



LEFT TO RIGHT: Kate Benthien, philanthropy program manager for Allagash Brewing Co.; Emily Griffin, guest relations associate; Rob Ted, founder of Allagash Brewing; and brewer Hank Glasberg in the brewhouse in Portland. Allagash pledges 1% of its annual sales to Maine charitable organizations.

"The mix [of recipients] can be all over the place," says Benthien. But despite what she calls the committee's "free-form" selection process, she doesn't worry about the outcome.

"Staff take the process seriously," says Benthien, who advises the committee but has no say in its decisions. "It's time consuming, it can be tedious, but they know it's important to go through each application carefully. And for the most part, the committee is considering Allagash's core values in the process."

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— Donna Betts  
consultant

Allagash employees help channel the company's giving in other ways, too.

Instead of accepting tips from customers, employees in the brewery's tasting room accept gratuities as donations and in turn contribute them to a charity. Allagash also offers matching funds for employees' personal donations, and provides each employee up to 16 hours of paid time annually for volunteer activity.

Employee feedback even helps Allagash make decisions about other forms of giving, such as the company's in-kind donations of beer and merchandise. "Often we'll supply a [charitable] event, such as an auction, and the connection to it will come through an employee," Benthien says. "We're always relying on staff to give us guidance."

Coffee By Design, which operates a coffee roastery and coffee houses in Portland and Freeport, has relied on employee giving guidance since at least 1998. Just four years after the company's launch, it established the Rebel Blend Fund, which provides grants to Maine artists and small arts organizations.

The fund is built up with a \$1 donation for each pound of Rebel Blend coffee sold or brewed at CBD. A committee of eight to 10 employees, from each of the five coffee houses and other areas of the company, selects grant recipients in the fall. To date, CBD has given over \$80,000 in Rebel Blend Fund grants.

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# A new force in philanthropy

How employees are changing corporate giving

BY WILLIAM HALL

From global disaster relief to community micro-grants, businesses considering charitable gifts today have more choices to consider than ever. So do their employees.

And there's never been more at stake in determining what to support. U.S. corporations gave nearly \$2 billion in philanthropy during 2017, an 8% increase over the previous year and larger than the growth rates in giving by individuals, bequests and foundations.

Overall, charitable donations grew 5.2% from \$390 billion to over \$410 billion, the highest annual total since Indiana University began tracking the data more than 60 years ago.

At the state level, charitable giving totaled \$776 million in 2016, according

to the Maine Philanthropy Center. Corporate gifts represented 6% of that total, or roughly \$39 million, the center estimates.

Despite the large numbers, many businesses are giving in small, under-the-radar ways. And increasingly, the decisions about philanthropy are driven not by senior executives, but by the people who work for them.

"The traditional model of top-down, corporate-directed giving is no longer acceptable," reports a recent study by America's Charities, a national advocacy group for philanthropies.

"Workplace giving and employee engagement [are] alive and evolving at a very rapid pace."

## Employee philanthropists

Allagash Brewing Co. is a Maine business that has embraced the new model. The Portland brewer pledges 1% of its annual sale proceeds to charitable Maine organizations. Last year, this support totaled \$340,000, of which \$100,000 came through community grants awarded by employees, says Kate Benthien, Allagash Brewing's philanthropy program manager.

A committee of eight, drawn from throughout the 140-person company, selects grant recipients from dozens of applications that are received twice a year. Typically, Allagash makes seven to 10 awards in each round. Amounts average about \$8,000 in size, but have ranged from \$1,200 to \$12,000 since the grant program's launch in 2013.

The only award criteria: Funded organizations must be Maine-based nonprofits providing "access to basic human needs for the people of Maine."

Past recipients include the Center for Grieving Children and the Animal Refuge League of Greater Portland, and lesser-known groups such as Portland Wheelers, a nonprofit that offers access to adaptive forms of cycling for people with disabilities.

In 2017, the committee awarded a total of \$5,300 to three organizations: Bring the Arts Back to the Grange, a group restoring the Freeport Grange Hall as a cultural center; the Maine Storytelling Muster Outreach, which promotes and teaches storytelling as an art; and Make Music Day Portland, a summer festival of free concerts, instrument lessons and jam sessions.

From the start, company founders Mary Allen Lindemann and Alan Spear saw the fund as a response to a community need. Despite the economic boom of the late '90s, many Portland artists were losing financial support and other resources.

"The Rebel Blend Fund began because of these voices not heard," says Lindemann. "It was about how can we come together to give voice to those who don't have it."

Like the grants at Allagash, Rebel Blend Fund grants are made on broad criteria. The fund committee "looks for projects which somehow fall below the funding radar screen," according to the CBD website, and requires recipients to use the grants within

Maine. But otherwise, the committee has wide discretion.

Like their counterparts at Allagash, the CBD committee is diligent about its role, according to Lindemann.

"There's a lot of conversation, reading and note-taking," she says. "The committee feels it's making investments on behalf of our customers."

And like Benthien at Allagash, Lindemann has no vote in the funding decisions. But she says she sometimes meets with the committee and provides perspective on how its grant awards complement other forms of CBD giving and philanthropy from other local sources.

Last year, the company's charitable totaled "well into six figures," Lindemann says. In addition to the arts, CBD devotes much of its philanthropy to nonprofits bringing about needed social change, such as the Immigrant Legal Advocacy Project in Portland.

### Reasons to give

While employee participation giving is important, focusing that generosity is also essential, according to Lindemann. She urges businesses not to spread their resources thinly.

**What are you passionate about? Find that one thing or two, give whatever amount is significant for you, and grow from there. If you don't really believe in it, your support will be hollow.**

— Mary Allen Lindemann, Coffee By Design

"What are you passionate about? Find that one thing or two, give whatever amount is significant for you, and grow from there," she says. "If you don't really believe in it, your support will be hollow."

That's sound advice, according to Donna Betts, a Scarborough-based consultant who advises businesses on how to maximize the impact of their giving.

"When I work with a client, we often brainstorm about what touches their heart," she says. "It begins with that personal connection."

Betts worked as a fundraising professional for over 16 years before launching her consulting practice, Give With Purpose, in early 2018. Her clients have included a real estate group, a website design firm, a fitness center and other small and mid-size companies.

She believes a company's philanthropy program should be as distinct as its culture. Besides focusing on a passion or a heartfelt need, corporate giving decisions should weigh factors like budget, staff resources and a desired perception of the philanthropy.

"Giving money away is really part of your marketing budget," Betts says. "People want to do business with people who support the community."

Research bears her out.

A 2017 study by Cone Communications, a Boston public relations firm, found that 70% of Americans believe companies have an obligation to take action on issues and social needs outside their everyday business. And 87% would purchase a company's product because the company acted on issues they care about.

Employees also want to join such companies. In fact, another Cone study found that 98% of Americans consider a company's commitment to social and environmental causes when deciding where to work.

More and more, employees expect to shape that commitment.

"Businesses have begun to recognize the importance of personalizing their corporate giving strategies; in other words, ensuring their employees have a voice in the process," writes nationally known consultant Lori Munoz Malcolm in a recent blog.

"These days, companies are also encouraged to include staff in larger philanthropic decision-making, such as votes or discussions on where large corporate donation will go this year, and opening the floor to employee suggestions for new and unique fundraising."

Betts says, "The more progressive companies really want employees to be part of their giving, really understand how important that is today, especially for millennials." But she notes that not every business is ready to turn over major philanthropy decisions to junior staff. And that's OK.

"There's really no right or wrong way to give," she says. "It boils down to one thing: Philanthropy is good for business."

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Mary Allen Lindemann, co-founder of Coffee By Design, started the Rebel Blend Fund to provide grants to Maine artists and small arts groups.

