a reaction to the corporation's community (Brammer & Millington, 2005). Therefore, where corporate social performance is the socially driven decision-making process and actions of companies, responsiveness refers to the nature of the decision regarding both resources and external motivating factors (Brammer & Millington, 2005).

In sum, corporate social performance is a broad concept that includes corporate action beyond and including philanthropy. Therefore, philanthropy cannot be equated to corporate social performance but rather a small, niche function.

Corporate Social Responsibility

Carroll introduced a widely accepted framework, cited in 15 papers used in this study, called the 'four-part definitional framework for Corporate Social Responsibility' (Carroll, 1991). It is defined as the consideration of "social and environmental impacts (negative and positive) in [business] actions on both the internal and external stakeholders of the firm {e.g., employees, customers, suppliers, local community, the government) and behave accordingly" (Amaeshi et al., 2016, p. 386).

Corporate social responsibility can be differentiated from corporate social performance through the requirement of not only an economic action, as in corporate social performance, but additional legal, ethical, and discretionary responsibilities to reconcile the firms' economic orientation with its social orientation (Carroll, 1991). As a result, the framework has four levels; economic, legal, ethical, and discretionary (Wang et al., 2008). These levels are expectations of companies that are held by society (Carroll, 1991). In sum, and like CSP, CSR is a broad concept that includes corporate action beyond and including philanthropy.

Corporate Philanthropy

Corporate philanthropy is adequately situated under the 'discretionary' branch of the CSR four-part definitional framework (Wang et al., 2008). This is because corporate participation in philanthropy is often described as voluntary or discretionary (Wang et al., 2008). For example, Muller et al., (2014, p.1), define corporate philanthropy as "a type of organizational social engagement that involves the allocation of time, money, or goods aimed at addressing a social need." Corporate philanthropy entails the discretionary actions made by a business in response to societal expectations of corporations (Carroll, 1991).

Authors Bruch and Walter (2005), a study cited 69 times, state that the different forms of corporate philanthropy can be categorized according to the relationship between market orientation and core competencies of the firm. The following definitions of 'market orientation' and 'core competencies' are provided to understand how corporate philanthropy is situated in this framework. As defined by authors Jaworski and Ajay

(1993), market orientation is the company's ability to meet and respond to customer needs, in the form of products and services, as they change according to the market. Therefore, it is the business' awareness of market development and its adaptability of offered products and services to meet those needs across the organization (Jaworski & Ajay, 1993). Market competency, however, refers to the strategic consolidation of corporate actions throughout departments, employed technology, and cost-efficient practices to deliver core company products and services competitively in the market (Prahalad & Hamel, 1990). It is, therefore, how the company is organized to deliver its products and respond to changing opportunities (Prahalad & Hamel, 1990). As a result, an ideal market awareness or market orientation and strong core competencies generate a competitive advantage through the organization and responsiveness of the company within, and to, the market.

To draw clear distinctions between the different levels of corporate philanthropic action, the authors Bruch and Walter (2005) categorized core competences and market orientation through a spectrum of non-strategic and strategic philanthropy, which will be discussed next.

Non-Strategic Philanthropy

Non-strategic philanthropy operates on a lower and less optimally aligned core competency and market orientation than strategic philanthropy. One extreme of this spectrum occurs when companies engage philanthropic decisions without engaging business values and detracts from corporate growth (Bruch & Walter, 2005). In this form, corporate charitable initiatives are inspired by external stakeholders, influences, and demands (Bruch & Walter, 2005). In its most extreme form, non-strategic philanthropy has no relationship between corporate philanthropic action and business strategy (Bruch & Walter, 2005). Managers do not have criteria for allocating corporate resources to charities, and there can be further internal confusion surrounding the business strategy (Bruch & Walter, 2005).

A form of non-strategic philanthropy repeatedly mentioned in the sample was altruistically motivated philanthropy. The altruistic model was discussed in nine of the 60 articles as a theoretical framework for donations. Five of those mentions occurred directly in the definition of corporate philanthropy, and the remaining mentions consisted of a theoretical foundation for corporate philanthropy. This theoretical explanation for corporate philanthropy states that firms use social checkpoints to determine the morality of their actions for a just society (Sanchez, 2000). The corporate goal is to voluntarily aid society free from the obligation to generate increased profitability (Sanchez, 2000). Accordingly, this model operates under the non-strategic approach to philanthropy. This model approaches corporate philanthropic action as addressing the ethical question of "what is right for society" and, as a result, is more of a social contract than a duty (Moir & Taffler, 2004).

Strategic Philanthropy

This form of corporate philanthropy was highly cited and appeared in 13 different academic papers within the sample. Of the 35 papers within the sample that defined corporate philanthropy, eight (23%) mentioned strategic philanthropy. Through a combination of market orientation-based decision making and an alignment between a company's core competencies with its philanthropic action, strategic philanthropy is the most effective approach to philanthropy for the firm (Bruch & Walter, 2005).

Strategic philanthropy aimed to increase the value of a company's bottom line, competitive advantage, or both (Seifert et al., 2003). Any corporate philanthropy that shows an even minimal connection "between the charitable contribution and the company's business" is strategic philanthropy (Porter & Kramer, 2002, p. 1). By extension, any charitable contribution with a goal, theme, or focus may also be included under a strategic approach to philanthropy (Porter & Kramer, 2002). This is considered a practical approach to corporate philanthropy because it caters to both an internal and external aspect of the business (Bruch & Walter, 2005). Internally, there is a chance to improve firm performance. Externally, there may be "political and institutional pressures imposed by the environment," stakeholders or other actors that create space for strategic philanthropy (Dennis et al., 2009, p. 362). Dennis et al., (2009) state that philanthropy is a strategic process where managers are motivated by the advancement of firm strategy in their pursuit of philanthropic action. The motivation for philanthropy, as discussed above, is to improve the bottom line and advance a strategic goal or business interest (Dennis et al., 2009).

What Corporate Philanthropy is Not

As we have seen, corporate philanthropy is not an interchangeable term with CSR or CSP. Rather, it is one component of these broader concepts. Corporate philanthropy is not considered an economic, legal, or ethical obligation of a business, but more so a discretionary aspect of business expenditure (Carroll, 1991). This expenditure is measured through donations of time, resources, or items of monetary value. Corporate philanthropy can take many forms depending on the managerial decision process for engaging in such activity. Therefore, corporate philanthropy is a broad activity that can occur at the intentional discretion of managers with different business intentions and may or may not align with corporate strategy.

Defining Corporate Philanthropy

There were 35 definitions in the sample for corporate philanthropy, and only one used the same source. Therefore, the literature suggests a lack of uniformity in the definitions given for corporate philanthropy. Definitions in the sample demonstrated that the direction of the study can influence the definition, such as the theory and measurement used.

The only repeated definition came from the Financial Accounting Standards Board (FASB, 1993: 2), which defined it as "an unconditional transfer of cash or other assets to an entity or a settlement or cancellation of its liabilities in a voluntary nonreciprocal transfer by another entity acting other than as an owner" (Godfrey, 2005, p. 778). The definition specifies a “transfer of wealth” rather than an exchange of goods, services, or benefits (Godfrey, 2005, p. 778). The second article that referenced this same FASB definition stated that it is a “voluntary and unconditional transfer of cash or other assets by private firms for public purposes” (Gautier & Pache, 2015, p. 343). Even though this definition was referenced twice, there were still variations in the interpretation of the FASB definition.

Despite the variation in definitions, a common theme within them was the motivation for the donation. The spectrum ranged from altruistically motivated donations for public purposes to strategically motivated donations where the impact was instrumental (Gautier & Pache, 2015). The differentiation between an advancement of business interest or public purpose influenced the definition given. The sample showed that the term 'altruistic' was cited in nine different articles, where 'strategic' was cited in 13 different articles. Strategically motivated philanthropy engages dependent variables like marketing, advertising, and reputation to gauge the impact of charitable donations (Porter & Kramer, 2002). Altruistically motivated philanthropy tended to have dependent variables related to the amount of donations (Campbell et al., 2002; Gan, 2006). Where altruism was referenced in nine articles, the definition of corporate philanthropy widely recognized voluntary donations. Therefore, an important point of differentiation in any definition of corporate philanthropy is between non-strategic (or altruistic) and strategic philanthropy, and the chosen definition should link directly to the empirical measure of philanthropy.

Constructing a Definition

Definitions within the sample had common themes of a "voluntary, unconditional transfer" (Gautier & Pache, 2015, p. 343) of goods, or "voluntary nonreciprocal transfer by another entity" (Godfrey, 2005, p. 778) or "voluntary business giving." (Liket & Simaens, 2015 p. 285). The purpose of corporate philanthropy included: for the "public,"(Chen et al., 2018, p. 136); Gautier & Pache, 2015, p. 343; Hogarth et al., 2018, p. 524; Porter & Kramer, 2002, p. 1; Shaw & Post, 1993, p. 745; Van Cranenburgh & Arenas, 2014), “to benefit the community’s welfare,” (Liket & Simaens, 2015 p. 286), or any purpose “promoting commerce, art, science, religion, charity or [an]other useful object” (Mithani, 2017, p. 949) (see Table 2*).* Specific firm resources included cash donations, in-kind, time and volunteering, and liability cancellation (Gautier & Pache, 2015, p. 343; Godfrey, 2005, p. 778; Liket & Simaens, 2015 p. 285).

Accordingly, corporate philanthropy can be defined as ***a strategic or non-strategic, voluntary transfer of firm resources (e.g., cash, assets, volunteering, etc.) to benefit society.*** Depending on how the construct is measured within studies, authors can specify whether the philanthropy is strategic or non-strategic and which firm resources and social benefits are examined. Therefore, a definition of corporate philanthropy should include: (1) that it is discretionary/voluntary, (2) the purpose of the donation, and (3) whether it is strategic or non-strategic. The above definition is meant to be inclusive, but future research should be specific about what is being analyzed and measured.

Theoretical frameworks were also important to frame the definitions given in the research. For example, they helped identify whether the purpose of corporate philanthropy was solely to benefit the well-being of society, increase firm value, or a combination of the two (i.e., strategic or non-strategic). Chapter three examines these theories in detail.

CHAPTER 3

THEORIES USED TO EXAMINE CORPORATE PHILANTHROPY

Chapter 3 will delineate the theories used to understand corporate philanthropy. Specifically, 32 theories were used across the 60 papers. The most prominent theories included stakeholder theory cited in 11 academic papers, agency theory cited in nine, institutional theory cited in six, and economic theory cited in three. All other theories were cited two times or below in the reviewed academic articles. For parsimony, only the prominent theories are discussed, including how they were applied to the study and understanding of corporate philanthropy.

Stakeholder Theory

Stakeholder theory was mentioned in 11 of the reviewed 60 articles. Stakeholder theory, as it relates to corporate philanthropy, suggests that stakeholders, those who have a relationship to the company and its business activities, have accepted corporate philanthropy as a legitimate business activity (Wang & Qian, 2011). This theory further suggests that stakeholders' expectations regarding the extent of a business's involvement in corporate philanthropy may impact how stakeholders relate to the firm (Wang et al., 2008). The increase in corporate philanthropy results in a positively correlated change in firm image among stakeholders (Wang et al., 2008). This is because stakeholder theory evaluates the influence of the stakeholders on the company's selected business activities and the company's ability to influence stakeholders (Moir & Taffler, 2004).

This theoretical framework encompasses the different motivations for corporate philanthropy along the spectrum ranging from non-strategic (or altruistic) to strategic intentions (Moir & Taffler, 2004). Within stakeholder theory, where a company engages both internal and external interests, it is accepted that a firm is "a complex entity that affects, and is affected by, multiple stakeholders" (Moir & Taffler, 2004, p. 151).

Agency Theory

Agency theory was reviewed in nine of the reviewed academic articles. "Agency theorists consider corporate philanthropy as an undesirable but probable result of managerial discretion" (Seifert et al., 2003, p. 197). According to the theory, firms exist with the sole purpose of maximizing the wealth of owners (Seifert et al., 2003). Agents of a corporation are known as executives in charge of making decisions (Seifert et al., 2003). Charities or third-party recipients of firm funds are stakeholders who only have donative value should the action result in an increased or maximized shareholder value (Seifert et al., 2003).

Specific to the research conducted, CEOs or corporate agents will act contrary to the best interest of the shareholders by donating corporate funds, which may have instead been used to increase returns, dividends, or company value (Seifert et al., 2003). Where the shareholders are owners of the company, a manager as an agent is suggested to operate under profit maximization (Gautier & Pache, 2015). When the corporation engages in philanthropy that does not directly increase its value to a greater amount than donated, its agents act contrary to agency theory (Seifert et al., 2003). There is a suggested need for a separation of ownership and control which posits that the more dispersed ownership is in a company, the greater control there is over firm resources held by managers (Gautier & Pache, 2015). The research indicated a relationship between the existing influence of shareholders and the amount of managerial discretion or agency experienced in a firm (Gautier & Pache, 2015). Different agents, or the influence of women/minorities on a board of directors or in a position of decision-making authority, can increase the amount of corporate philanthropy because of an argued heightened empathy (Wang & Coffey, 1992). However, a company that engages an increased positive image by virtue of its donations may indirectly increase the company's value (Choi & Wang, 2007). Therefore, performance-enhancing activity may counter the presumed ‘ill-use’ of corporate funds donated, resources used, or time invested in philanthropic activity (Choi & Wang, 2007).

Institutional Theory

Institutional theory was mentioned as a theoretical foundation for corporate philanthropy in six of the reviewed 60 academic papers. This theoretical framework positions corporate philanthropy in relation to public opinion (Gao & Hafsi, 2015). Institutional theory focuses on externally exerted pressures from various established or non-established groups that influence and exert pressure on corporate actions (Gao & Hafsi, 2015). These institutions may exist in different contexts; first, the immediate industry environment, and second, the geographical location and community the company is headquartered in (Marquis & Tilcsik, 2016).

Institutional theory includes government actors affecting corporate philanthropic decisions. Where there are political pressures exerted through legal, regulatory, and other business rules, there are incentives to appeal to these bodies to favourably navigate regulations (Gao & Hafsi, 2015). One way of appealing to the government is to assist social or public purposes through philanthropy (Gao & Hafsi, 2015). There may be other equivalent institutions exerting pressure that may influence the corporate behaviour and structures of the firm (Marquis & Tilcsik, 2016). Gao and Hafsi (2015) state that the large-scale uptake of industry or community action, where there is sufficient repetition of an act to the point that it becomes standard practice, results in “obligatory action” for others (Gao & Hafsi, 2015, p. 435).

This theory is strategically motivated because it intends to further maximize a business interest, function and/or benefit (Sanchez, 2000). This sought-out interest is more often in the form of political capital or legitimacy and a positive symbiotic relationship with an external, institutionalized stakeholder (Sanchez, 2000), but at its root seeks to increase firm performance.

Economic Theory

Economic theory was referenced three times in the sample. Economic theory is synonymous in the literature with profit maximization. This theory suggests that managers engage the act of corporate philanthropy with the intent to increase profits (Gautier & Pache, 2015). Gautier & Pache (2015) refer to economic theory as a responsibility to be profitable. Economic theory is different than agency theory in that it focuses more so on profit maximation and the cost effects or tradeoffs of engaging corporate philanthropy. Agency theory focuses on the managers’ or agent’s responsibility to shareholders and how firm resources are being used to support shareholder interests (Gautier & Pache, 2015).

One article added that economic theory suggests profit maximization is associated with the business life cycle stages (Cuypers et al., 2016). This results from various changes to the firm's financial and resource access, which can influence the stakeholder perceptions of philanthropic activity (Cuypers et al., 2016).

Sanchez (2000) also discusses profit maximization as a function of corporate strategy to mean there is a direct increase to a company's economic value. This method includes the pursuit of tax benefits but more so speaks to any form of philanthropy that generates positive financial value (Sanchez, 2000).

Given the wide variety of theories that can frame corporate philanthropy, the consideration of theories for the purpose of the definition suggests reviewing whether the theory is rooted in non-strategic motivations or strategic motivations. The theories reviewed above suggest that research predominantly supports a strategic framework to explain and study corporate philanthropy.

Theoretical and Practical Articles' Variables and Measurements

The sample produced 16 theoretical and practical studies. Of this sample, the most reviewed concepts were motives for corporate philanthropy, such as increasing competitive advantage (Porter & Kramer, 2002), evaluated different motivations; strategic (or profit-maximization) and non-strategic (or altruistic) (Sanchez, 2000), and a moral basis for corporate philanthropy (Shaw & Post, 1993). Another group of variables examined theoretically were strategic aspects, such as cause-related marketing

(Varadarajan & Menon, 1988), and strategic impacts on the bottom-line (Mescon & Tilson, 1987).

Motives of Corporate Philanthropy

The motives of corporate philanthropy were reviewed in three theoretical and practical articles. Companies were incentivized to participate in corporate philanthropy because, in doing so, there were direct benefits, such as improving employee morale and generating positive corporate publicity (Porter & Kramer, 2002). Discretionary participation in corporate philanthropy had cultural benefits by gaining employee commitment, trust, and reputational capital (Godfrey, 2005). Furthermore, one paper found that motives for corporate philanthropy were related to geography (Sanchez, 2000). In El Salvador, motives for corporate philanthropy were implied to be a combination of strategic and altruistic motivations, which, while visibly competing, were not mutually exclusive (Sanchez, 2000).

Moreover, globalization can impact companies' market share, which may impact an industry's standard of donations (Sanchez, 2000). In a study by Li et al. (2015) on the practicality of corporate philanthropy in China, it was found that geopolitical factors incentivized or disincentivized philanthropic action. For example, in China, the presence of increased political control can positively affect firm philanthropy decisions if they are seeking out political legitimacy (Li et al., 2015).

The implications of the theoretical review of corporate philanthropy suggest that motivations can be sourced from industry peers (Sanchez, 2000), geopolitical factors (Li et al., 2015), internal benefits as discussed by Porter & Kramer (2002), as well as having a combined impact by benefiting both external stakeholders and internal stakeholders and operations. This is consistent with existing theories used to frame corporate philanthropy, such as institutional theory and stakeholder theory.

Strategic Impacts on the Bottom-Line

Three articles theoretically evaluated strategic approaches, implications, and the practicality of corporate philanthropy. Companies are moving towards a heavier engagement of marketing techniques of their philanthropy (Mescon & Tilson, 1987). This affects how consumers perceive the brand and their purchasing decisions. As a result, an increase in the marketing of corporate charitable activity impacts purchase decisions and can increase the company's bottom-line (Mescon & Tilson, 1987). At the same time, there are direct benefits to the company's success; trends can be set in an industry or for a cause that will also see increased charitable activity (Mescon & Tilson, 1987). This article reiterates that the theoretical separation of corporate profit and donation is not practically sound (Mescon & Tilson, 1987). This was supported in an approach to corporate philanthropy called cause-related marketing (Varadarajan & Menon, 1988). Cause-related marketing is a form of sales promotion focused on corporate philanthropic action and relationships with charitable causes (Varadarajan & Menon, 1988). It further examines whether cause-related marketing, in practice, exploits causes to increase the bottom line (Varadarajan & Menon, 1988). This is because the focus of the marketing initiative is to sell the brand, the cause, and the partnership or sponsorship to consumers rather than encourage charitable contributions (Varadarajan & Menon, 1988). There is a lack of research regarding the objectives and limitations of cause-related marketing, the optimal amount of philanthropy, understanding decision criteria, and antecedents to its success, such as the impact of the external environment and front-line workers (Varadarajan & Menon, 1988).

These considerations show that theoretically there is a shift from the understanding that corporate philanthropy is purely an altruistic act, mutually exclusive from strategic motives. Engaging in a philanthropic activity can have a strategic impact as well as a societal benefit. Studies indicate that corporate philanthropy should only be engaged to an optimal level (Varadarajan & Menon, 1988; Godfrey, 2005). It may not be beneficial to invest further in philanthropic activity at the expense of more effective brand marketing (Varadarajan & Menon, 1988). Another study substantiated optimality through the theoretical analysis of firm risk management (Godfrey, 2005), and generated an optimality equation that generated an optimal amount of moral capital in relation to corporate philanthropic activity (Godfrey, 2005). The foundation of such an equation is most appropriately suited to economic theory to increase the benefits and rationality of managers' discretionary expenses. More research is needed to determine when the overlap between altruism and strategic motives is most effective for philanthropic action and whether such optimality exists.

CHAPTER 4

OPERATIONALIZATION OF CORPORATE PHILANTHROPY

This chapter discusses the operationalization of corporate philanthropy. Within the sample, 44 papers were empirical. Of these, 28 were quantitative, and 16 were qualitative. Furthermore, 14 were longitudinal. Empirical research accounted for 73 percent of the articles, and 26 percent examined theoretical or practical aspects of corporate philanthropy. Highly referenced variables throughout the study included charitable donations (referenced 18 times in the sample), firm performance and/or profitability (referenced five times) and motivations for corporate philanthropy (referenced three times) and strategic impacts (referenced three times).

The following characteristics of the data were observed. First, the empirical literature is mostly quantitative as only 22.8 percent were qualitative. The empirical literature is largely longitudinal, where only 17.5 percent of the sample was cross-sectional. This indicates that research on corporate philanthropy was widely quantitatively studied, implying that numerical findings best interpret the relationship between corporate philanthropy and other variables.

Second, 57% of the literature reviewed was published in the *Journal of Business Ethics,* and the second highest (at 5%) was published in *Organization Science*. This suggests a gap in the literature for more empirical examination of philanthropy outside of an ethics framework.

Third, many of the papers were sampled specifically in the United States (32). Other geographic areas included 11 papers within China, four in the United Kingdom, three in Australia, one in Tanzania and Nigeria, Sub-Sahara Africa, India, El-Salvador, South Korea, and one cross-cultural study in Austria and Egypt. Considering the high concentration of research conducted in the US, future research may engage cross-cultural analyses of corporate philanthropy and attempt to understand different geographical implications more thoroughly.

Figures 2, 3 and 4 outline the frequency of the independent, dependent, and control variables evaluated across the 60 articles, respectively. Further, the figures only show dependent, independent, and control variables used more than once across the sample.

Figure 1: Study Type Frequency

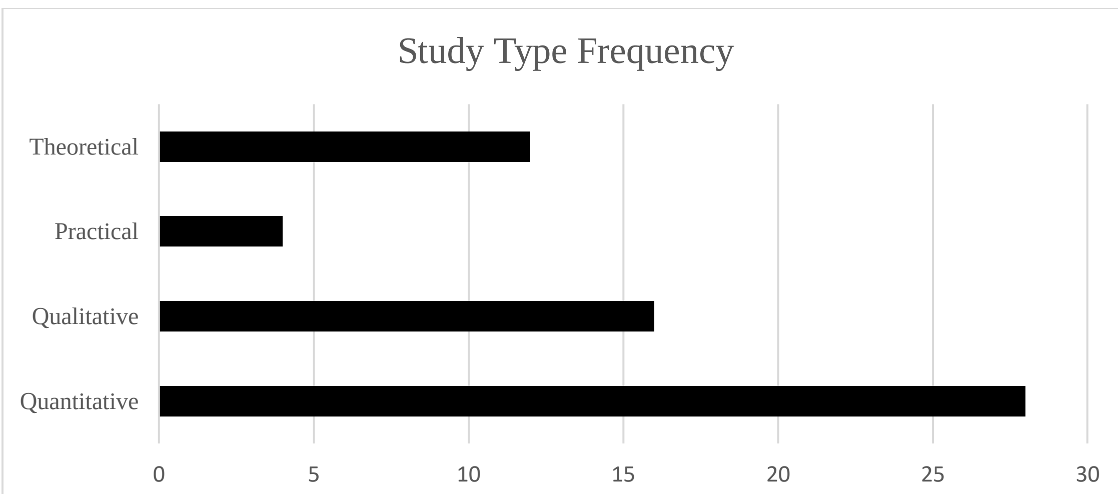


Figure 2: Independent Variables Used in Sample

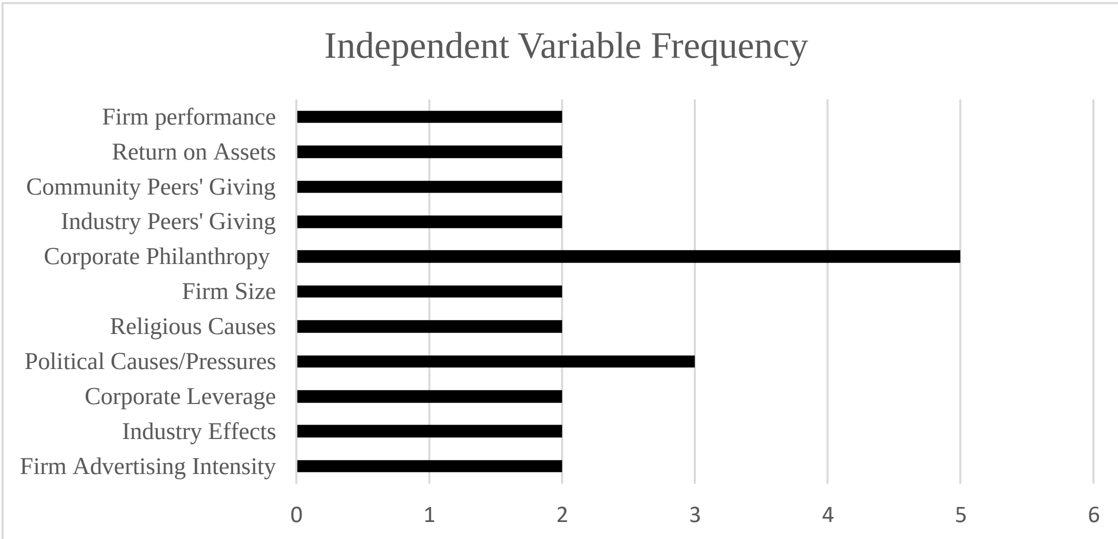


Figure 3: Control Variables Used in Sample

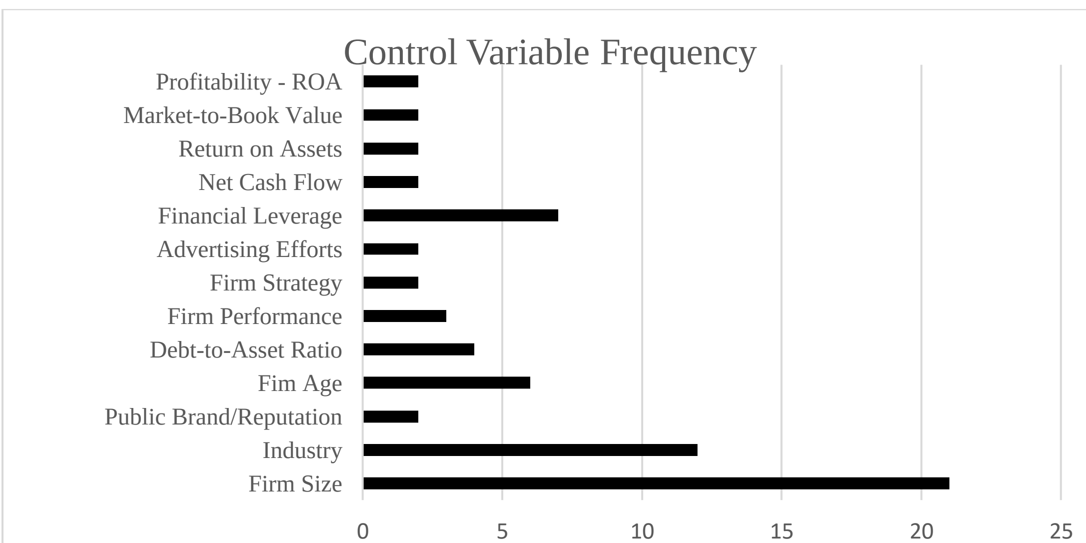
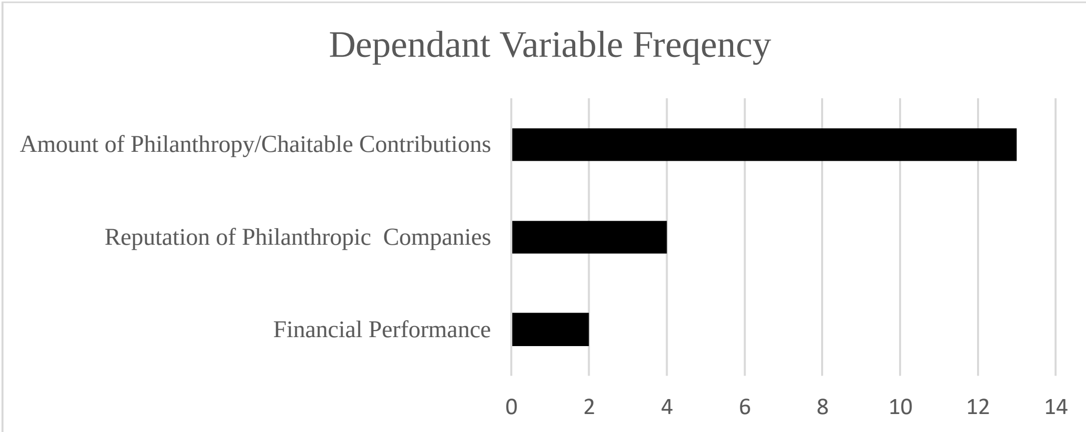


Figure 4: Dependent Variables Used in Sample



Control Variables

The most frequent control variables used in the sample, were firm size (21) and industry and/or geography (12).

In the sample, firm size was consistently a controlled variable as firm size often impacts the amount firms can donate and can skew results (Wang et al., 2008). Industry, for the purpose of this paper is defined as “a group of companies that are related based on their primary business activities” (Kenton & Mansa, 2021). Industry is an important point of consideration in the research as firms with a high level of societal interaction will donate or participate in corporate philanthropy more generously (Gao & Hafsi, 2015). Geography is a relevant qualitative or theoretical consideration in the context of mega-events and natural disasters (Wang et al., 2008). Industry and geography are controlled for to assist with creating a standard of environmental factors external to the company that may affect donations as some industries regularly maintain higher amounts of slack resources that are more readily donated than others (Seifert et al., 2003).

Quantitative Variables and Measurements

The most frequent variables (independent and dependent) used in the 28 quantitative studies were: corporate philanthropic donations (20) and firm financial performance (six).

Corporate Philanthropic Donations

Corporate philanthropy was operationalized as 'Charitable donations.' Charitable donations were a common measure for quantitative studies, appearing 15 times as a dependent variable, four times as an independent variable, and once as a moderating variable. Charitable donations were measured through the amount donated and expensed by companies. Two studies specified that the amount included only cash contributions (Dennis et al., 2009; Campbell et al., (2002)); one study specified the method of donation to charities through either foundations or direct donations (Marquis & Tilcsik, 2016); one study excluded in-kind donations (Patten, 2008); and two studies used a ratio where the amount of the donation was divided by operating revenue and then compared as a percent (Luo et al., 2017; Campbell & Slack, 2008); scaled the donated amount to proportionally reflect against the total assets (Qiane et al., 2015). Additionally, Cuypers et al., (2016) and Kabongo et al., (2013) measured corporate philanthropy as the consistent donation of 1.5% over the trailing three-year net earnings before taxes. This variable was used largely to understand the amount of donations and the relationship to the internal decision-making process or external pressures.

Highly cited independent variables used to assess corporate philanthropy were the level of political or economic influence (Dennis et al., 2009) and industry peers as a standard of donations of all industry-proximate firms (Gao & Hafsi, 2015). One study found that CEO self-identity as a philanthropist significantly increased a firm's philanthropy (Dennis et al., 2009). This finding suggests that independent factors such as CEO beliefs and values will impact corporate decisions (Dennis et al., 2009). Other studies concluded that government intervention and industry peers can influence the amount given (Gao & Hafsi, 2015), and that diversity (the presence of women, minorities, people with disabilities, reviewed as an independent variable) in decision-making roles positively influenced corporate philanthropy (Kabongo et al., 2013).

Corporate philanthropy was most often studied as a dependent variable. This means that the research predominately focused on factors that drive corporate philanthropy. The impacts of corporate philanthropy, however, was less frequently studied in the sample. Future research should evaluate the effects of corporate philanthropy because it is likely that donative value ends with the impact made on society, and not only with a firm's bottom-line.

Firm Financial Performance

Within the sample, six quantitative articles discussed firm financial performance: as an independent variable (Marquis & Tilcsik, 2016; Campbell et al., 2008; Seifert et al., 2003; Brammer & Millington, 2005) and as a dependent variable (Wang & Qian, 2011; Wang et al., 2008). Firm financial performance was measured as the ratio of earnings before taxes to total assets (Brammer & Millington, 2005), return on assets (Marquis & Tilcsik, 2016; Wang & Qian, 2011; Wang et al., 2008), and return on sales (Campbell et al., 2008). The use of accounting returns and marketing returns, as done by both Seifert et al., (2003) and Wang et al., (2008), enables a view of the financial implications of corporate action as well as market responses over a short-term.

The findings in such articles showed that, when financial performance was a dependent variable, there was a positive relationship between charitable donations and firm performance (Wang et al., 2008). However, other studies also state that the relationship between firm performance and corporate philanthropy is not conclusive (Chen et al., 2018); (Wang et al., 2008). When financial performance was reviewed as an independent variable, studies indicated that further research surrounding peer groups and industries was necessary (Marquis & Tilcsik, 2016). This is especially relevant in an increasingly global market where industry peers are more prevalent (Marquis & Tilcsik, 2016).

Regarding future research, Wang et al., (2008, p. 146) suggested that a positive, linear correlation was a simplistic classification of the relationship between firm financial performance and corporate philanthropy. In contrast, a curvilinear relationship may more realistically reflect the relationship of costs, trends, and other benefits with financial yield from corporate philanthropic action (Wang et al., 2008). However, further research is needed to substantiate and indicate which strategic motivations will reduce optimality or increase optimality (Wang et al., 2008).

Qualitative Variables and Measurements

The most frequent variables (independent and dependent) used in the 16 quantitative studies were attitudes towards corporate philanthropy (Lee et al., 2013; La

Cour & Kromann, 2011; Dennis et al., 2009; Szocs et al., 2016); and managerial composition (Choi & Wang, 2007).

Attitudes Towards Corporate Philanthropy

Attitudes towards corporate philanthropy were reviewed in four of the 16 qualitative papers. Variables that studied attitude towards corporations and reputation were measured through questionnaires (Szocs et al., 2016; Dennis et al., 2009; Lee et al., 2009) and the review of corporate social responsibility reports (La Cour & Kromman, 2011). A common theme that arose in papers that reviewed attitude was whether stakeholders, such as consumers, were able to envision their values in the company to avoid dissonance between individually held views and corporate action (Szocs et al., 2016). Szocs et al., (2016, p. 377) stated firm reputation is "the collective opinion of an organization held by its stakeholders". Szocs et al., (2016) proposed that individual attitudes towards corporate philanthropic action caused changes in firm reputation. However, personal values are contextual and culturally specific (Szocs et al., 2016). Dennis et al., (2009, p. 366) identified that a key factor in positive attitudes developed towards corporations and the philanthropy engaged was whether the consequences of such action were also positive.

In communicating firm values of corporate philanthropy, language was strategically used to convey a positive association of the firm's values, actions, and association with causes (La Cour & Kromman, 2011). Corporate philanthropy can influence how stakeholders, such as employees, relate to the firm if corporate social responsibility documents refer to them as more than employees (La Cour & Kromman, 2011). Moreover, Lee et al., (2009, p. 945) suggested that the most positively received corporate philanthropic action was done under a “public-serving” motive.

Future research would benefit from studying the theoretical orientation, the impact of cultural differences in an increasingly globalized market, and studying, to a greater degree, the differences between consumer and non-consumer attitudes (Lee et al., 2009).

Management Composition

Two qualitative articles reviewed management values (Choi & Wang, 2007) and self-identity in CEOs (Dennis et al., 2009), as independent variables. Top managers with increased or heightened value for benevolence had higher firm participation in corporate philanthropy (Choi & Wang, 2007). Dennis et al., (2009) corroborated the findings of Choi & Wang (2007) through its conclusion that CEOs who self-identified as philanthropists had greater involvement in donations, thereby demonstrating the mutual relationship between values expressed by the firm and the individual.

There was a divide between quantitative and qualitative research on the implications of this variable. Further studied quantitatively by Kabongo et al.’s (2013), the sample used diversity (both gender and racialized groups) in decision-making roles as an independent variable to assess the effects on corporate philanthropy. Kabongo et al., (2013) found no significant impact on corporate philanthropy through the presence of minorities. However, another quantitative study suggested that the proportion of female board of director members positively affected corporate philanthropy due to an increased “sensitivity to CSR” (Wang & Coffey, 1992). This implies that more research is required to review the specific impacts of racialized groups and gender in management positions to create specific findings.

CHAPTER 5

THE SOCIAL BENEFIT OF CORPORATE PHILANTHROPY

Society was discussed in three qualitative studies (Brammer & Millington, 2005; Dennis et al., 2009; Liket & Simaens, 2015), one theoretical study (Shaw & Post, 1993), and one practical paper (Porter & Kramer, 2002). However, these studies frame the impact of corporate philanthropy in relation to the firm rather than society. For example, authors Brammer and Millington (2005) found that firms who participated in philanthropy experienced increased reputation. Porter and Kramer (2002) discussed the strategic benefits of corporate philanthropy, such as the positive and recent increase of companies sponsorships.

Increasing demands on corporations to support societal issues have also increased the need for corporations to become more strategic in investments (Porter & Kramer, 2002). As a result, the papers in the sample focused on the strategic side of corporate philanthropy, such as reputation and advertising (Porter and Kramer, 2002; Gao & Hafsi, 2015), and cause-related marketing (Varadarajan & Menon, 1988).

Three articles discussed specific gaps in research regarding corporate philanthropy and its impact on society. First, businesses have a moral connection to society (Shaw & Post, 1993). Many government facilities and institutions are overburdened with societal needs, and thus, companies that can offer support in the form of resources have a positive impact on society (Shaw & Post, 1993). Research shows that societal benefits are not necessarily at odds with business interests (Sanchez, 2000). Altruistically motivated philanthropy suggests that managers have a moral obligation to contribute to society regardless of a positive impact on firm performance or value (Dennis et al., 2009). Paradoxically, strategic motivations encourage corporate involvement in corporate philanthropy because of the ability to pursue business interests.

La Cour and Kromann (2011) found that the consequences of corporate philanthropy to the business were contrary to its function as a profit-maximizing entity. The freedom to respond to societal interests costs resources, time, and firm value, which creates competing objectives (La Cour & Kromann, 2011). However, as noted in Sanchez (2000); Mescon and Tilson (1987); and Varadarajan and Menon (1988), engaging corporate philanthropy and serving a business interest are not competing objectives so long as its engagement is, as concluded by Varadarajan and Menon (1988), optimal.

Liket and Simaens (2015, p. 285) stated the "effects of [corporate philanthropy] on society are severely under-researched, and there is a lack of multilevel analysis." More insight into the risks posed to society by engaging in corporate philanthropy is necessary (Liket & Simaens, 2015). The specific concerns that require further research are (1) falsely framed altruistic, philanthropic action, and (2) paternalistic action in corporations (Liket & Simaens, 2015, p. 285). Mescon and Tilson (1987) and Sanchez (2000) affirmed the sentiment that more research was necessary regarding societal implications. To their point, none of the 60 articles reviewed in this paper examined the risks to society posed by corporate philanthropy. Future research may benefit from studying corporate philanthropy as an independent variable and conducting a review of the impact on aspects of society (using population demographics, the distribution of resources post-donation, and the full use of the extended aid) will help quantify or explain whether a positive, curvilinear, or negative relationship exists for societal benefits.

CHAPTER 6

DISCUSSION

The research shows an increased corporate inclination to review, act on, and promote strategic corporate philanthropy. The reviewed research suggests that strategic philanthropy is more ideal than non-strategic philanthropy. Further, non-strategic philanthropy often tended to ignore certain stakeholders, as a demonstration of its short-sightedness. Strategically engaged philanthropy encourages a greater value for many stakeholders. As will be discussed in the implications of corporate philanthropy, managers should consider the internal firm benefits, the value of a strong market-orientation and core competency alignment prior to engaging philanthropy, as well as the importance of an optimally engaged form of philanthropy for all stakeholders.

An identified research gap was the type of corporate philanthropy. The sample did not discuss the disbursement of corporate donations, or the type of corporate philanthropy engaged except as enumerated in their respective financial statements under ‘cash donations’. The variable ‘firm financial performance’ outlines that some firms stated ‘cash donations’ only where others included all donations or removed ‘in-kind’ donations. However, besides controlling the type of resource donated, the causes donated to were rarely mentioned, where only one study reviewed donations to the performing arts (Varandarajan & Menon, 1988), and another two discussed donations to natural disasters (Mithani, 2017; Tilcsik & Marquis, 2013). Understanding the type of donations and its disbursement is another factor that can improve our understanding of corproate philanthropy.

Implications

Managerial Implications

This literature review indicated that there were three practical benefits to corporate philanthropy. The benefits included increased employee morale (Gao & Hafsi, 2015), reputational capital (Godfrey, 2005), and profitability (Porter & Kramer, 2002; Brammer & Millington, 2015; Mescon & Tilson, 1987).

First, engaging corporate philanthropy builds firm culture if done so in accordance with the following: (1) the company has a strong market orientation and core competencies from which the philanthropy is founded (Mescon & Tilson, 1987); and, (2) demonstrates a clear involvement of a company's core values, which is authentically communicated (La Cour & Kromman, 2011). By using philanthropy that aligns with the core, authentic values of the firm, holistic benefits to firm culture, such as increased trust in management by stakeholders, like employees, can arise (Choi & Wang, 2007).

Second, corporate philanthropy can increase reputational capital (Godfrey, 2005). This is because the public attitude towards corporate philanthropy considers the consequences of corporate action (Dennis et al.,2009; Lee et al., 2009). When engaging in corporate philanthropy, managers may benefit from considering the consequences of the philanthropy. The benefits include maintaining or increased firm value through brand loyalty and/or increased positive attitudes towards the company.

Third, financial performance and profitability can increase because of corporate philanthropy through the symbiotic relationship engaged in partnerships and the strategic engagement of firm resources (Porter & Kramer, 2002). The existence of a curvilinear relationship, or optimally engaged philanthropy, has significant managerial implications.

Suppose managers can better understand their core competencies, leverage their market orientation, and strategically advertise their corporate action. In that case, they may be able to maximize the value of their investment in corporate philanthropy (Varadarajan & Menon, 1988).

In conclusion, further research is needed to better interpret the drivers of successful corporate philanthropy for both the bottom line and firm culture.

Other Stakeholders

This section will review how other stakeholders may benefit from or interact with the business implications of corporate philanthropy such as employees, consumers, and government institutions.

First, research has found that employee trust may increase through the engagement of corporate philanthropy (Choi & Wang, 2007), while also increasing productivity (Tonin & Vlassopoulos, 2015). The existence of such social incentives motivates employees' connection to firm values.

Second, consumers are important stakeholders not only as the buyers of the service or good, but also because they shape public opinion and the reputation of the firm. Companies will often engage marketing, and various media to present their corporate actions, such as philanthropy, in a positive way (Dennis et al., 2009). Future research would benefit from learning, quantitatively, how much consumer's care about the consequences of specific fund disbursements and how effective those are at supporting corporate goals (Dennis et al., 2009).

Third, learning the impacts of lobbying efforts and how institutional theory frames corporate philanthropy to encourage the reciprocal benefit of political legitimacy is an area for further study (Sanchez, 2000). Corporate philanthropy for the purpose of assisting a public need can both reduce the burden on an institution and further a business strategy. Whether the trends that are leading corporate action to support more societal and public needs has resulted in a culture of lobbying or is rather motivated by the intersection of business and society, is an area for future study.

Future Research

Taken together, this systematic review of the corporate philanthropy literature found that while the research was diverse and comprehensive, there was little cohesion in how it has been studied. This was because many independent conceptualizations influenced the definition, framework, and variables used to study corporate philanthropy.

The Definition of Corporate Philanthropy

While common themes were identified across the listed definitions in the sample, the lack of consistency in the definition of corporate philanthropy was an area that requires further research. Gautier and Pache (2015) suggested that it was important to understand what factors or variables influenced the definition to better determine its limitations.

This literature review drafted an inclusive definition of corporate philanthropy: the strategic or non-strategic, voluntary transfer of corporate resources (e.g., cash, assets, volunteering, etc.) to benefit society. This definition was contingent on the variable measured by the authors. The authors must determine whether (1) the philanthropy was strategic or non-strategic and (2) which firm resources and/or social benefits were examined.

Theoretical Research Gaps

There were four theories used repeatedly in the reviewed papers: stakeholder theory, agency theory, institutional theory, and economic theory. These theories presented a range of frameworks that situate corporate philanthropic action along the spectrum of strategic and non-strategic (or altruistic) philanthropy (Moir & Taffler, 2004). As noted in this study, the theories reviewed in the sample were heavily based on strategic motivations for corporate philanthropy. This was different than the definitions given in that they predominately stated that corporate philanthropy was only for the benefit of society. As a result, further research should be conducted to understand the relationship between motivations of philanthropy and theories used to situate it.

From the research, it is known that strategic vs. non-strategic motivation is a heavily debated concept with respect to corporate philanthropy. Future research should consider the importance of the motivations as it has a theoretical foundation that impacts how it is defined, how it is operationalized, and assists how it is measured for financial performance through strategically and optimally engaged philanthropy. Theoretical considerations would further include whether the definition of corporate philanthropy and motivation has changed over time from solely being non-strategic (or altruistic) and has transitioned to having a greater strategic foundation in practice.

Operationalization Research Gaps

An analysis of the sample indicated that there was a lack of overlap in individually reviewed variables. There were over 60 independent variables reviewed throughout this sample. Future research should evaluate the effects of individual variables more frequently to substantiate the findings of less frequently studied independent variables.

The following four research gaps were identified regarding operationalization: First, corporate philanthropy was not reviewed frequently as an independent variable. This means the effects of corporate philanthropy were not widely studied, and as a result, future academic research should consider the impacts, disbursement, and development of corporate philanthropy, post-donation.

Second, the optimality of corporate philanthropy and the existence of a curvilinear relationship regarding firm financial performance have significant managerial implications (Wang et al., 2008). Future research should determine which variables increase optimal firm performance through charitable action, and which factors detract from it, to more effectively understand and efficiently put corporate philanthropy into practice.

Third, the research in this sample was spread across different geographical locations but predominantly clustered in the United States (32), China (11), and the United Kingdom (4). As a result, when reviewing the attitudes towards and drivers of corporate philanthropy, future research would benefit from considering cultural limitations and values attributed towards wealth and/or societal aid, especially in an increasingly globalized market. Future research may better be able to account for globalized industry and community views with these considerations.

Fourth, more research is required to review the specific impacts of racialized groups and gender in management positions to create specific, cross-sectional and cross-cultural findings. While studies that reviewed changes in managerial composition found that certain groups, such as women, would increase corporate philanthropic action, there was little that discussed the marginal and incremental increase of women in managerial composition that generates the positive increase. Future research could explore how the number of women on a board or on a top management team impact philanthropy, how board composition and philanthropy changes across cultures, as well as similar research questions for minority, or disabled, board members and management.

Societal Research Gaps

In the sample, the articles that discussed society did not review the impacts of corporate philanthropy. Two conclusions can be drawn; (1) to review societal impacts, corporate philanthropy should be studied as an independent variable; and, (2) a cross-sectional and longitudinal analysis is required to comprehensively review impacts on society. Liket and Simaens (2015) stated that future research should include the impact of corporate philanthropy when it is (1) falsely framed altruistic philanthropic action, and (2) what was the paternalistic action in corporations.

CHAPTER 7

CONCLUSION

Academic Contributions

This systematic literature review presented the findings of a systematic review of 60 academic articles discussing corporate philanthropy. The papers were examined in search of (1) a definition of corporate philanthropy, (2) the variables and theories used to study and understand corporate philanthropy, (3) the review of societal implications found in the research, and (4) the gaps in research.

The studies reviewed showed a lack of consistency when defining corporate philanthropy. This lack of consistency continued throughout the research, where there were many conceptualizations, theoretical frameworks, and variables that influenced the definition.

First, the literature review indicated a lack of an accepted and widely used definition for corporate philanthropy. This paper contributes to the literature by providing an inclusive definition by analyzing the most cited definition (Gautier & Pache, 2015, p. 343); (Godfrey, 2005, p. 778) and themes arising in the definitions through frequently used words. The constructed definition states that researchers must focus on identifying the (1) motivation for corporate philanthropy (strategic or non-strategic) and (2) the specific purpose of the donation. However, further research should be conducted to substantiate the identified criteria and themes.

Second, this academic paper further contributes to existing literature through the identification of gaps in the literature. The identified gaps present key factors future research can address. The gaps in research call for explanations regarding (1) the further study of corporate philanthropy as an independent variable to determine the impacts of corporate action; (2) whether there is a certain amount of optimality associated with corporate donations; (3) whether there are cultural limitations to the findings of attitude towards corporate philanthropy, and (4) a fuller study of the risks and/or benefits posed by corporate philanthropy to society.

Summary

In summation, this paper found that corporate philanthropy was a widely studied concept that would benefit from a consolidated definition and the closing of identified research gaps. This paper noted the contrast in how corporate philanthropy was defined, theorized, and operationalization, as being either strategic or non-strategic. The sampled research indicated that strategic philanthropy does not compete with the businesses' ability to benefit financially and societally. Future research should review how strategic philanthropy can engage firm performance optimally, the impacts of diversity in managerial composition based on different demographics, and implications of geography and globalization in cross-cultural studies. Moreover, future researcher can dig deeper not only into the benefits, how they are increased and felt across stakeholders, but also potential risks to various stakeholder groups.

REFERENCES

Amaeshi, K., Adegbite, E., Ogbechie, C., Idemudia, U., Kan, K., Issa, M., & Anakwue, O. (2016). Corporate Social Responsibility in SMEs: A Shift from Philanthropy to Institutional Works? *Journal of Business Ethics*, *138*(2), 385-400. https://doi.org/10.1007/s10551-015-2633-1

Brammer, S., & Millington, A. (2005). Corporate Reputation and Philanthropy: An Empirical Analysis. *Journal of Business Ethics*, *61*(1), 29-44. https://doi.org/10.1007/s10551-005-7443-4

Bruch, H., & Walter, F. (2005). The Keys to Rethinking Corporate Philanthropy. *MIT Sloan Management Review*, *47*(1), 49-55.

Campbell, D., Moore, G., & Metzger, M. (2002). Corporate Philanthropy In the UK 1985-2000: Some empirical findings. *Journal of Business Ethics*, *39*(1-2), 29-41. https://doi.org/10.1023/A:1016371731732

Campbell, D., & Slack, R. (2008). Corporate "Philanthropy Strategy" and "Strategic Philanthropy" Some Insights From Voluntary Disclosures in Annual Reports. *Business & Society*, *47*(2), 187-212. https://doi.org/10.1177/0007650306297941

Chen, J., Dong, W., Tong, L. M., & Zhang, F. D. (2018). Corporate Philanthropy and Tunneling: Evidence from China. *Journal of Business Ethics*, *150*(1), 135-157. https://doi.org/10.1007/s10551-016-3166-y

Carroll, A. B. (1991). The Pyramid of Corporate Social Responsibility: Toward the Moral Management of Organizational Stakeholders. *Business Horizons*, *34*(4), 39-48.

Choi, J., & Wang, H. L. (2007). The Promise of a Managerial Values Approach to Corporate Philanthropy. *Journal of Business Ethics*, *75*(4), 345-359. https://doi.org/10.1007/s10551-006-9257-4

Cuypers, I.R.P., Koh, P.S., Wang, H.L. (2016) Sincerity in Corporate Philanthropy, Stakeholder Perceptions and Firm Value. *Organization Science*, 27(1):173-188. https://doi.org/10.1287/orsc.2015.1030

Dennis, B. S., Buchholtz, A. K., & Butts, M. M. (2009). The Nature of Giving. A theory of Planned Behaviour Examination of Corporate Philanthropy. *Business & Society*, *48*(3), 360-384. https://doi.org/10.1177/0007650307305368

FASB. (1993). Statement of financial accounting standards No. 116: Accounting for contributions received and contributions made. Norwalk: Financial Accounting Standards Board.

Gan, A. (2006). The Impact of Public Scrutiny on Corporate Philanthropy. *Journal of Business Ethics*, *69*(3), 217-236. https://doi.org/10.1007/s10551-006-9087-4

Gautier, A., & Pache, A. C. (2015). Research on Corporate Philanthropy: A Review and Assessment. *Journal of Business Ethics*, *125*(3), 343-369. https://doi.org/10.1007/s10551-013-1969-7

Gao, T. Q., & Hafsi, T. (2015). Government Intervention, Peers' Giving and Corporate Philanthropy: Evidence from Chinese Private SMEs. *Journal of Business Ethics*, *132*(2), 433-447. https://doi.org/10.1007/s10551-014-2329-y

Godfrey, P. C. (2005). The Relationship Between Corporate Philanthropy and Shareholder Wealth: A Risk Management Perspective. *Academy of Management Review*, *30*(4), 777-798.

Hogarth, K., Hutchinson, M., & Scaife, W. (2018). Corporate Philanthropy, Reputation Risk Management and Shareholder Value: A Study of Australian Corporate giving. *Journal of Business Ethics*, *151*(2), 375-390. https://doi.org/10.1007/s10551-016-3205-8

Jaworski, B. J., & Kohli, A. K. (1993). Market orientation: Antecedents and consequences. Journal of Marketing, 57(3), 53-71.

Kabongo, J. D., Chang, K. Y., & Li, Y. (2013). The Impact of Operational Diversity on Corporate Philanthropy: An Empirical Study of US Companies. *Journal of Business Ethics*, *116*(1), 49-65. https://doi.org/10.1007/s10551-012-1445-9

Kenton, W., & Mansa, J. (2021, April 1). *What is an industry?* Investopedia. Retrieved May 9, 2021, from https://www.investopedia.com/terms/i/industry.asp

La Cour, A., & Kromann, J. (2011). Euphemisms and hypocrisy in corporate philanthropy. *Business Ethics-A European Review*, *20*(3), 267-279. https://doi.org/10.1111/j.1467-8608.2011.01627.x

Lee, H., Park, T., Moon, H. K., Yang, Y., & Kim, C. (2009). Corporate philanthropy, attitude towards corporations, and purchase intentions: A South Korea study. *Journal of Business Research*, *62*(10), 939-946. https://doi.org/10.1016/j.jbusres.2008.08.007

Li, S. H., Song, X. Z., & Wu, H. Y. (2015). Political Connection, Ownership Structure, and Corporate Philanthropy in China: A Strategic-Political Perspective. *Journal of Business Ethics*, *129*(2), 399-411. https://doi.org/10.1007/s10551-014-2167-y

Liket, K., & Simaens, A. (2015). Battling the Devolution in the Research on Corporate Philanthropy. *Journal of Business Ethics*, *126*(2), 285-308. https://doi.org/10.1007/s10551-013-1921-x

Luo, J. H., Xiang, Y. G., & Zhu, R. C. (2017). Military top executives and corporate philanthropy: Evidence from China. *Asia Pacific Journal of Management*, *34*(3), 725-755. https://doi.org/10.1007/s10490-016-9499-3

Marquis, C., & Tilcsik, A. (2016). Institutional Equivalence: How Industry and Community Peers Influence Corporate Philanthropy. *Organization Science*, *27*(5), 1325-1341. https://doi.org/10.1287/orsc.2016.1083

Mescon, T. S., & Tilson, D. J. (1987). Corporate Philanthropy - A strategic approach to the bottom-line. *California Management Review*, *29*(2), 49-61. https://doi.org/10.2307/41165238

Mithani, M. A. (2017). Liability of Foreignness, natural disasters, and corporate philanthropy. *Journal of International Business Studies*, *48*(8), 941-963. https://doi.org/10.1057/s41267-017-0104-x

Moir, L., & Taffler, R. J. (2004). Does Corporate Philanthropy Exist? Busines giving to the Arts in the UK. *Journal of Business Ethics*, *54*(2), 149-161. https://doi.org/10.1007/s10551-004-1777-1

Muller, A., & Kraussl, R. (2011). The Value of Corporate Philanthropy During Times of Crisis: The Sensegiving Effect of Employee Involvement. *Journal of Business Ethics*, *103*(2), 203-220. https://doi.org/10.1007/s10551-011-0861-6

Muller, A. R., Pfarrer, M. D., & Little, L. M. (2014). A Theory of Collective Empathy in Corporate Philanthropy Decisions. *Academy of Management Review*, *39*(1), 1-21. https://doi.org/10.5465/amr.2012.0031

Patten, D.M. Does the Market Value Corporate Philanthropy? Evidence from the Response to the 2004 Tsunami Relief Effort. *Journal of Business Ethics* **81,** 599–607 (2008). https://doi.org/10.1007/s10551-007-9534-x

Porter, M. E., & Kramer, M. R. (2002). The Competitive Advantage of Corporate Philanthropy. *Harvard Business Review*, *80*(12), 56.

Prahalad, C. K., & Hamel, G. (1990). The core competence of the corporation. Harvard Business Review, 68(3), 79-92.

Qian, C., Gao, X., & Tsang, A. (2015). Corporate Philanthropy, Ownership Type, and Financial Transparency. *Journal of Business Ethics*, *130*(4), 851-867. https://doi.org/10.1007/s10551-014-2109-8

Ricks, J. M., & Willams, J. A. (2005). Strategic Corporate Philanthropy: Addressing frontline talent needs through an educational giving program. *Journal of Business Ethics*, *60*(2), 147-157. https://doi.org/10.1007/s10551-005-1175-3

Sanchez, C. M. (2000). Motives for Corporate Philanthropy in El Salvador: Altruism and Political Legitimacy. *Journal of Business Ethics*, *27*(4), 363-375. https://doi.org/10.1023/A:1006169005234

Szocs, I., Schlegelmilch, B. B., Rusch, T., & Shamma, H. M. (2016). Linking cause assessment, corporate philanthropy, and corporate reputation. *Journal of the Academy of Marketing Science*, *44*(3), 376-396. https://doi.org/0.1007/s11747-014-0417-2

Seifert, B., Morris, S. A., & Bartkus, B. R. (2003). Comparing big givers and small givers: Financial Correlates of Corporate Philanthropy. *Journal of Business Ethics*, *45*(3), 195-211. https://doi.org/10.1023/A:1024199411807

Smith, C. (1994). The New Corporate Philanthropy. *Harvard Business Review*, *72*(3), 105-116.

Tan, J., & Tang, Y. J. (2016). Donate Money, but Whose? An Empirical Study of Ultimate Control Rights, Agency Problems, and Corporate Philanthropy in China. *Journal of Business Ethics*, *134*(4), 593-610. https://doi.org/10.1007/s10551-014-2386-2

Tilcsik, A., & Marquis, C. (2013). Punctuated Generosity: How Mega-events and Natural Disasters Affect Corporate Philanthropy in US Communities. *Administrative Science Quarterly*, *58*(1), 111-148. https://doi.org/10.1177/0001839213475800

Tonin, M., & Vlassopoulos, M. (2015). Corporate Philanthropy and Productivity: Evidence from an Online Real Effort Experiment. *Management Science*, *61*(8), 1795-1811. https://doi.org/10.1287/mnsc.2014.1985

Van Cranenburgh, K. C., & Arenas, D. (2014). Strategic and Moral Dilemmas of Corporate Philanthropy in Developing Countries: Heineken in Sub-Saharan

Africa. *Journal of Business Ethics*, *122*(3), 523-536. https://doi.org/10.1007/s10551-013-1776-1

Varadarajan, P. R., & Menon, A. (1988). Cause-related marketing - a coalignment of marketing strategy and corporate philanthropy. *Journal of Marketing*, *52*(3), 58-74. https://doi.org/10.2307/1251450

Wang, H. L., Choi, J. P., & Li, J. T. (2008). Too little or too much? Untangling the relationship between corporate philanthropy and firm financial performance. *Organization Science*, *19*(1), 143-159. https://doi.org/10.1287/orsc.1070.0271

Wang, H. L., & Qian, C. L. (2011). Corporate Philanthropy and Corporate Financial Performance: The Roles of Stakeholder Response and Political Access. *Academy of Management Journal*, *54*(6), 1159-1181. https://doi.org/10.5465/amj.2009.0548

Wang, J., & Coffey, B. S. (1992). Board Composition and Corporate Philanthropy. *Journal of Business Ethics*, *11*(10), 771-778. https://doi.org/10.1007/BF00872309

Table 1

Rank Order of Journals Publishing Quality Corporate Philanthropy and Related Philanthropy Papers

Journal	***# Publications***	***Cumulative***	***Percent***
Journal of Business Ethics	34	34	57%
Harvard Business Review	2	36	3%
Academy of Management Review	2	38	3%
Journal of Marketing	1	39	2%
Administrative Science Quarterly	2	41	3%
Academy of Management Journal	1	42	2%
Organization Science	3	45	5%
California Management Review	1	46	2%
MIT Sloan Management Review	1	47	2%
Journal Business Research	1	48	2%
Management Science	1	49	2%
Business & Society	2	51	3%
Journal of Business	1	52	2%
Business Ethics – A European Review	1	53	2%
Business History	1	54	2%
Asia Pacific Journal of Management	2	56	3%
Journal of Management Studies	1	57	2%
Journal of International Business Studies	1	58	2%
Journal of the Academy of Marketing Science	1	59	2%
Business Horizons	1	60	2%

Table 2

Definitions of Corporate Philanthropy

Title	***Authors***	***Journal***	***Citations***	***Corporate Philanthropy Definition***
The competitive advantage of corporate philanthropy, 2002	Porter; Kramer	Harvard Business Review	1194	Philanthropy is used as a form of public relations or advertising, promoting a company’ s image or brand through cause-related marketing or other high-profile sponsorships.
The relationship between corporate philanthropy and shareholder wealth: A risk management perspective, 2005	Godfrey	Academy of Management Review	905	A robust operational definition of Philanthropy can be drawn from the accounting literature: philanthropy is “ an unconditional transfer of cash or other assets to an entity or a settlement or cancellation of its liabilities in a voluntary nonreciprocal transfer by another entity acting other than as an owner. A discretionary manifestation of CSR that differs in kind (not merely in degree) from the obligatory conformance with economic, legal, or moral/ethical dimensions of CSR.

The New Corporate Philanthropy, 1994	*Too Little or Too Much? Untangling the Relationship between Corporate Philanthropy and Firm Financial Performance, 2008*	*Corporate Philanthropy and Corporate Financial Performance: The roles of Stakeholder Response and Political Access, 2011*
Smith	Wang;Choi; Li	Wang; Qian
Harvard Business Review	Organization Science	Academy of Management Journal
170	256	431
Businesses are backing philanthropic initiatives with real corporate muscle. In addition to cash, they are providing nonprofits with managerial advice, technological and communications support, and teams of employee volunteers. In other words, these companies have become corporate citizens.	Corporate philanthropy is generally considered a component of the larger domain of corporate social responsibility. It is, by definition, gifts given by corporations to social and charitable causes, such as support for education, culture or the arts; minorities or healthcare; or for relief funds for victims of natural disasters (Godfrey 2005). Corporate philanthropy often extends beyond areas that are directly associated with a corporation's economic activities or legal requirements. As identified by Carroll…Corporate philanthropy fits within the discretionary category	Corporate philanthropy involves gifts or monetary contributions given by corporations to social and charitable causes, such as those associated with education, culture, the arts, minorities, health care, and disaster relief. Governments may also rely on corporate charitable work because it reduces governmental burdens. As a result, corporate philanthropy helps firms achieve sociopolitical legitimacy.

Research on Corporate Philanthropy: A Review and Assessment	*Comparing Big givers and small givers: Financial correlate of corporate philanthropy. 2003*
Gautier; Pache	Seifert; Morris; Bartkus
Journal of Business Ethics	Journal of Business Ethics
143	154
Defined as voluntary and unconditional transfers of cash or other assets by private firms for public purposes (FASB,1993). States that the definitions in the past feature different rationales. Altruistic and for-profit represent two ends of a continuum along which it is possible to sort different variations of corporate philanthropy. Examines corporate philanthropy across this spectrum in three forms: 1. Corporate philanthropy as commitment to the common good (voluntary) 2. Corporate philanthropy as community investment (voluntary and long-term) 3. Corporate philanthropy as marketing	The primary forms of corporate philanthropy are cash donations given to charities in-kind gifts of a firm' s products, services, use of facilities, or managerial expertise; and cash donations given indirectly to charities through a corporate-sponsored foundation, which is a legal entity separate from the firm.

The Promise of a Managerial Values Approach to Corporate Philanthropy, 2007	*The Keys to Rethinking Corporate Philanthropy, 2005*	*A Theory of Collective Empathy in Corporate Philanthropy*	*Motives for Corporate Philanthropy in El Salvador: Altruism and Political Legitimacy, 2000*
Choil; Wang	Bruch; Walter	Muller; Pfarrer; Little	Sanchez
Journal of Business Ethics	MIT Sloan Management Review	Academy of Management	Journal of Business Ethics
66	69	73	103
Corporate philanthropy is, by definition, gifts given by corporations to social charitable causes. It is generally considered as a component of the larger domain of corporate social responsibility. Carroll identifies four levels of corporate social responsibility: economic, legal, ethical, and discretionary.	The engagement of corporate philanthropy is part of a larger framework of corporate social responsibility that also covers issues such as ethical business conduct, diversity, and protection of the environment. There are four types of corporate philanthropy: peripheral, strategic, dispersed, constricted philanthropy.	Corporate philanthropy is a type of organizational social engagement that involves the allocation of time, money, or goods aimed at addressing a social need.	A classic definition of corporate philanthropy is the " charitable transfer of firm resources at below market prices (Lehman and Johnson, 1970). In an attempt to clarify the definition, Jones (1994) has noted that corporate philanthropy fits well with the notion of the discretionary responsibility of business. This discretionary responsibility involves a firm' s choosing how it will voluntarily allocate its slack resources to charitable or social service activities that are not business related and for which there are no clear social expectations as to how the firm should perform.

Corporate Philanthropy and Productivity: Evidence from an Online Real Effort Experiment, 2015	*The Impact of Public Scrutiny on Corporate Philanthropy, 2006*	*A Moral Basis for Corporate Philanthropy, 1993*
Tonin; Vlassopoulos	Gan	Shaw; Post
Management Science	Journal of Business Ethics	Journal of Business Ethics
42	58	66
Consistent with this finding of lack of gradient in the response to different levels of social incentives, in reality, firms employ a variety of corporate philanthropy practices: some firms link their charitable activities to performance, for instance, by pledging to contribute a given percentage of their profits or revenues, whereas other firms opt not to link their corporate philanthropy budget to profits—at least not in an explicit way.	As it exists today, corporate philanthropy is in many ways a compromise or, perhaps more accurately, a conflicted synthesis of the two points of view. Companies may make charitable donations, but they do so under profit-maximizing constraints. This impurely altruistic donation of corporate resources " to address non-business community issues that also benefit the firm' s strategic position and ultimately, its bottom line" which is known as strategic philanthropy.	Corporate giving is an extension of personal giving, but there is an important difference – it is roughly the difference between you giving away tour money and you giving away mine (Friedman, 1970). After reviewing several well-publicized examples of corporate philanthropy…a third legal commentator concluded that " two propositions seem valid: (1) any gift can be couched in such terms (enhancing the overall good will of the corporation by improving the corporation' s reputation and promoting favorable public attitudes toward it) as to promise the kinds of intangible, long-run benefits held by the courts as legally sufficient; and (2) any charitable contribution to the generally recognized social causes thus benefit the corporation" (green, 1990).

Government Intervention, Peers' Giving and Corporate Philanthropy; Evidence from Chinese Private SMEs. 2015	*The Nature of Giving A Theory of Planned Behaviour Examination of Corporate Philanthropy. 2009*
Gao; Hafsi	Dennis; Buchholtz; Butts
Journal of Business Ethics	Business and Society
40	41
Corporate philanthropy, a form of corporate social responsibility and a dimension of corporate social performance… Corporate philanthropy is believed by some scholars to have strategic value and could help to establish a firm's brand recognition and loyalty., enhance its image, increase reputation capital, and build an environment which favours the firm's strategic position.	Philanthropy is a strategic process to the extent that managers seek to use corporate giving as an integral part of the firm's strategy. The strategic perspective of corporate philanthropy can be further delineated into economic or political components. The economic view of strategic philanthropy posits that firms engage in philanthropy as a means by which to enhance the financial performance of the organisation. The political perspective holds that firms engage in corporate philanthropy because of political and institutional pressures exerted on the firm by key environmental actors. Altruistic model: engage in corporate philanthropy with the intent to make society a better place. The rationale behind philanthropy is of a moral nature – managers have a moral responsibility to distribute the firm's resources in a manner that promotes the overall welfare of society.

Corporate Philanthropy, Ownership Type, and Financial Transparency, 2015	*Corporate Philanthropy – Analysis of Corporate Contributions*	*Institutional Equivalence: How Industry and Community Peers Influence Corporate Philanthropy*
Culi; Gao; Tsang	Johnson	Marquis; Tilcsik
Journal of Business Ethics	Journal of Business	Organization Science
35	37	39
Corporate philanthropy, as an important dimension of corporate social responsibility A growing number of stakeholders, including those who have direct relationships with firms such as employees, customers, suppliers, shareholders, and even the government have come to perceive corporate philanthropy.	Business corporations contribute to literary, scientific, religious, charitable, educational, and other humanitarian organizations.	Corporate philanthropy is an activity that any firm might engage in, which allows us to make meaningful comparisons across a wide range of industries. Second, this is a setting in which the simultaneous influence of industry and community institutional cues is clear and readily analyzable. While research has indicated that institutional influences from a firm' s focal industry are key to understanding philanthropic actions (Wolch 1995, Brammer and Millington 2005), the literature also highlights the effect of local environments on corporate philanthropy (Marquis et al. 2007, Tilcsik and Marquis 2013). Thus, when making decisions about philanthropy, " firms not only benchmark against other firms within their industry, but also against other [firms], particularly those within their local geographic context" (Bertels and Peloza 2008, pp. 60–61)

Euphemisms and hypocrisy in Corporate Philanthropy,2011	*Battling the Devolution in the Research on Corporate Philanthropy, 2015*	*The Value of Corporate Philanthropy During Times of Crisis: The Sense giving Effect of Employee Involvement, 2011*
La Cour; Kromann	Liket; Simaens	Muller; Kraussl
Business Ethics – A European Review	Journal of Business Ethics	Journal of Business Ethics
32	33	34
Some have noticed this co-existence of economic and philanthropic activities and see it as a sincere attempt to inject some humanity into the mechanisms of the market economy (Carroll 1991, Shaw & Post 1993, Martin 1998, Sanchez 2000, Saiia 2001, Campbell et al. 2002). For others, this co- existence should not be seen as a new humanism in corporate conduct but rather as a win–win situation for both corporations and society (Moore 1995, Pearson 2000, Porter & Kramer 2002; 2006). Others again maintain a difference between economic and philanthropic considerations using a variety of distinctions: corporate donations with benefits vs. a true corporate benevolence (Campbell et al. 1999); ‘ strategic philanthropy’ vs. ‘ corporate philanthropy’ (Burlingame & Frishkoff 1996); ‘ strategic philanthropy’ and ‘ philanthropic strategy’ (Post & Wad- dock 1995). At the opposite end of the scale, we find researchers arguing that philanthropy can never be strategic and based on an economic foundation (Shaw & Post 1993, Martin 1998, Campbell 2006).	Corporate philanthropy is “ the voluntary business giving of money, time or in-kind goods, without any *direct* commercial benefit, to one or more organizations whose core purpose is to benefit the community’ s welfare” – Madden et al (2006, p. 49).	While corporate philanthropy might always be controversial to some degree given its ‘ ‘ discretionary’ ’ nature (Carroll, 1991), we consider a context in which philanthropy may have been particularly contested: the 2005 Hurricane Katrina disaster. Disaster donations are an increasingly prominent element of corporate philanthropy (Crampton and Patten, 2008; Muller and Whiteman, 2009) that some research suggests may be favorably received by investor

Donating Money to Get Money: The Role of Corporate Philanthropy in Stakeholder Reactions to IPO's, 2014	*The Impact of Operational Diversity on Corporate Philanthropy: An Empirical Study of US Companies, 2013*	*Strategic Corporate Philanthropy: Addressing frontline talent needs through an educational giving program, 2005*
Jia; Zhang	Kabongo; Chang; Li	Ricks; Williams
Journal of Management Studies	Journal of Business Ethics	Journal of Business Ethics
27	28	31
Previous studies mainly assume that corporate philanthropy provides direct cash- flow benefits to corporations and thus results in good CFP (Peloza, 2009), which is only true if stakeholders perceive information about corporate philanthropy as good and exhibit supportive behaviour towards those firms in return. Whether corporate philanthropy is 'good' or 'bad', however, depends on the stakeholders' investment horizons, but few studies consider that an important factor in whether companies derive tangible benefits from stakeholders (Doh et al., 2010; Ioannou and Serafeim, 2010) in this context.	This perspective of resource dependence theory suggests that corporate philanthropy is a means by which a firm can exercise control over the allocation and use of resources. Corporate philanthropic activities are discretionary responsibilities of top managers such as CEOs. Carroll (1979) conceptualizes that corporate philanthropy is a discretionary responsibility over and above economic, legal, and ethical obligations. Carroll (1979) argues that it could be expected that there would be little pressure on executives to exercise such responsibilities and so managers may choose to give to charities if they have abundant resources.	Corporate philanthropy describes the action when a corporation voluntarily donates a portion of its resources to a societal cause.

Corporate Philanthropy, Reputation Risk Management and Shareholder Value: A Study of Australian Corporate Giving, 2018	*Strategic and Moral Dilemmas of Corporate Philanthropy in Developing Countries: Heineken in Sub-Saharan Africa*, 2014	*Liability of Foreignness, natural disasters, and corporate philanthropy*, 2017
Hogarth; Hutchinson; Scaife	Van Craneburgh; Arenas	Mithani
Journal of Business Ethics	Journal of Business Ethics	Journal of International Business Studies
23	24	25
As corporate philanthropy is a product that can be marketed to the public (Collins 1994; Lowengard 1989; Simon 1995), it is an investment of resources that has a longer term benefit to the firm (Bennett 1997) through enhanced reputation. Bruch and Walter (2005, p. 50) suggest ‘only philanthropic activities that both create true value for the beneficiaries and enhances the company’s business performance are sustainable in the long run’.	More recently, Porter and Kramer (2011) stressed the nexus between corporate philanthropy and business strategies and linked social and environmental gain to profits. The Erasmus Centre for Strategic Philanthropy (ECSP) aims to contribute to the overall performance and effectiveness of the ‘voluntary action for the public good’ (Meijs 2010). Meijs notes the impact of both philanthropic time and money, and mentions ‘controlled grant-making endowments from operating organisations’ as one of the planks of modern philanthropy	N/A Philanthropic contribution: any donation, grant, gift, help, assistance, aid, charity, alms, or otherwise, given for any charitable, social, educational, national defence, scientific, purpose or [to] any organization or activity (formal or informal) having the object of promoting commerce, art, science, religion, charity or other useful object.

Corporate Philanthropy and Tunneling: Evidence from China, 2018	*Donate Money, But Whose? An Empirical Study of Ultimate Control Rights, Agency Problems, and Corporate Philanthropy in China, 2016*
Chen; Dong; Tong; Zhang	Tan; Tang
Journal of Business Ethics	Journal of Business Ethics
21	22
Described as gifts or monetary contributions given by corporations to social and charitable causes, corporate philanthropy has long been categorized as a component of the larger domain of corporate social responsibility. Firms give philanthropic donations for various reasons. For instance, many firms involve themselves in charitable work to promote a socially responsible public image and generate positive moral capital among communities (Godfrey 2005). Such firms can enhance their relationships with primary stakeholders such as governments and obtain/se- cure critical resources controlled by those stakeholders (Saiia et al. 2003; Berman et al. 1999).	Corporate philanthropy has many benefits: It improves the reputations of controlling shareholders and managers, offers greater managerial utility (Atkinson and Galaskiewicz 1988; Galaskiewicz 1997; Haley 1991), can create and maintain stable political–commercial relationships (through political philanthropy) (Neiheisel 1994; Sa´nchez 2000), increases political legitimacy (Ma and Parish 2006; Wang and Qian 2011), and enhances a firm' s corporate reputation (Brammer and Millington 2005; Cumming and Johan 2007; Fisman et al. 2005) and performance (Brammer et al. 2006; Orlitzky et al. 2003; Saiia 2002; Sa´nchez 2000; Wokutch and Spencer 1987). Philanthropic behaviors also might reduce monitor- ing by minority shareholders (Doh and Guay 2006; Ma and Parish 2006; Marquis et al. 2007; Neiheisel 1994; Sa´nchez 2000; Scherer and Palazzo 2007; Turban and Greening 1997; Wang and Qian 2011) and obscure any questionable activities of ultimate firm controllers.

Linking Cause Assessment, Corporate Philanthropy, and Corporate Reputation,2016	Szocs; Schlegelmilch; Rusch; Shamma	Journal of the Academy of Marketing Science	21	CP is not uniformly defined; some scholars (e.g., Carroll 1991) view CP as an integrative part of CSR, while others (e.g., Dowling and Pfeffer 1975; Chen et al. 2008) see it as an independent instrument to gain social legitimacy. Although there are growing expectations of firms' charitable activities, these are generally described as entirely voluntary (Hemingway and Maclagan 2004), and decisions concerning CP are often at management's discretion (Buchholtz et al. 1999).

VITA AUCTORIS

NAME:	Priya Sharma
PLACE OF BIRTH:	Windsor, ON
YEAR OF BIRTH:	1997
EDUCATION:	Vincent Massey Secondary High School, Windsor, ON, 2015
	University of Windsor, B. Comm., Windsor, ON, 2019
	University of Windsor, MBA., Windsor, ON, 2021