

National Survey Results

(Special thanks to all respondents and the President's office at the North Carolina Institute of Minority Economic Development--NCIMED)

In 2002, in collaboration with the North Carolina Institute of Minority Economic Development, and with the help of volunteer scheduler Ms. Dolores Jasper, President Andrea Harris and her Asst. Ms. Howard Fritz of NCIMED, Exodus Foundation.org conducted its first "**National African-American Executive Survey on Corporate Giving.**" The National African-American Executive Survey on Corporate giving was a way for the Foundation to gain an understanding of the giving preferences of African-American businesses and to assess interest in the mission of the Foundation. As the survey grows and develops we hope that it will be a tool that will help the Foundation, African-American businesses and other nonprofits understand the needs and giving policies and practices of African-American controlled businesses so that collaborative relationships in the pursuit of common charitable goals can be established wherever they most naturally occur and in accordance with corporate and foundation objectives.

Once more, we extend a hearty "Thank-You" to all of the businesses that responded to this survey. Please feel free to call us at 704-947-9090 with suggestions about ways to make the survey instrument valuable to your company in years to come.

Procedure:

Two hundred copies of the survey instrument, with a cover letter from Ms. Andrea Harris, President of the North Carolina Institute of Minority Economic Development, were sent to African-American owned businesses throughout the nation in the late Spring of 2002. Although our initial sample was relatively small, a stratified random sample allows us to make reliable inferences based on a response rate of 11%. We expect the survey to grow in the future so that more qualitative and quantitative results can be attained. Companies were selected based on total revenue for 2001.

Conclusions: African-American companies with 50 or more employees and an average net income of \$6,000,000 or more are significantly more likely to have corporate giving programs. However, 76% of all respondents say that their company is either likely or very likely to give to a worthy cause. Thus, net income is not a predictor of philanthropic efforts among African-American companies. Giving preferences of these companies are clearly weighed in favor of education, a finding consistent with the giving preferences of African-American individuals in society at large. Among the top five charities of greatest importance on our list below, Civil Rights and the UNCF (the United Negro College Fund) almost always made the top five. Only one-third of respondents listed in their top five most important causes--charities that address the plight of incarcerated African-Americans. A few listed 9/11 charities among the top five most important causes to support.

Since faith based organizations are significant catalysts for change and conduits for service in the black community, it was important to attain a preliminary measure of executive attitudes toward faith based organizations. The vast majority of companies surveyed (62%) respond favorably to Christian Faith Based Organizations, and the importance of who controls a nonprofit was almost evenly divided between companies that preferred African-American controlled nonprofits and those that believe that the race of the service provider does not matter. These divided results may reflect an indication of the degree of sensitivity that black businesses have toward both communal ownership of a mission and cultural competence in service provision and the need for charitable service regardless of communal ownership of a mission. Additional studies are needed in order to understand the underlying beliefs and commitments that guide African-American businesses when choosing to support a charity. The vast majority of respondents (66%) are aware of the disparate numbers of African-Americans in America's prisons; however, only one-third of respondents were aware of a new law that makes getting financial aid tougher for people

with drug-related felony records. This highlights the need for our continued vigilance in educating black businesses about the needs of those we seek to serve and the opportunity for black businesses to offer support to those struggling to get an education and to put their lives in order.

Additional Quantitative results are provided below.

Results of the African-American Executive Survey on Corporate Giving

[Ninety percent of the following responses were provided by the chief executive of each company. In his/her absence, a vice president responded]

1. How many years has your company been in existence? _____

**Survey respondents have been in business an average of 19.5 years.
The youngest business was 3 years old and the oldest was 81 years old.**

2. Is your company _____

- a) a minority owned company
- b) significant minority stake
- c) other, explain _____

95% of respondents answered (a) minority owned. One respondent indicated that his/her company was publicly owned.

3. What is the size of your company according to number of employees?

- a) 1-10
- b) 11-50
- c) 50+

57% of companies surveyed have 50 or more employees. 38% have between 11-50 employees, and 4% have 1-10 employees. A company with 50 or more employees is required by law to provide certain benefits to employees. Such companies we may expect to have well developed business policies and protocols.

4. What is the size of your company according to *average net income*?

- a) \$50,000-\$500,000
- b) \$500,000-2,000,000
- c) \$2,000,000-6,000,000
- d) \$6,000,000+

Over half of the companies surveyed have an average net income of \$6,000,000 or more. 26% answered (a) above, and 10.5 % answered (b) or (c) respectively. This means that 70% of survey respondents have average net incomes of \$500,000 or greater.

5. How likely is your company to give to a worthy cause?

- a) very likely
- b) likely
- c) somewhat likely
- d) unlikely

38% of respondents answered that their company was (a) very likely to give to a worthy cause. Another 38% answered that they were (b) likely to give to a worthy cause. And 24% answered (c) somewhat likely. None answered (d) above.

6. What kinds of causes would interest your company most? **Please rank top 5 in order of importance with #1 being the most important.**

- a) 9/11 Charities _____
- b) Preventing the incarceration of Black-Americans and assisting Black-Americans with criminal records in becoming productive _____
- c) Hunger Relief _____
- d) Stopping the spread of HIV/AIDS in the Black-American community _____
- e) Civil Rights _____
- f) Education _____
- g) United Way _____
- h) UNCF _____ (United Negro College Fund)

63% of respondents selected either (f) Education or (h) UNCF as the first choice for the kinds of causes that interest their companies most. In approximately 84% of responses, Education was listed as one of the five most important causes to support. 84% of respondents ranked Civil Rights in the top five most important causes. One-third of respondents placed (b) preventing the incarceration of African-Americans....in the top five.

4. What is your attitude toward Christian Faith Based Organizations?

- a) Favorable
- b) Unfavorable
- c) Uncertain

62% of companies surveyed have a favorable attitude toward Christian faith based organizations (FBO). 5% hold unfavorable attitudes toward FBO's, and 33% are uncertain in their attitudes toward FBO's.

5. All things being equal, is your company more likely to want to support

- a) A Black-American controlled nonprofit that serves Black Americans
- b) A majority White controlled nonprofit that serves Black Americans

- c) The race of service providers does not matter

In this question designed to measure or gauge the importance to businesses of cultural competence and stakeholder participation in service provision, 47.6% of companies are more likely to support nonprofits run by African-Americans. 52.3% of respondents indicated (c) that the race of service providers does not matter. None answered (b) above.

9. Does your company have a corporate giving division?

- a) Yes
b) No

Only 14.2% of respondents have corporate giving divisions. Two-thirds of these companies have 50 or more employees.

10. Are you aware that people with drug-related felony records face discrimination in getting financial aid for higher education?

- a) Yes
b) No

The number of executive respondents familiar with the challenges that people with drug-related felonies face were nearly evenly divided. 52.3% were aware of the challenges and 47.6% were unaware.

11. Are you aware that a law passed in July 2000 makes a person convicted of drug possession ineligible for federal financial aid *indefinitely* after the third offense. Or, for a person convicted of selling drugs, he/she is ineligible *indefinitely* after the second offense?

- a) Yes
b) No

Sixty-two percent (62%) of respondents were unaware of the new law.

12. Are you aware that African-Americans represent 55-70% of those incarcerated in U.S. state and federal prisons and that 80% of those incarcerated have drug related convictions?

- a) Yes
b) No

Sixty-six percent (66%) of respondents are aware of the disproportionate number of African-Americans that are incarcerated.