

The spoils of success

Mary Teresa Bitti, Financial Post · Dec. 19, 2011

Shortly after founding Apex Public Relations about 13 years ago, Pat McNamara began to get requests to do pro bono work for charitable organizations. But she says doing these jobs always felt like more of a distraction than doing good.

"The commitment wasn't there. So we decided we wanted a project we could own, one that our employees could buy into and get excited about that would also give them extra experience and development opportunities," Ms. McNamara says.

That project evolved into On Your Bike! a not-for-profit that donates 100 new bicycles to disadvantaged children throughout Toronto each year. "We talked about our memories of being a kid and one of those memorable moments in all of our lives was getting our first bike, how much fun it was and the freedom and excitement it brought. So we thought how great it would be to give disadvantaged kids that same experience."

On Your Bike!, which is fully funded by Apex Public Relations, has donated more than \$40,000 in expenses and \$150,000 in time in the eight years since it started and the team now includes members of local cycling clubs, staff family members and various suppliers, and clients. In addition to On Your Bike!, Ms. McNamara has created a fund with 1% to 2% of the firm's profit that is designated to other charitable initiatives of specific interest to employees.

Brad Cherniak, partner at Sapien Capital Partners, says business owners have to be careful when it comes to mixing business and charitable giving. "While I absolutely believe companies should give back, corporations and small business owners have to remember the first order of business is to survive. That's how you get more sustainable giving - from the spoils of success. The line between

business and personal is vague to begin with and mixing charitable giving with business can blur the line further. Make sure the business has everything it needs including the attention of the entrepreneur first."

Done right, giving back can have benefits beyond the overarching goal of trying to effect positive change in society. It can strengthen the brand of the business in the community, among suppliers, clients and employees and attract top talent.

On Your Bike! has also resulted in benefits beyond those initially intended. "There is nothing like seeing the face of a child when they receive a brand new bike," she says.

"It gives our more junior people the opportunity to do some writing and develop their skills. The fact we've established this not-for-profit speaks to our corporate culture and distinguishes us for young talent looking for organizations that share their values. And when they get on the inside, it's a great teambuilding project. People get to work together that might not normally work together. They are excited about it. And that builds engagement."

Evan Carmichael, a Toronto-based entrepreneur expert and founder of EvanCarmichael.com agrees. His company's charity of choice is Kiva, a nonprofit that uses the Internet to connect lenders to microfinance institutions in developing countries. So far Mr. Carmichael and his team have helped more than 2,000 entrepreneurs and raised more than \$50,000.

Ms. McNamara and Mr. Carmichael offer this advice for charitable giving: Choose a cause you feel strongly about and can add value to "I chose Kiva because I love helping entrepreneurs," Mr. Carmichael says. "It's meaningful to me. Every time we donate more to Kiva I get excited because I know I'm helping people."

Choose something that resonates with staff and get hands-on "My experience is that just giving money doesn't resonate. It's good but time is precious to charities and when you connect with the people you're helping by donating your time as well you can't help but be more committed as you go along," Ms. McNamara says.

Be clear about your commitment Indicate how much time/money you want to give from the start.

Make sure you're giving back for the right reasons "Many entrepreneurs will give anonymously and forget about the marketing opportunity," Mr. Carmichael says. "For example, we've done a joint marketing project with Kiva. Yes it raises my

profile but it also raises the profile of Kiva to my audience, who might not otherwise know about them or what they're doing."

Partner with other businesses For example, hosting a fundraising event for a cause you are committed to is a great way to work with other local businesses you might not have worked with or bring in suppliers and get them involved to help make the event a success and build and strengthen relationships.

Be prepared to make a long-term commitment "I suggest a five-year commitment because things build over time and you want to see the difference your making in people's lives," Ms. McNamara says. "With the not-for-profit we are able to say to our suppliers, partners, clients, the community, this is ours, it's not a one off, and it solidifies our commitment. Now it's a part of our culture and we talk about giving back and we can point to it and use it as a branding component.