To Build a Harmonious Society: Relationship Management in Corporate Philanthropy in China

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Abstract

The Chinese government's ultimate goal is the construction of a harmonious society. As corporate philanthropy helps firms gain brand recognition and loyalty, establishing them as "socially responsible" is an advantage for the Chinese companies to promote themselves in the intense global competition. This study investigates the cultivation strategies of companies in China with their publics during corporate philanthropy processes. Sixteen participants from companies and NGOs were interviewed. Nineteen cultivation strategies (access, positivity, openness, assurance, networking, sharing of task, some dual-concern strategies, cooperation, keeping of promises, stewardship, responsiveness, continued dialogue, listening, face-to-face communication, personal relationships, respect, organisational credibility, educational communication, and visible leadership) were identified in corporate philanthropy in China; One new strategy, being an opinion leader, was proposed. The study lists implications for public relations scholars, public relations practitioners, and companies in China that undertake corporate philanthropy or are planning to undertake corporate philanthropic programs in the future.

Keywords: organisation-public relations, corporate philanthropy, China, relationship management, cultivation strategy

Introduction

In today's world of integrated and interdependent economy, the relationship between business and society is complex (Lawrence & Weber, 2008). A win-win solution for the company and the society is what corporate philanthropic activities strive for. Corporations give away billions every year for philanthropic causes. The scope, shape, and motivation behind corporate giving have changed dramatically in recent years, therefore a rationale and direction are needed for the institutionalised corporate organisations (Himmelstein, 1997).

A large body of literature on CSR exists; however, very few have focused on corporate philanthropy, especially its situation in China. So far, a few studies on corporate philanthropy were conducted from the point of view of organisational–public relationship (OPR). This study should be useful to: (1) public relations (PR) scholars who are interested in exploring OPRs; (2) PR scholars who are interested in public relations practices in China; (3) multinational companies that intend to build long-term relationships and undertake corporate philanthropy in China; (4) PR practitioners who attempt to develop, maintain, and evaluate relationships with publics of their organisations through corporate philanthropy. This study provides a look at PR in the international area for scholars who intend to study OPRs, especially the cultivation strategies, from a qualitative research perspective.

Corporate Philanthropy

Corporate philanthropy was coined in the 1950s when F. Emerson Andrews wrote his classic *Corporation Giving* in 1952 (Himmelstein, 1997). Varadarajan and Menon (1988) describe the evolution of corporate philanthropy as: voluntarily doing good (e.g., altruism, by Keim, 1978); mandated corporate social responsibility (CSR) (Morris & Biederman, 1985); and doing better by doing good. Theses stages help us understand the importance of corporate philanthropy. Regarding the definitions of corporate philanthropy, Ireland and Johnson (1970) provide a classical and succinct definition of corporate philanthropy: "charitable transfer of firm resources at below market prices." Many studies on corporate philanthropy justify that philanthropic outlays could strategically add value to corporate returns (Hess, Rogovsky, & Dunfee, 2002; Marx, 1999; Mullen, 1997; Shaw & Post, 1993; Smith, 1994; Yankey, 1996). Corporate philanthropy is an emerging strategy that recognizes both risk and opportunities and treats donation as an investment (Dienhart, 1988). This study uses the strategic philanthropy definition of Thorne et al. (2008): "the synergistic use of an organisation's core competencies and resources to address key stakeholders' interests and to achieve both organisational and social benefits" (p. 294). This definition is chosen because it specifically points out the contributions to stakeholders as well as the benefits to the company. In strategic philanthropy, stakeholders include the employees, customers, business partners, the community, and the society as a whole.
However, for the history of corporate philanthropy in China, Wang and Juslin (2009) traced the history of traditional corporate philanthropy in China back to 2500 years ago, Zi Gong (520-475BC) who applied the Confucian virtue of to his business that hold the core principles of CSR. Zi Gong would also use his wealth to help the poor and scholars. Wang and Juslin (2009) has identified 1949-1983 as dislocated corporate philanthropy when traditional Confucianism lost its eminence, and was seriously denounced, especially in the Cultural Revolution. In this period, corporate

philanthropy was replaced by obligatory responsibilities that are authorized by the government. Between 1949 and 1978, China was under planned economy, and Chinese state-owned enterprises (SOEs) delivered lifelong employment and social welfare to state workers (Bai, Lu, & Tao, 2006; Ralston, Terpstra-Tong, Terpstra).
After economic reform in 1978, China adopted a gradual and segmented transition to a market economy (Levine, 2008; Stigilitz, 2009). In 1984-1994, corporate philanthropy was absent or means only the responsibility of pursuing maximum economic profit after the economic reform in China (Wang & Juslin, 2009). 1995-1999 is considered as an introduction period: Chinese enterprises passively accepted some CSR requirements from their foreign purchasers (Zhou, 2006). U.S. and European MNCs began to adopt global CSR standards in their operations in China in the 1990s (Cai & Wheale, 2004; Woodline, 2004). 2000-2003 was the learning period for the Chinese government, NGOs, academics, and international organizations to deal with CSR issues. Lee and Wickerham (2010) conclude the stage from 1994-2004 as official skepticism and hesitant engagement that government attitudes towards CSR ranged from skeptical to hostile. The phase of engagement was from 2004 to present, that CSR has become a matter of consensus for Chinese society.

Few studies made some attempts to explore corporate philanthropy by using the OPRs in China. Wang and Chaudhri's (2009) study is one of the few studies on Chinese companies' CSR and relationship management, but this study is from a quantitative survey method which only answers question like what are the drivers of CSR engagement in China and how is CSR communication viewed. Further, Jahansoozi (2007) explored the organization-public relationship within the context of a petroleum operators group and the local community in Sundre, Alberta, Canada. But these studies are from a Western view, where my research in corporate philanthropy would fill the gap of relationship cultivations strategies in China. The next section will review literatures on the orgazanisation- public relations.

Organisation–Public Relationships (OPR)

Relationship management has emerged as a key paradigm for public relations scholarship and practice (Heath, 2001; Ledingham, 2003; Ledingham & Bruning, 2000). An organisation's relationship with citizen groups can affect its success and survival; however, most citizen groups view corporations as their opponents (Mattingly, 2007). Although there are different perspectives, most scholars agree that OPR is a dynamic process and is not only an output. In addition, an operational definition (e.g. Hung, 2005) is easy for the interviewees to understand. Combining the dialectical and the social exchange perspectives that both recognise the interdependence of the relationships (social exchange and dialectical approach both recognise their interaction with each other), Hung (2005) has defined OPRs as follows: "OPRs arise when organisations and their strategic publics are interdependent, and this interdependence results in consequences to each other that organisations need to manage constantly" (p. 396). This research uses Hung's (2005) definition, because it concisely gives a holistic picture of who the publics in OPRs are, how OPRs begin, and how OPRs take effect in organisations.

Cultivation strategies of OPRs

Relationship cultivation strategies can affect the relationship quality when the companies in China build their relationships during corporate philanthropy. Based on the literature of 'maintenance' strategies (e.g., Dindia & Canary, 1993), Grunig suggested using the word 'cultivate' instead of 'maintenance' (Hung, 2007). Hon and Grunig (1999) and Grunig and Huang (2000) conceptualised seven symmetrical relationship cultivation strategies from publics to organisations as follows: access, positivity, openness or disclosure, assurances of legitimacy, networking, sharing of tasks, some dual concern strategies of the public and organisation. Other scholars identified cooperative, being unconditionally constructive, and stipulating win-win or no deal (Nowman,1995); promise-keeping (Hung, 2002); Cooperative strategies, assurances of legitimacy, and access are used mostly in exchange relationships (Plowman, 2007); Being unconditionally constructive (Hung, 2003); Stipulating win-win or no deal, cooperative, and unconditionally constructive (Plowman, 1995); Stewardship strategies (reciprocity, responsibility, reporting, and relationship nurturing (Kelly, 2001).

Asymmetrical strategies (used mostly in exploitive, manipulative, and symbiotic relationships) include: contending; avoiding; accommodating (Lerbinger, 1997); compromising; and distributive (Hung, 2002, 2003, 2007). Some dual concern strategies are asymmetrical, as they pay much more attention of the organisation’s interest than the other, but according to Plowman (2007), two-way symmetrical communication also can include elements of compromise and accommodation. Hung (2004) also contributed family orientation, guan-xi, and relational orientation to the factors that could influence the multinational companies' relationship cultivation strategies in Chinese culture.

Some new strategies were added to these existing ones, and some of them are hard to define symmetrical or asymmetrical, which would considers both situations to some extent. Chen (2005, 2006) has identified personal relationships, personal services, organisational credibility, political accommodation, and social accommodation as effective strategies for cultivating companies–government relationships. Men (2009) has proposed being ethical, thinking from the publics’ perspectives, and engagement and involvement to the relationship cultivation strategies list. Parker and Asher (1993), and Bortree (2010) have proposed a new maintenance strategy, guidance, after exploring adolescent–organisation relationships. Guidance is a broader concept than advice, which overlaps the interpersonal literature, and it provides directions for adolescents (Bronstein & Duncan, 1996). This full list of cultivation strategies helps me cite some examples to the interviewees when they do not recalled any more strategies they use in their corporate philanthropy. There are no academic studies on relationship cultivation strategies through corporate philanthropy conducted in China yet. Therefore, the research question of this research is:

What relationship-cultivation strategies did the companies use during the corporate philanthropic program with their publics in China?

Method

This study uses the in-depth interview to conduct the study. The respondents include CEOs, CSR managers, and other managers who are directly involved with the company's philanthropic activities in China. Sixteen interviews were recorded. Each interview lasted about 1–2 hours (McCraken (1988) and Kauffman (1992) suggested that 1.5 hours is as much as the researcher can ask from his or her busy interviewees). The researchers recruited managers as interviewees by sending out emails (or through telephone) to the public relations or public affairs department of each company or, if possible, directly to the CEOs.

Participants' Background Information

No.	COMPANY	POSITION
Multinational Companies		
1	U.S.-based healthcare company	Special Projects Manager (P1)
2	German-based healthcare and high-technology materials company	CSR Manager
3	U.S.-based IT company	Vice-President
4	Korea-based cosmetic company	Marketing Manager
5	Italian-Sino joint venture on watches	Public Relations Manager
State-Owned Company		
6	Telecommunications company	Marketing Manager
Taiwanese Company		
7	Technology manufacturer	Public Spokesman
Hong Kong Companies		
8	Property developer (Beijing office)	CSR Manager
9	Social enterprise	Director
Private Chinese companies		
10	Group with business in infrastructure construction, medicine, electricity, education, etc.	Publicity Manager
11	Software company	Marketing Manager
12	IT company	Founder and President
13	Petroleum company	Marketing Manager
14	Chemical company	Marketing Manager
15	Chemical company	General Manager
16	Auxiliary factory (social enterprise)	Founder and General Manager

Data Analysis

The data were analysed following the three stages illustrated in Miles and Huberman's (1994) qualitative data analysis: data reduction (the data will firstly be reduced by *conceptual reduction* to sort and categorise them into the different conceptual themes), data display, and conclusion drawing and verification. In the stage of data collection, the taped interviews were transcribed verbatim and translated to English. The important concepts were highlighted, the main information for the research questions was summarised, and the data was categorised. Notes were taken for the repeated words and keep files for the interviews by different interviewees. In the second stage of data display, the data was categorised by how they answered the different research questions. The sizes and structure/ownership of the companies were compared to see whether they were differences or similarities. This is the data–deduction process: Ideas are connected and demonstrated clearly. Data were coded by the companies' size and ownership type. In the third stage of drawing and verification, memos and queries were written in my research file, to find the similarities in the transcripts. In this stage of data transformation and verification, the researchers re-read the transcripts and drew a picture of the data. By finding the most mentioned concepts, highlighting emerging relationships, and using visual forms to compare the data and the cases, a picture began to emerge, and furthered interpreted the data arrives at the conclusions.

Results

This section of results provides the examples that the participants gave and analysed them in themes of relationship cultivation strategies in China. Participants not only presented the examples of the existing strategies, but also the new strategy is identified. The detailed results are shown in Table 1. The frequency refers to the numbers of the participants mentioned of the specific strategy.

Table 1. Cultivation Strategies Mentioned Frequency

	Cultivation Strategies	**Frequency**
1	Cooperation	**15**
2	Sharing of task	**12**
3	Assurance	**4**
4	Openness	**8**
5	Networking	**5**
6	Positivity	**10**
7	Dual-concern strategies	**9**
8	Access	**12**
9	Keeping of promises	**4**
10	Stewardship	**6**
11	Responsiveness	**1**
12	Continued dialogue	**10**
13	Listening	**4**
14	Face-to-face communication	**13**
15	Personal relationships	**7**
16	Respect	**2**
17	Organisational credibility	**1**
18	Educational communication	**3**
19	Visible leadership	**2**
20	Being the opinion leader	**1**

Being cooperative, sharing of tasks, and assurances of legitimacy

"Sharing of task" (Hon & Grunig, 1999) and "being cooperative" (Plowman, 1995) are the most often-mentioned strategies by the participants. "Assurances of legitimacy" plays an important role when the companies share tasks and cooperate with the publics. Several big and medium companies stated that they have cooperative relationships with NGOs and government (P2 with Chinese Ministry of Health, P9 & P16). P8 provided a cooperative project her company had with the Ministry of Agriculture. P16 said they needed to first report to the civil administration department before founding a social enterprise. The government then helped them find persons with disabilities to hire. P9 also needed to cooperate with the correction services, and the government helped them hire formerly incarcerated youths. P1 gave me another example of their relationship with the NGOs by using the cultivation strategies "sharing of task," "cooperative," and "assurances of legitimacy" (Hon & Grunig, 1999, 2000). They need to sign a very strict protocol, which requires a very strict legal procedures with NGO and they will contact the NGO to understand their progress, then to do their internal audit and evaluation. P11 said that they provide internship opportunities for college students.

Access, openness or disclosures, and listening

The participants' statements show that "access" and "openness or disclosures" (Hon & Grunig, 1999) are the cultivation strategies used when there is a need to cooperate with NGOs or the government. P1 and P9 mentioned that they keep in touch with the government and NGO either through personal visits, email, or telephone calls. P2 also said they publicize their corporate philanthropy through press conferences. They also let their own employees know that the company not only focuses on earning money but also on ensuring the society's well-being. This encourages the employees to be loyal to the company and even persuade their friends to work for the company. To further elaborate the "openness or disclosure" strategy, he said that each year his company releases a sustainable development report to make them feel more confident of their investment to buy more of their company's shares. P6 and P11 also said that they publish their companies' philanthropic activities online as part of their corporate mission statement values. The employees can then access the contact information of the organizer of the volunteer activities, which show elements of openness/disclosure and access strategies. These are also strategies that advocate workplace giving, identified by Smith and Sypher (2010).

Several participants said that they had meetings with their publics (clients, suppliers, and other companies) and discussed corporate philanthropy with them. For instance, P1 said their subsidiaries have dealers meeting once or several times a year to talk about corporate social responsibility. They hope to motivate the government, to promote cooperation, but this is actually very difficult for them to measure it. She also said that their company conducts seminars with other companies to talk about CSR. From her remarks, we can see that "access" and "openness or disclosure" are used as cultivation strategies, which are the requirements for future "cooperative" relationships. In these seminars, the CSR managers from different countries meet and discuss the ways to improve their work. "Listening" was involved in some "openness or disclosure" strategies. In the meetings with their employees and suppliers, the companies want to hear their employees' opinion on their philanthropic programs. Small companies tend to use the "listening" strategy more frequently.

Networking

"Networking" (Hon & Grunig, 1999) also exists in the corporate philanthropic process. A participant said that although they do not have a cooperative relationship with the government, in a way they have a connection with the government through the experts from the NGOs they cooperate with. "These experts on medical health would share our companies' achievement with the government. Then if the government thinks that some of our corporate philanthropic projects are good, they might promote it." Two other small companies also mentioned this "networking" strategy. P11 remarked that they consult with their suppliers on whether they need to donate (e.g., to earthquake-stricken communities) and how much, which is similar to the practice of giving gifts.

Stafford and Canary (1991) have mentioned that "networking" (i.e., having common friends) as a strategy to get a romantic relationship is enjoyable. Grunig and Huang (2000) have developed this concept to OPRs as organisations built networks with the same groups as their publics. P6 said that they cooperate with the social work department of a university to do research on their potential customers. Some companies also cooperate with NGOs. P6 said that one of their philanthropic activities is to help elderly people learn how to use a cell phone (e.g., one button function), to pay telephone bills, and to buy set services through the "street (community) office."

Dual concern strategies

Some "dual concern strategies" (Hon & Grunig, 1999) were also observed in the relationship between companies and the media. According to the participants, when companies decide to undertake philanthropy, they take into consideration a balance between the interests of the publics with those of the organisation. Companies donate an amount they can afford (a certain percentage of their marketing budget) and at the same time consider the publics they will help. The dual concern strategy considers the publics' needs before corporate philanthropy is undertaken. For example, the manager of a telecommunication company said that one of their activities was to repair the telecommunication facilities damaged by the 2008 Sichuan earthquake. Furthermore, the director of a foundation of a prestigious Chinese university remarked that they use dual concern strategy with their partner company: they receive donation on certain conditions, such as naming a building after the donor company or establishing a research center. He said that they carefully examine their potential donors, and then determine the most appropriate way to deal with them.

Accommodating

Although most dual concern strategies are symmetrical, accommodating is a type of dual concern strategy that is asymmetrical. According to Plowman (1995), accommodating means, the organisation yields, at least in part, on its position and lowers its aspirations. Accommodating strategies can be seen from the examples provided by the participants. P7 commented that his company used to cooperate with the media, but if you cooperate with just one media company, other media companies will not run a report of your philanthropic activities, as they also expect to receive money from the company. This example shows that the company also thinks from the media's perspective. Most of the participants also said that they consider the publics' interest before making a decision on corporate philanthropy (e.g., employees', potential customers', and the general publics' interests). He also said that they started conducting corporate philanthropy for their employees, as it is burden their employees to donate their hard-earned money to philanthropic causes, as many of our employees belong to lower socioeconomic group.

Political accommodation and social accommodation

Chen (2005) has posited that political and social accommodations refer to the responsiveness or to contribution to a nation's political and social issues. Social and political problems sometimes merge; hence, these two strategies could be unified. In my opinion, political accommodation and social accommodation in some cases are based on dual concern strategy. Regarding the political accommodation, P7 told me that they cannot donate to causes that are related to sensitive political issues. As for social accommodation, corporate philanthropy itself is a practice in which an organization cultivates relationship with the government by helping solve national social issues. Interviewees from several companies said that certain government policies ask companies to donate to specific causes raised by the government. This strategy is similar to the "stewardship" strategy posited by Kelly (1998), which I will discuss in the following paragraphs.

Stewardship and Keeping of promises

Kelly (1998) has identified "responsibility," "reciprocity," and "relationship nurturing" as elements of "stewardship." The interviewed companies' philanthropic activities showed their responsiveness to the society. P15 said that they wanted to maintain a good relationship with the government, and would donate money when the government asks them to, such as in the aftermath of the 2008 Sichuan earthquake. He believes that maintaining a good relationship with the government has benefits; otherwise, they might encounter bureaucratic problems if government leaders do not have a good impression of them. Although this has never happened yet, they would not try to risk it. Interviewees said that their companies mostly keep their promises as long as they do not experience any big financial problem, which shows "Keeping of promises" (Hung, 2002).

Continued dialogue/patience, personal relationships, and face-to-face communication

Continued dialogue/patience (Rhee, 2004) was used by the corporations when they maintain relationships with NGOs. P14 said that they have a long-term relationship with the Red Cross Society of China. When I asked how did they build their relationship with the Red Cross, he answered that they already had a relationship with the organisation and keep regular communication through telephone calls and face-to-face meetings.

The participants also mentioned that they use interpersonal communication strategies in maintaining relationships in their corporate philanthropic programs, which echoes the "personal relationships" strategy identified by Chen (2005). Similar to personal relationships, Rhee (2004) has posited that face-to-face communication is a new cultivation strategy. The strategies identified by Rhee (2004) are more specific than the previous strategies proposed by Hon and Grunig (1999). The "face-to-face communication" strategy is also used in this strategy. P9 that hires previously incarcerated young offenders provided another example. He said he and another top manager of their social enterprise speak to their employees every Tuesday morning face-to-face.

Responsiveness, respect, and positivity

"Responsiveness" (Rhee, 2004) was also mentioned by one participant. When asked whether their company encounter the problem of the "government persuading them to donate," which other participants have pointed out, she stressed that they do not need to be persuaded as they always react very quickly to philanthropic causes (e.g., earthquake or flood relief). Rhee (2004) has also proposed "respect" as a new cultivation strategy. P8 shared that they practice "respect" strategy when they communicate with their publics, either through telephone calls or when they send greeting cards during special occasions.

During the corporate philanthropic process, "positivity" is also a major strategy in the relationships between the publics and the company. "Positivity" means "doing whatever is necessary to make publics feel more content in the relationships" (Grunig & Huang, 2000). When companies conduct corporate philanthropy with their publics, almost all of them want to make their relationship with their publics a satisfying one. Companies also consider their employees' ideas on corporate philanthropy; they will not undertake programs that their employees would not approve of or afford.

Visible leadership

"Visible leadership" strategy (Rhee, 2004), was also identified. The managers of the companies set examples to their staff by being active philanthropists themselves. P11 said that their company's president donated RMB100, 000 from his own money to philanthropy, and his employees collectively donated RMB200, 000. P12 also said that he let his employees know about the amount that he will donate. In this "top-down approach," the top manager will be the first to donate, followed by the vice-president, then the directors, and finally the junior employers. He added that if the chief director donated RMB500, the vice director will donate RMB400, and so on.

Being the opinion leader and organisational credibility

P9, who also used to be the vice-president of a well-known multinational IT company, put forward a new cultivation strategy: "Being the opinion leader." Customers seek a company's services or buy its products because of its good reputation as a socially responsible company. In addition, customers are willing to pay a little more for a good cause. "Organisational credibility" (Chen, 2005) can also be seen from this strategy. Besides talking about his organisation's credibility and popularity, the top manager told me his strategy is all about being the "opinion leader". They were the first to talk about social enterprise business turnaround, offer money collection, propose ethical consumption, knowledge volunteers, "triple benefits", and shared culture. Each year they have a theme. He said, "When you have a theme each year, you will become an opinion leader." From his remarks, I proposed "Being the opinion leader" as a new cultivation strategy. This is also a strategic type of corporate philanthropy. The strategies they proposed, such as “knowledge volunteers” are useful for companies when they conduct philanthropy. For example, this social enterprise invited university to do survey and evaluate their customers’ opinions, which other companies could learn from.

Educational communication

Educational communication (Rhee, 2004) is also used in strategic philanthropic activities. For example, a healthcare company conducts free training programs for mothers to help them understand the importance of touch therapy. Similarly, P2 said that they travel to villages and speak to farmers about the importance of choosing the right fertilizer, which not only educates the farmers but also promotes their products: They have education training programs for farmers on pesticide and fertilizer (their products). Furthermore, P8 said that they have training programs for farmers to help them get reemployed.

Discussions and Conclusions

The results show that most of the symmetrical strategies have been used in corporate philanthropy in China. The two-way symmetrical communication strategies include access, openness, cooperation, networking, sharing of tasks, and some dual concern strategies and are applied in the relationships between companies and NGOs. Smith and Sypher (2010) find that “always speaking about” is a strategy used by a company to advocate workplace giving. Access, openness, and continuous dialogue/patience are similar to the strategy of “always speaking about,” which is to advocate corporate charitable giving in the company’s mission statement, employee newsletters, and charitable giving talks. The dual concern strategy is also used frequently. During cooperation between NGOs and companies, assuring legitimacy is used to complete philanthropic programs. Assuring legitimacy is also used in contractual relationships. Some of the companies also cooperate with the government in some philanthropic projects.

Aside from these symmetrical strategies, some asymmetrical dual concern strategies, specifically accommodating and visible leadership are observed. The company also considers its employees’ feelings and media’s perspective on how to publicize their story when they want to conduct corporate philanthropy. Social accommodation and political accommodation were used in corporate philanthropy. Non-local companies tend to pay more attention to adapt their corporate philanthropic programs to the Chinese social and political environment. A new strategy, “being the opinion leader,” is also used by a social enterprise, which could influence more companies to conduct social enterprises business. Participants said that they do not have any sophisticate and complicated strategy for corporate philanthropy and they are also curious about this.

This study has several implications for PR practitioners and managers of companies in China when they undertake corporate philanthropy. First, in China, most companies, especially local ones, do not have strategic programs for corporate philanthropy as MNCs do. Local companies could learn from MNCs and social enterprises to improve their strategic corporate philanthropy. However, to do corporate philanthropy in a strategic and sustainable way is what companies should strive for. Some companies worry about their companies indiscriminate donating without any clear intention, whereas others stress that if the corporate philanthropic program is not related to their business areas, then would not have the motivation keep doing it. Hence, win-win solutions, or some of the strategies used by social enterprises, are good choices for local companies. Social enterprises simultaneously help the society and do their business. This study extends the relationship management theory by applying it in corporate philanthropy in China. The practitioners or company managers in China should begin to consider corporate philanthropy as public relations, or at least devise a win-win situation between the publics and the company when they undertake corporate philanthropy. The results indicate that certain companies consider corporate philanthropy as an integral part of their overall business strategy, as Himmelstein (1997) posits. In contrast, some companies only conduct corporate philanthropy reactively; for instance, when the government persuades or encourages them to do so, or when disasters strike. No matter what kind of philanthropy, the publics considered these activities good.

From this study's result, most companies that conduct philanthropy developed mutually respectful relationships between funders and grantees (Exception: In this study, only one company said that, sometimes when they donated to the Red Cross Society of China, the grantee do not know that it was their company who donated). In addition, based on grantees' and foundations' own experiences, building collaborations with other funders can increase publicity that benefits the public. The manager of a chemical company said that they learned of other companies through charity events, which eventually became their business partners. As they both conduct corporate philanthropy, they trust each other's credibility, and they plan to cooperate later on in business. Although the participating companies do not have scientifically valid tools to evaluate their philanthropic programs, two of the benchmarks of effective philanthropy can used to do so.

This study only used one method, so its validity still needs to be tested later on using another method. The inability of some participants to express themselves clearly might have caused accuracy problems as well. This results support the previous findings that practitioners lack knowledge and skills in research and evaluations (Kelly, 2001; Walker, 1997). More studies are needed to explore the external publics relationships (and in the context of corporate philanthropy). Practitioners also need future research on volunteer organizing and to study the Confucian corporate philanthropy that many western academic scholars are interested to know. Lastly, researchers from other countries can use the integrated relationship and corporate philanthropy theories to see if it is applicable in their local settings, to test these cultivation strategies.

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