

Submittable 

How Community Investment Fits into Your CSR Strategy



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Introduction

For businesses to succeed in this day and age, profit isn't enough. In fact, **75% of Americans** say that it's not acceptable for companies to just make money. **Your organization needs to have a purpose.**

Not only do customers and employees demand it, but recent events have helped remind everyone that **businesses and communities thrive together.** Climate change, social injustice, public health crises—these issues have negative outcomes for everyone.

Many corporate leaders increasingly understand the interdependence between communities and business. That's where corporate social responsibility (CSR) comes in—not as a PR measure, but with an appreciation that corporations are uniquely positioned to help address some of the world's biggest problems.



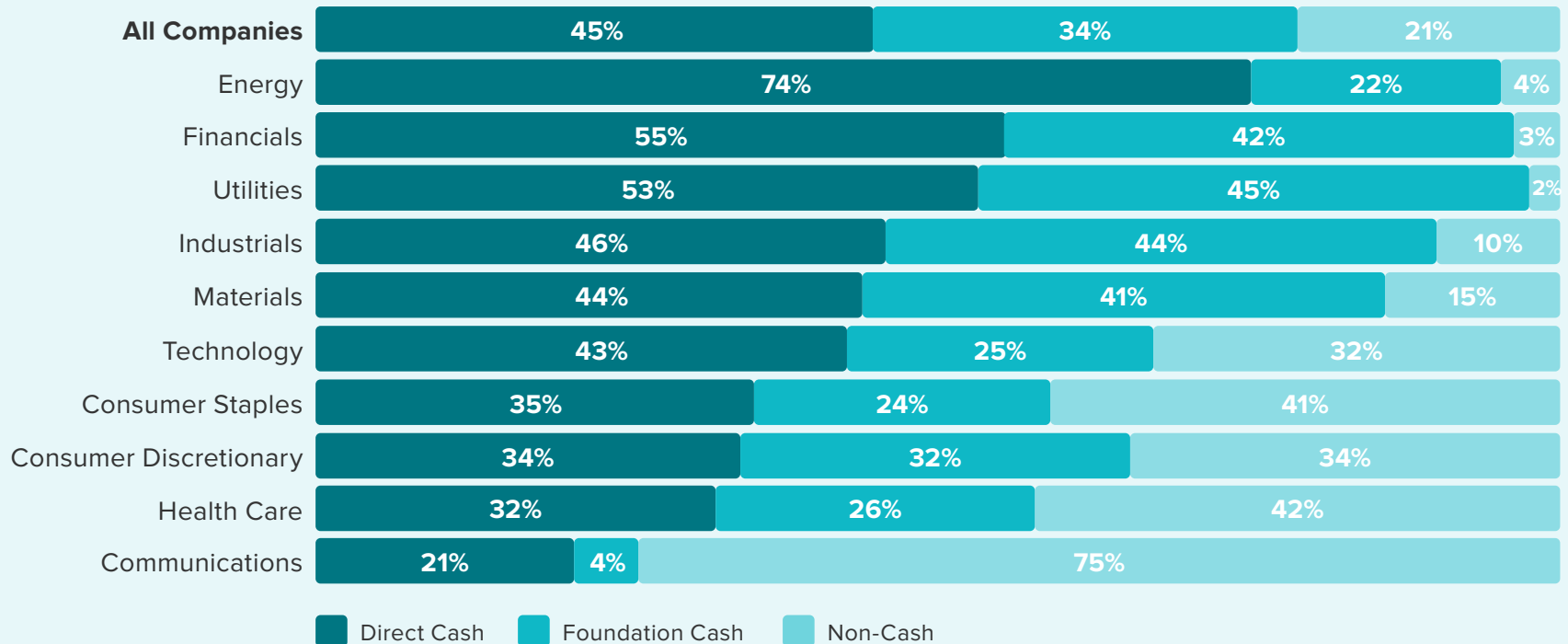
Community investment is a great way to put resources toward urgent and long-term community needs. In doing so you're helping the people who matter most—your customers and employees. But also you're helping to **create a stronger social fabric that contributes to a more just, sustainable, and equitable world.**

The truth is, at this point, if you're not investing in your community, you're behind. The latest [CECP Giving in Numbers Report](#) shows that top companies are more dedicated to community investment than ever before.

But what does it mean to invest in community? Let's dig in.

Community Investment Funding Breakdown

Insights from CECP's survey of 230 top companies



What does community investment look like?

When it comes to shaping a community investment program, different organizations take different approaches based on their unique goals and capacity.

Programs vary in scope. Take geography for example—you can be focused locally, nationally, or globally. Corporations consider the resources they have available as well as their company identity to help determine the scope of their community investment.

For example, in 2019 [Microsoft pledged \\$500 million](#) to help build affordable housing in Seattle, the home of the company's headquarters. Not only does this help the local community begin to solve a complex social problem, but it creates better conditions for Microsoft's employees as well.

Beyond geography, you can direct resources to an entire community or **consider focusing your investment on specific populations** such as children, immigrants, BIPOC individuals,

the LGBTQ community, artists, or employees.

For instance, [Prudential Financial went global](#) with their effort focused on promoting financial wellness for young people. They put \$180 million toward helping 15-29 year olds who lacked access to school or job training.

Community investments can be directed at almost any social good—from anti-poverty programs to initiatives around sustainable energy to reducing inequality to improving education—the possibilities are endless. The United Nations's [Sustainable Development Goals](#) can provide a good framework for thinking about your program mission.

Though many community investment initiatives are built on cash donations or [grants](#), you can also shape your program around in-kind donations, scholarships, investment funds, or [corporate volunteering](#).



The benefits of community investment *

Too often, when corporate leaders think about community investment, they frame the program around the money or time going out without taking into consideration the return on those investments.

But if you don't take into account the broader benefits of your program, you'll never quite understand the value. And likely, you'll underfund or underprioritize it.

With that in mind, let's drill down a little deeper into why community investment is also a *smart* investment.

Engaging employees

For employees, company purpose matters more than it ever has. In fact, according to a [recent report](#) 93% of employees surveyed believe companies must lead with purpose, and 70% of employees say they wouldn't work at a company without a strong purpose.

Employees want to be aligned with a company that is advancing social good. It gives their work deeper meaning and helps them feel part of something bigger than themselves.

Plus, an effective CSR program builds trust in management, encourages pride in the organization, and increases job satisfaction. These outcomes of course lead to better employee morale, stronger company culture, and loyalty.

This is great for employees and for the company. **Engaged employees do better work.** They're more invested in the outcomes. Plus they are much more likely to stick around. Recruiting and retaining employees is much easier when you have a clear company purpose and you can point to the ways you're putting those values into action.



Attracting customers

Consumers want to support companies that invest in their communities. It's no longer acceptable to focus only on the bottom line. Businesses need to step up and use their resources to help address complex social and environmental issues.

Building a community investment program helps your company **become a trusted brand**. You're showing that you're willing to prioritize the broader social good. Not only will this improve your customer loyalty, but the public will begin to associate your business with these values. And a strong reputation is always good for business.

Uplifting the community

There is a tendency sometimes for people to approach corporate philanthropy by thinking of the community as distinct and separate from the business. But that's not accurate—they are

inextricably interconnected.

Your community likely includes your customers and employees. Plus—as global disruptions have helped remind all of us—your community includes every person or resource along the supply chain. So what benefits the community as a whole often benefits your business too. **You're improving the very conditions that allow your business to thrive.** In that sense, your community investment efforts are also a long-term investment in your own future.

With a clear mission, a skilled team, and dedicated resources, your business is uniquely poised to help meet community needs. Plus, your community work can also help you build stronger partnerships with other organizations and with government entities—whether local, state, or federal.

Create a stronger social fabric that contributes to a more just, sustainable, and equitable world.



8

steps to build your community investment strategy



1 Get everyone on board

To be effective, your community investment program needs to be supported by **people at every level of your organization**. This buy-in is critical. It ensures that as your business grows and evolves, you'll continue to make community investment part of your mission.

Start with your leadership. Even if they won't be directly involved in building your program, you need their support. They are the ones setting the course for the whole company, and you want them to be wholeheartedly behind the mission. If they aren't, you risk having your efforts undercut over time. Plus, employees that don't see buy-in from leadership may be less likely to get behind your strategy—which will make it hard to get your program off the ground.

Your company leaders should understand the value of the program in terms of what it provides for the community, but also

in terms of the benefits to the business itself. Do the work on the front end to articulate what community investment means to your organization. Get [inspiration from others](#) as you build the business case for your work.

Though support from leadership is key, you want employees across the organization to be invested in the program's success. Consider [letting employees help shape your CSR priorities](#). Depending on the size and shape of your company, you can use a survey or open forum to let employees share their thoughts about what community issues they care about most.

Including employees not only ensures broader support for your program, but it helps **foster a culture of collaboration and openness**. Employees want to know that the company values their feedback.



2 Set a budget

It may sound straightforward, but setting a budget for your program requires some strategy. Incorporating the return on investment can be tricky. You have to **account for the benefits to your business**—if you don't, you'll undervalue and [underfund your efforts](#).

You also want your budget to be sustainable for the long term. Of course, you don't always know what the future will hold, but don't plan your program one year at a time. You want to create something that makes a lasting impact and that means **investing for the long term**.

Budgeting for any CSR program often requires a reorientation of values. When businesses focus exclusively on profit, they are often making financial decisions based on what's cheapest and fastest. But of course that leaves out so much. If you haven't already, you and your team need to start thinking about how **other valuations come into play such as equity and sustainability** and how those values are weighted as you make business decisions.

This shift will help drive your decision making around your community investment program, and it will likely shape how you think about your business practices on a broader scale

3 Choose a focus area

Now it's time to decide on a mission. Who do you want to serve? Will your efforts be local or global? Is there a specific cause you want to focus on?

Do your best to **align your program with your organization's identity**. This will help you lean into your strengths. Plus it ensures consistency in the way the community views your brand.

For example, Gibson Guitars launched [Gibson Gives](#) in 2002, a foundation dedicated to creating, developing, and supporting programs and other nonprofits focused on youth-centered or healing music initiatives. This is a natural fit for what the company already does and allows them to leverage their existing resources and forge connections that will serve them in both their community work and as a business.

It may not be quite as clear or straightforward, depending on your organization. But you want to choose a cause that makes sense for your work. Think about who you already serve, what services or products you provide, and consider how that can translate to your community investment program.



4 Connect with community partners

No matter what causes you frame your community investment program around, there's likely someone else already at work on addressing those issues. Don't see them as competition. In making a social impact, **collaboration is key**.

Seek out the organizations whose missions align with yours. They likely have helpful insights and a deeper understanding of community needs and values. Also, they've probably done the work to build trust with community members.

Partnerships with these organizations—whether nonprofits or [social enterprises](#)—can help you run a more effective program. They know what works and they've had practice putting their programs into action. Rather than starting from scratch, you can leverage the work they've already done to make your resources go further.

Connect with their teams to determine what your company and their organization bring to the table, whether missions overlap, and how you can **work together to make a bigger impact**.

For example [Miir](#)—a company that makes stainless steel water

bottles, coffee mugs, and more—uses community grants to build partnerships with grassroots organizations. Miir has provided support to nonprofits like [Kula](#), [Black Girl Ventures](#), [Bike Works](#), and others. This allows them to have a deep impact around the world without having to build from the ground up in each community.

Invest in these relationships for the long term. **Sustained partnerships can be the backbone to making lasting social change**. So stay in communication, respect the team's time and opinions, and look for ways to deepen the connection.

5 Determine the shape of your support

Now it's time to structure your program. To make these decisions, you want to consider **how the resources you have to offer intersect with community needs**.

If you're not quite sure what the community needs, ask! Making assumptions about what people value can lead you to create a program that isn't all that effective. Consider getting in touch with community leaders and organizations focused on the



causes you seek to address. Even if you think you know which approach to take, **these connections will help you build trust** as well as avoid duplicating efforts with others (or repeating their mistakes).

You can fold this direct community feedback into your program more formally by adopting [participatory practices](#). In short, this means that you're letting the community help set priorities and make decisions about how you distribute resources.

Of course, you want to create a program that is uniquely yours, but it's worth looking to others for inspiration. That might help you decide whether to create a scholarship program for students, provide grant funding for grassroots organizations, kick off a volunteer initiative, donate your products or services, seed an investment fund, develop an award for emerging talent, or something else all your own.

For example, [Mailchimp's Forward Project](#) recently awarded \$750,000 to social entrepreneurs in the Atlanta area. The company wants to support smaller organizations that are pursuing ambitious ideas. They've determined that giving [unrestricted grants](#) is the best way for them to help power change.

6 Refine the criteria for support

Once you have your program design in place, you want to start to think about how you will determine who to support. Will there be an application process?

This is where you get into the nitty-gritty details. You don't want your criteria for support to be too broad. Then you risk flooding your team with too many applicants and in the end wasting a lot of time.

On the flip side, you don't want to narrow your focus too much or you'll exclude people and organizations that align well with your mission.

It's a bit of a balancing act. One way to approach it is to **set some priorities within the criteria** you create. For example, if you aim to support local organizations combating the effects of climate change, perhaps you prioritize ones that focus on marginalized populations. That allows you to push some applicants toward the front of the line without having to exclude everyone who falls outside of that categorization.



For example, [South Plain Electric Cooperative](#) has a scholarship program for students who are members of the co-op or are related to a member. The team evaluates each student based on financial need as well as community involvement, awards and honors, and educational goals.

As you shape criteria, you want to think about how to best spread out your resources. You need to **weigh the breadth of your program against its depth**. Of course you want to maximize your reach, but you also want to give enough support to provide a real impact.

Think about it this way: Say you have \$100,000 to fund your grant program. You could give all \$100,000 to one organization. Or you could give 200 organizations \$500 each. For many programs, the right option is somewhere in the middle. You want to spread out your impact, but you don't want to spread it so thin it becomes meaningless. Maybe in this scenario you give four organizations \$25,000 each. The math will be unique to your company and what causes you seek to support.

YOUR ORGANIZATION NEEDS TO HAVE A PURPOSE

To be effective, your community investment program needs to be supported by people at every level of your organization.



7 Build your program infrastructure

Now that you have a clear shape and mission for your program, you need to create the structure that will help it run smoothly.

Decide who will manage your community investment program. Will it fall under HR? Or will you have a dedicated CSR manager or team? This will likely depend on the size, scope, and mechanics of your program. But keep in mind—like with any project, if CSR work is secondary to other priorities, it's likely to get swept aside at some point.

You also want to put tools and processes in place that will make the work as easy as possible on your team. **Choose tools that will streamline your work**, support equity, and help you build relationships. The last thing you want to do is get bogged down in administrative tasks and lose sight of the mission at hand.

For example, if you launch a grant program you might receive hundreds or thousands of applications. Using a grants management system like [Submittable](#) can save you from having those applications flood your email inbox—or worse—clog up your actual mailbox. Not only will it save your team time and energy, but it will give applicants clarity, speed up the review process, and prevent important information from being lost.

Invest in the right tools from the outset. It's much easier to start with the right system than to launch with not enough support and have to figure it out along the way. If you're curious what other organizations are using to support their work, reach out and ask them.



8 Measure your impact

Once you have your program up and running, you want to know whether it is indeed moving the needle. Are you making the impact you hoped to make?

The key is [choosing a framework](#) that will help you understand both the outputs (direct, short-term measurements) and outcomes (broader impacts) of your program.

For example, if you create a community investment program to address childhood hunger, you can likely measure how many meals you're able to provide to children in need. But it's also important to think beyond those hard numbers too. Perhaps providing meals might help improve the quality of life for children or boost their academic performance over time. Of course these outcomes can be trickier to trace, but it's worth thinking broadly to **take into account the full potential of your program**.

Not only do you want to know how your investment has made

a difference for the community, but you want to know how it's impacted your business. You could look at metrics such as sales or retention. You could also send out a survey to customers and employees.

Of course, the **effects of your program will fit into a larger context** for both your business and the community. For instance, you're probably doing more than just this one thing to boost sales and hang onto good employees. But this is an important piece of the puzzle.

[Measuring your impact](#) also helps you improve your program. Perhaps you realize that you're not having the impact you hoped you would. Or maybe you see an opportunity to expand what's working well. Either way, it's important to put time and effort into understanding the effects of your investment for both the long- and short-term.

Start now and make it last

To build a community investment program that creates meaningful change, you need to be strategic. Like any project, you'll find more success if you set clear objectives, build consensus, and plan for the long term.

In a world that's more connected and interdependent than ever, community investment is an incredible tool. Your company has the resources, the people, and the inspiration. Now it's time to get to work.

Find the right tools to support your work

As you look to build your community investment program, you want a solution that will empower your whole team, keep you connected to the community, and support equity. Submittable is a [social impact platform](#) designed to help you launch, manage, and measure your program, whatever shape it takes. [Get in touch](#) with our team today.



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