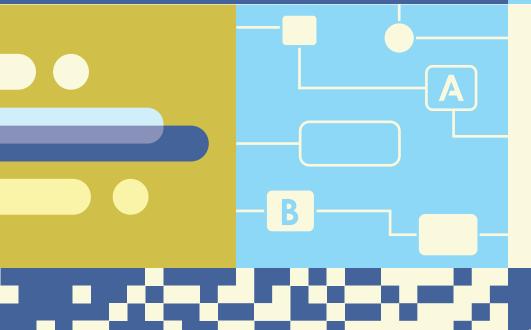
BCCC

COMMUNITY INVOLVEMENT STUDY

2025

ISSUES





BOSTON COLLEGE CENTER FOR CORPORATE CITIZENSHIP

CARROLL SCHOOL OF MANAGEMENT

COMMUNITY INVOLVEMENT 2025

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INTRODUCTION

Strategically aligned corporate community involvement and philanthropic giving programs generate substantial business value beyond traditional charitable contributions. Companies that integrate community investment within their core business strategies experience enhanced employee engagement, stronger stakeholder relationships, improved financial performance, and sustained competitive advantages. This evidence-based summary synthesizes the latest peer-reviewed research and industry data showing how strategic alignment transforms community involvement from a cost center into a value creation mechanism.

The Strategic Imperative for Aligned Community Investment

Beyond Traditional Philanthropy

Corporate community involvement has evolved significantly from traditional charitable giving to strategic value creation. Recent research has demonstrated that corporate involvement in community resilience governance, when aligned with business objectives, creates mutual benefits for both companies and communities.¹ This relationship creates integrated value-creation where business success and community well-being are interdependent.

Companies implementing strategic community involvement achieve measurable improvements in their organizational performance. A recent comprehensive study of corporate responsibility and financial performance found that companies engaging in strategic community investment gain enhanced trust and credibility with stakeholders, directly translate to improved financial outcomes,² with the strongest effects occurring in strategic giving programs when programs align with business

strategy and competencies.³ Research shows us that strategically aligned community involvement programs deliver value in specific ways:

FINANCIAL BENEFITS

Direct Financial Returns: Strategic philanthropic expenditures, when properly communicated and aligned with business strategy, significantly enhance firm value.⁴ Indeed, companies with transparent, strategically-focused giving programs showed higher market valuations than those with unfocused charitable activities.

Employee-Driven Value Creation: A recent longitudinal study demonstrated that corporate community involvement initiatives significantly boost financial performance through enhanced employee work engagement.⁵ Researchers observed that strategically coherent community programs increased employee engagement by 23 percent, translating to measurable improvements in financial performance.⁶

Risk Mitigation and Resilience: Companies with strategic community involvement programs demonstrate greater resilience during disruptions.7 Their empirical investigation across multiple industries showed that firms with aligned community investment strategies experienced 31% less operational disruption during crisis events compared to those without such programs.8

Reputation and Brand Value: Research shows that 67% of businesses report that strategic community involvement significantly improves brand image.9

Sustainable Performance: Researchers find that the positive relationship between strategic community involvement and financial performance strengthens over time, with companies showing cumulative benefits after 3-5 years of consistent strategic alignment.11

STAKEHOLDER RELATIONSHIP ENHANCEMENT

Customer and Community Impact: Customer perceptions of corporate community involvement significantly influence their satisfaction and subsequent firm value.12 One analysis revealed that perceived community investment positively impacts future earnings through enhanced customer evaluations, with these effects persisting long-term.

B2B Advantages: The same research demonstrated that community involvement impacts are significantly stronger in B2B contexts, where organizational alignment and adaptation between partners amplifies the value of community investment programs.¹³

INNOVATION AND COMPETITIVE ADVANTAGE

There is empirical evidence that corporate community involvement, when combined with stakeholder engagement, enhances both innovation capability and sustainable value creation.14 A study of 416 manufacturing firms found the following:

- Community involvement positively influences organizational learning
- Strategic alignment with stakeholder interests multiplies innovation outcomes
- Companies with aligned community programs show 35 percent higher innovation metrics

Implementation Evidence: What Works STRATEGIC ALIGNMENT MECHANISMS

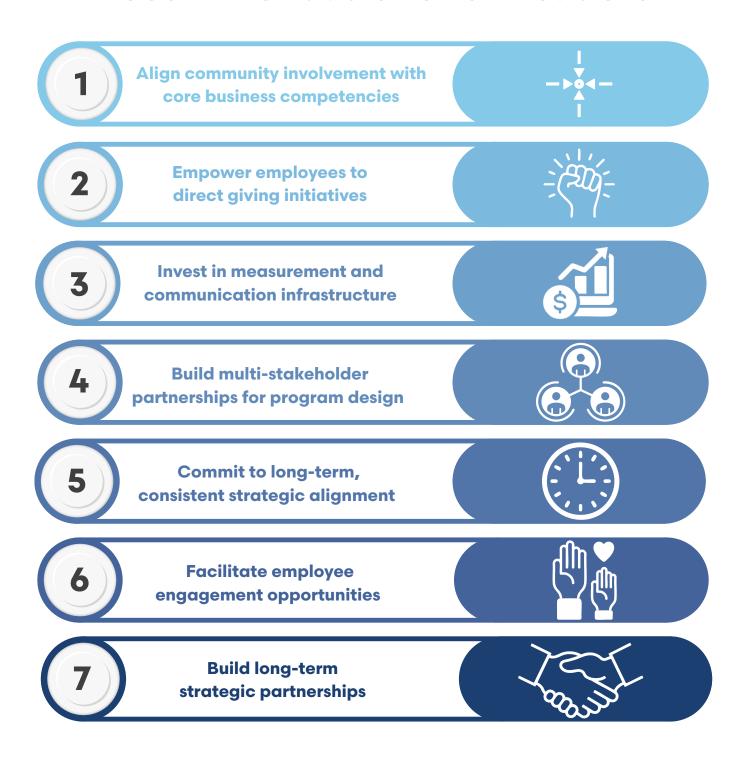
Research identifies critical success factors for community involvement programs:

Core Competency Leverage: Companies achieving the strongest performance improvements from community involvement are those that align programs with industry-specific competencies.¹⁵ For example:

- Financial services firms focusing on financial literacy programs
- Health-care companies investing in community health initiatives
- Technology companies supporting STEM education

Multi-Stakeholder Integration: Corporations integrating stakeholder interests into their community involvement strategies achieve superior performance outcomes. Companies engaging multiple stakeholder groups in program design and implementation experience enhanced legitimacy and support.16

Recommendations for Leaders



The Strategic Alignment of Corporate **Social Priorities**

Universal Priorities Signal Fundamental Social Needs

Across all industries, a clear hierarchy of social priorities has emerged, with basic needs (food and shelter) commanding attention from 60.5 percent of surveyed companies. This overwhelming focus reflects both the persistent challenges of economic inequality and companies' recognition that addressing fundamental human needs forms the foundation of community stability. The breadth of this commitment—spanning from financial services giants to transportation companies—suggests that basic needs support has become a core element of corporate citizenship.

Following closely, community and economic development (46.8 percent) and health and wellness (42.7 percent) round out the top tier of corporate social priorities, indicating that companies are taking a holistic view of community well-being that extends beyond immediate relief to long-term sustainability and vitality.

Industries Align Social Investments with Core Competencies

The data reveals sophisticated patterns of industry-specific prioritization that reflect both operational expertise and stakeholder expectations.

Financial services leads in overall social investment, demonstrating particularly strong commitment to financial literacy—a natural extension of their core business expertise. This sector's heavy investment in basic needs and community development initiatives positions financial institutions as anchors of community stability.

Health-care companies show predictable but crucial alignment in prioritizing health and wellness initiatives. This emphasis represents not just philanthropic giving but the strategic deployment of sector expertise to address public health challenges.

Health-care companies show predictable but crucial alignment in prioritizing health and wellness initiatives. This emphasis represents not just philanthropic giving but the strategic deployment of sector expertise to address public health challenges.

Technology and communication services companies distinguish themselves through dual priorities: environmental initiatives and STEM **education.** This pairing reflects both the sector's awareness of its environmental footprint from data centers and devices and its vested interest in developing future technical talent.

Materials/industrials firms notably prioritize environmental programs above all other social issues, with the chief exception of basic needs, acknowledging their direct environmental impact and resulting responsibilities. This represents a significant shift from traditional industrial philanthropy toward sustainability-focused social investment.

Conclusion

Empirical evidence overwhelmingly demonstrates that strategically aligned corporate community involvement and giving programs create substantial business value. Companies that integrate community investment with their core strategies by using core competencies to address issues relevant to their strategic operating context experience enhanced financial performance, stronger employee engagement, improved stakeholder relationships, and sustainable competitive advantages.

The key to success lies not in the amount given but in the strategic alignment between community programs and business objectives. As research has consistently shown, companies viewing community involvement as a strategic investment rather than charitable expense achieve superior returns across multiple dimensions of performance.

This strategic approach represents a fundamental shift in how businesses engage with communities—a shift from traditional philanthropy to integrated value creation systems where business success and community well-being reinforce one another. The evidence is clear: Strategic corporate community involvement is not just good for society; it's good for business.



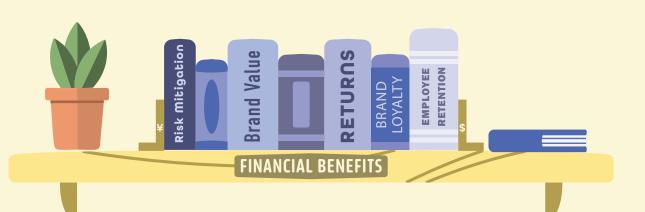
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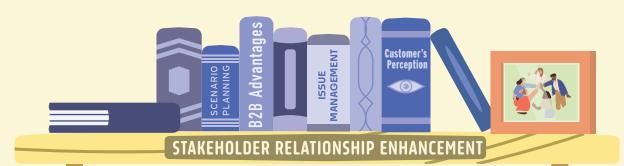
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Leadership in Community Involvement, Opportunity, Inclusion and Workforce Engagement, ESG Reporting, and Professional Services Sustainability. To learn more, visit **ccc.bc.edu**.

ALIGN YOUR CORPORATE STRATEGY WITH COMMUNITY INVOLVEMENT GOALS

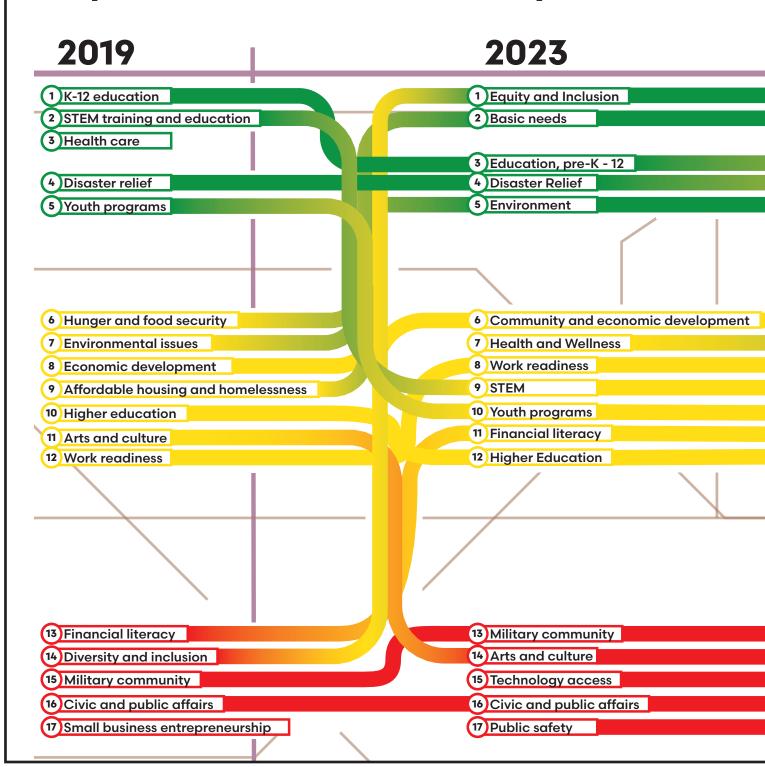






INNOVATION AND COMPETITIVE ADVANTAGE

Top Social Issues in Community Involvement



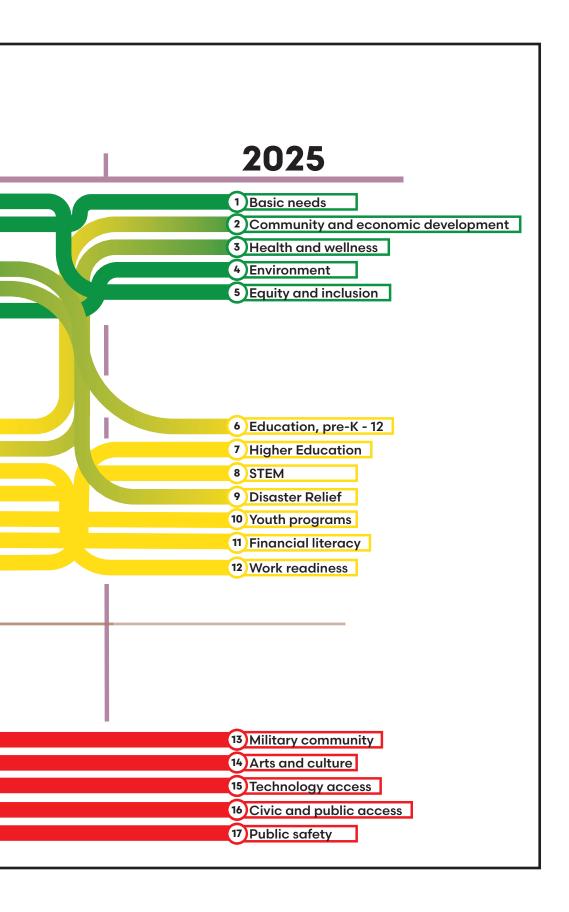
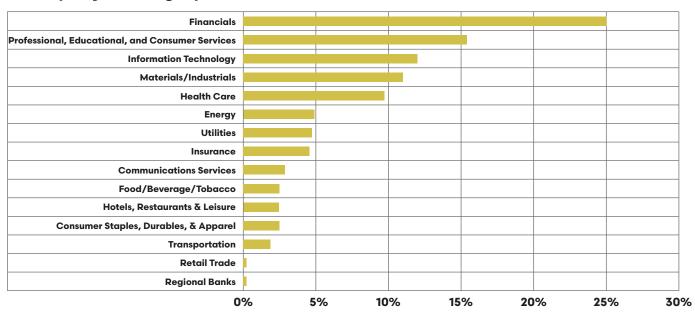
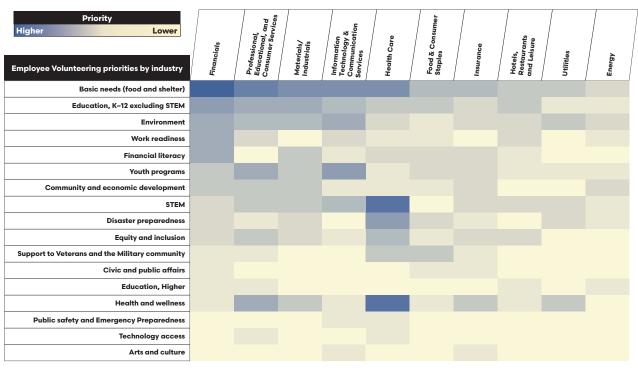


FIGURE 01

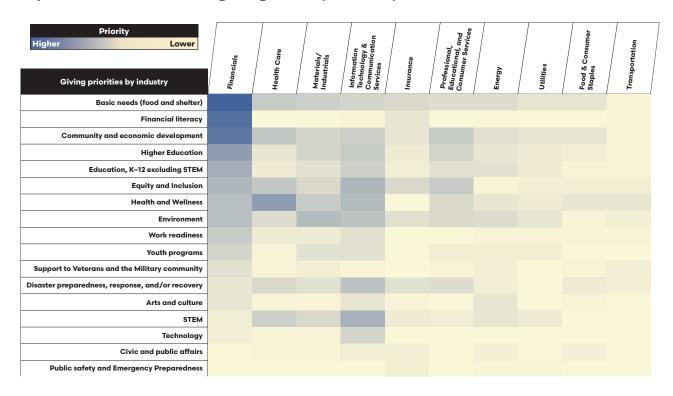
Company Demographics



Top Social Issues in Community Involvement by Industry



Top Social Issues in Giving Programs by Industry



Top Social Issues in Employee Volunteer Programs by Industry

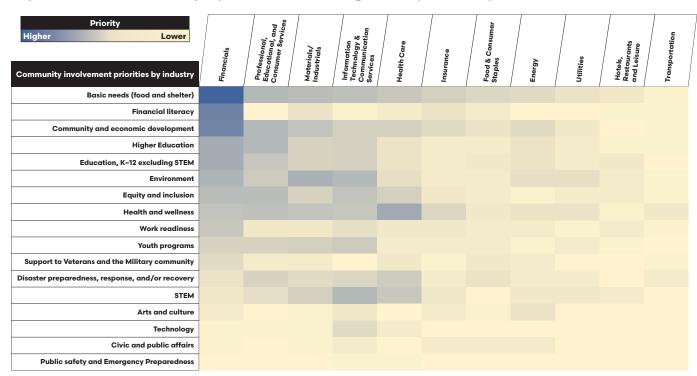


FIGURE 02

Top social issues in giving programs

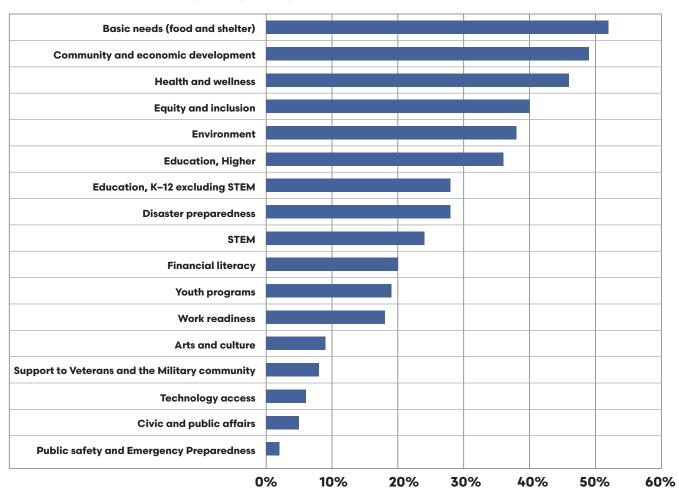
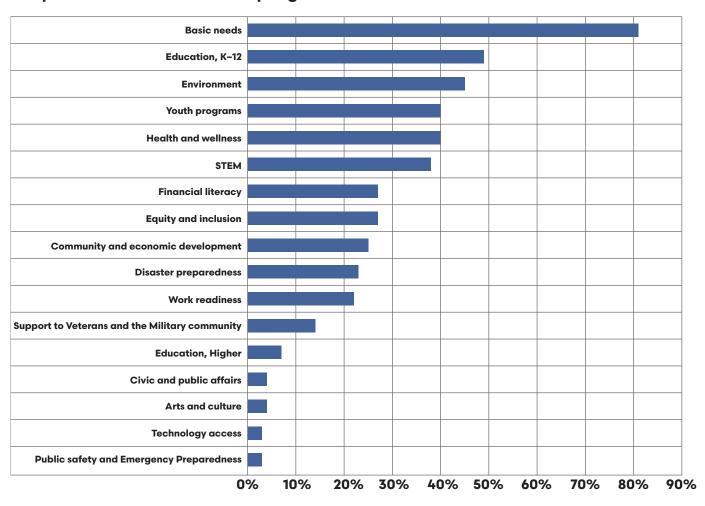


FIGURE 03

Top Social Issues in EVP programs



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Methodology

The Community Involvement Study is a research project of the Boston College Center for Corporate Citizenship that explores shifting trends in employee volunteering, corporate giving, and other means of corporate community involvement. This survey has been conducted 15 times since 1995. The 2025 study employs a mixed-methods approach combining primary data collected through surveys with secondary analysis of publicly available data. This report is based on 453 companies.

Community involvement includes corporate giving, employee workplace giving, and employee volunteering aspects of corporate citizenship.

Corporate giving includes financial and noncash contributions to 501(c)(3) organizations or public schools, or the international equivalent of a 501(c)(3) organization. This excludes giving by other stakeholders such as employees and customers.

An *employee volunteer program* is a planned and managed effort by a company to provide employees with organized opportunities to volunteer, means to recognize employee volunteer efforts, or some combination of both.



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Based in the **Carroll School of Management**, the Boston College Center for Corporate Citizenship combines the most valuable aspects of a professional community and the resources of a leading academic institution for our members. We integrate the perspectives and experience of some of the leading corporate citizenship professionals in the field today with management best practices, helping you align your corporate citizenship objectives and business goals. Center resources support positive outcomes for your functional area, your organization as a whole, and for you as a leader.

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