Because it promises to benefit business and society simultaneously, strategic philanthropy might be characterized as a "happy marriage" of corporate social responsibility behavior and corporate financial performance. However, as evidence so far has been mostly anecdotal, it is important to understand to what extent empirics support the actual practice as well as value of a strategic approach, which creates both business and social impacts through corporate philanthropic activities. Utilizing data from the years 2006 to 2009 for a sample of the Dow Jones Sustainability Index (DJSI World), which monitors the world's most sustainable companies, the authors test a model of strategic philanthropy in which the dependent variable is evidence that a firm does or does not measure business and social impacts simultaneously. From the DJSI data, the authors find a proposed measure of overall *corporate social performance* (CSP) to be the most important explanatory factor for engagement in strategic philanthropy. Moreover, this measure of CSP has a mediating effect on the relations between certain independent variables and strategic philanthropy. Other important findings provide support for the influence of the institutional factors
industry
and
region
on the likelihood that companies are practicing strategic philanthropy, but little effect of the business characteristics
company size
and
profitability
on that likelihood.

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