

MARCH 8, 2022



# THE ENTREPRENEUR'S QUICK GUIDE TO CHARITABLE GIVING

As an entrepreneur and small business owner, you play a vital role in the world. You're changing the world in more ways than you realize - not just through your products and services but through the way you treat your team and clients and how you choose to steward your wealth. And that means making the world a better place while you bolster your brand AND your bottom line



## CHAMPION A CAUSE YOU BELIEVE IN

The first rule of philanthropy is this: give to causes that you care about. This gives you a real, vested interest in giving and it demonstrates to onlookers that this is about a genuine want to give back - not just a ploy to look good. When you believe in the cause, you're better able to spotlight it while putting yourself to the side. At the same time, it easily and clearly highlights your company values. Select causes that reflect the culture and change you want to promote in the world.

## BE TRANSPARENT

You should always be honest about charitable giving. Too many companies are vague in their statements about charitable donations. Who are they giving to? What percentage of their income is going to charity? Is it net or gross income? Are they values they support in giving also reflected in their business practices? People can sense when philanthropy is done for the wrong reasons.

## BUT ALSO BE HUMBLE

While yes, philanthropy will improve your brand's image, it should never be the focal point. Be open about giving but do so in a way that draws attention to the causes and organizations you support. You shouldn't make your charity work the center of any campaign. It's just a given that you do - not something you need a pat on the back for!



## CONSIDER THE SCOPE OF YOUR CONTRIBUTIONS

Where will your money make the biggest impact? It's easy to want to give to big, multi-national causes and organizations. But as an entrepreneur, invest in your community first. Local nonprofits and causes will feel the impact of your contribution much more than a high-profile organization. Make a point to give to a cause you believe in regardless of its size as well as a local cause in your community.

## RESEARCH WHO YOU'RE GIVING TO

Few things feel worse than giving to a cause that turns out to not be so great. Never take a charity or nonprofit at face value. If you're going to give - particularly when giving as a public figure representing a company - you should know exactly what your money does.

Unfortunately, there are charitable organizations out there who don't give all that much to the causes they claim to support. They may have some skeletons hiding in their closets, too.

Do your due diligence. You don't want to regret giving or find yourself having to apologize for giving to the wrong organizations.

## CREATE LASTING PARTNERSHIPS

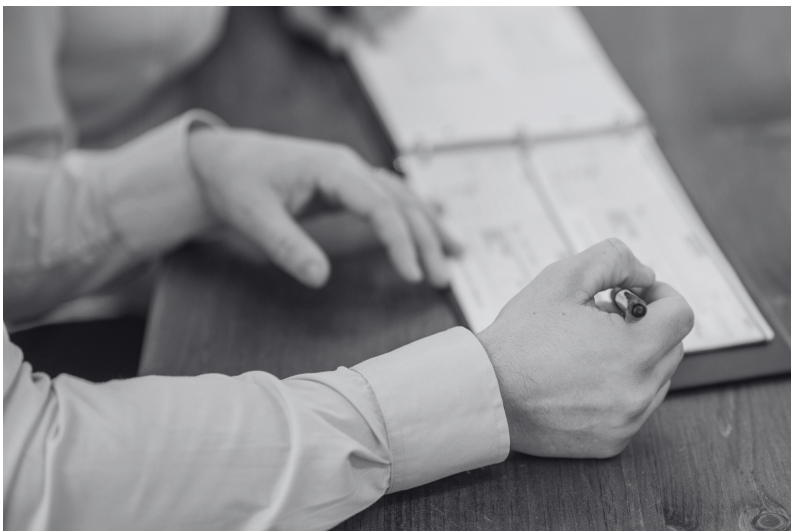
Your giving is most fruitful when you develop a close relationship with the recipients. This is another reason local, community-driven charities are ideal! As you're able to, form real partnerships with these nonprofit groups. Instead of picking a different charity each time, focus your giving. It will make your brand synonymous with a great cause.

## CONSULT WITH A FINANCIAL PLANNER

If giving is a part of your business, you've got to treat it that way, too. Talk to your financial planner about giving - when, how much, and in what way. Giving isn't a holiday season impulse or year-end afterthought. It's a mindset that demands intentionality.

## CONSIDER PHILANTHROPY AN ESSENTIAL PART OF YOUR BUDGET

Philanthropy isn't something to do on a whim. It should be an essential line item, a non-negotiable. Make the commitment to give - of your money, your time, your services, your expertise - in one way or several no matter what. Consistency is key.



## GO BEYOND THE CHECKBOOK

Don't think that you're limited in the ways you can give. Income tight this year? Donate clothes, equipment, or other physical items instead. Host a community fundraiser. Volunteer. Give your employees incentives to volunteer, too! Anyone can write a check. You can do more.

## KEEP APPROPRIATE RECORDS OF YOUR PHILANTHROPY

Of course, there are wonderful tax incentives for charitable giving. Those incentives only work if you have a clear record of your giving. It's easy to keep track of a monetary contribution but harder to account for other types of donations, like clothes, furniture, services, or supplies. Be sure to obtain written receipts of any contributions made and assign a realistic value to non-monetary giving.