Volunteering: The Business Case

Headline Findings from the Research

September 28, 2010
Agenda

- Introduction
- Trends in employee volunteering
- Findings from the study
- Suggestions things to think about
- Questions and answers
Jen Peckman is a Senior Consultant at Corporate Citizenship. Jen manages the community investment related client projects for Corporate Citizenship’s New York office. She has worked with many corporations and corporate foundations including Becton Dickinson, Chevron, Citi, Unilever and PepsiCo Foundation. Prior to Corporate Citizenship, she worked in Chevron’s corporate community involvement department and for US and international non-profit organizations.

Andrew Wilson is Managing Director of Corporate Citizenship. He has extensive experience of interacting with senior decision-makers in business, government and civil. Recently Andrew has been working with eleven European based multinational companies investigating how to integrate social and environmental considerations into the business decision-making process. These companies include IBM, Microsoft, Johnson & Johnson and Shell. He is currently working with the Vodafone UK Foundation and a group of leading charities exploring methods for measuring their Social Return on Investment. Prior to joining Corporate Citizenship, Andrew was director of the Centre for Business and Society at Ashridge - the international business school.
Corporate Citizenship work across the spectrum of corporate community involvement activities

- Corporate Citizenship is a corporate responsibility management consulting company with offices in the US and UK
- Since 1997, we have advised leading, global corporations on how to enhance and align their citizenship and traditional business activities to create strategic business value
- We have a team of 30 and experience in 40 countries
- We helped businesses invest $2.2 billion in local communities in 2009
- We have helped develop best practice and strategy for some of the largest and most influential corporate foundations
- Since 1994, we have managed LBG, a management tool and a group of over 120 companies working together to improve management and implementation of corporate community involvement
- We are now breaking new ground in helping evaluate what community investment achieves, and have developed an impact tool to assess results across a company’s whole community investment program.

“They have a real understanding of the issues in diverse countries around the world” - Unilever
Corporate Citizenship work across the spectrum of corporate community involvement activities
Trends in employee involvement

Employee involvement 2008

12.2%
8.5%
6.7%

- Paid time off to undertake community activities
- Making payroll giving contributions
- Undertaking activities in own time with company support

2.7 million
hours contributed by employees during company time
Equivalent to more than 8 hours per volunteer

Source: LBG
Trends in employee involvement

Employee volunteering is a priority for companies

Source: Chronicle of Philanthropy: How Many Corporations Are Changing Their Giving
The average % of employees that volunteer in companies

<table>
<thead>
<tr>
<th>Activity</th>
<th>United States</th>
<th>Other Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Matching Gifts</td>
<td>21</td>
<td>1</td>
</tr>
<tr>
<td>Volunteerism</td>
<td>29</td>
<td>9</td>
</tr>
<tr>
<td>Annual workplace giving campaigns</td>
<td>49</td>
<td>6</td>
</tr>
<tr>
<td>Disaster-related giving campaigns</td>
<td>19</td>
<td>4</td>
</tr>
<tr>
<td>Nonprofit Board service</td>
<td>11</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: The Impact of the Economic Downturn on Corporate Giving: Key Findings from The 2009 Philanthropy Agenda Survey
## Changing Priorities

**Measurement matters**

<table>
<thead>
<tr>
<th>Priority</th>
<th>More important</th>
<th>About the same</th>
<th>Less important</th>
<th>Not sure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measurement of results/outcomes</td>
<td>55%</td>
<td>37%</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Brand visibility/awareness</td>
<td>48%</td>
<td>42%</td>
<td>6%</td>
<td>4%</td>
</tr>
<tr>
<td>Relationship to broader corporate sustainability</td>
<td>46%</td>
<td>38%</td>
<td>1%</td>
<td>7%</td>
</tr>
<tr>
<td>Relationship to broader corporate citizenship</td>
<td>43%</td>
<td>38%</td>
<td>3%</td>
<td>8%</td>
</tr>
<tr>
<td>Employee recruitment and retention</td>
<td>27%</td>
<td>54%</td>
<td>8%</td>
<td>5%</td>
</tr>
<tr>
<td>Short-term vs. long-term giving focus</td>
<td>26%</td>
<td>59%</td>
<td>1%</td>
<td>5%</td>
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<tr>
<td>Regulatory concerns</td>
<td>26%</td>
<td>48%</td>
<td>1%</td>
<td>8%</td>
</tr>
<tr>
<td>Accountability and transparency of NGOs</td>
<td>22%</td>
<td>48%</td>
<td>1%</td>
<td>10%</td>
</tr>
<tr>
<td>Global market expansion</td>
<td>19%</td>
<td>55%</td>
<td>10%</td>
<td>5%</td>
</tr>
<tr>
<td>Professional development/peer networking</td>
<td>19%</td>
<td>55%</td>
<td>10%</td>
<td>5%</td>
</tr>
<tr>
<td>Proliferation of NGOs/need for NGO mergers</td>
<td>15%</td>
<td>30%</td>
<td>8%</td>
<td>17%</td>
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<tr>
<td>Leadership development and/or capacity</td>
<td>14%</td>
<td>49%</td>
<td>17%</td>
<td>12%</td>
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<tr>
<td>U.S. Patriot Act/security restrictions</td>
<td>9%</td>
<td>56%</td>
<td>8%</td>
<td>3%</td>
</tr>
</tbody>
</table>

N = 155

*Source: The Impact of the Economic Downturn on Corporate Giving: Key Findings from The 2009 Philanthropy Agenda Survey*
Findings from the study
Volunteering –
the business case
The Participating Companies
The Research Process

- The research tracked the learning and development experienced by almost 550 volunteers who are supporting students and staff in schools and colleges across London, UK.
- The aim was to examine the skills and competencies employees can develop through active participation in employer supported volunteering programs.
- We sought to demonstrate the financial value of this process of competency development by contrasting the costs of skills gained through volunteering with the costs of other forms of training and development.
- We wanted to produce a generally applicable and widely accepted evaluation tool that will allow companies to gather hard data on competency development achieved through volunteering opportunities.
Volunteering in the Sixteen Companies

- Support for employee volunteering ranges from giving four days paid time off per year to informal, ad hoc support.
- Volunteering involves - reading/number/language partner programs; student mentoring; enterprise workshops; supporting an education related charity; and support for school governors.
- Volunteers are split between men (43%) and women (57%); from across all ages; and from all levels of the organization – from graduate trainees to vice presidents and directors.
- While all the companies use a competency framework, none of them make an explicit link between this and volunteering programs.
The Main Findings

There is a real skills gain in volunteering

- Communication skills
- Helping others and coaching people
- Adaptability, being effective in different surroundings
- Influencing and negotiating skills

This skills gain is corroborated

- The overwhelming majority of line managers agree volunteers do acquire useful skills
- The skills developed are of direct relevance to the companies involved

The learning process

- Both volunteers and line managers confirm that volunteering is a hugely valuable experiential learning process that allows people to adopt new approaches and experiment with new management styles

The key to success?

- This research underlines the importance of integrating volunteering activities into mainstream HR processes of appraisal and development – both before and after the assignments

Volunteering assignments are a highly cost effective method of achieving positive learning and development benefits
The Added Benefits

Real social benefits for education partners

Increased job satisfaction and morale

Building and maintaining corporate reputation

The financial benefits of learning and development
Case Study: Deutsche Bank - UK

- Employees across the company receive 2 days paid leave each year to volunteer
- 15% of UK employee volunteer
- Program design is informed by:
  1. Real community needs in areas where Deutsche Bank wants to take action
  2. Activities that are of interest to employees
  3. Business needs and available resources
- Corporate Citizenship team is responsible for programs, working directly with the business units.
- Personal approach to matching employees with volunteering opportunities
- Corporate Citizenship team meets with HR at least 2x per year to ensure links with broader development requirements of the business
Case Study: Deutsche Bank - UK

- Evaluation undertaken for all volunteer programs dependent on resources – always involves a survey which includes questions about skills gained and perception of Deutsche Bank
- The company also works with its non-profit partners to survey its programs
- Deutsche Bank plans to integrate volunteering into employees appraisal and personal development plans
- Factors of success:
  - Quality of partners and intermediaries is vital
  - Community partners must really need the assistance that the volunteers are offering
  - Obtaining buy-in at senior level
  - Engage employees early in their careers can be linked to future success
  - Employee must receive feedback on their activities and now that their contribution makes a real difference
Lessons learned, ideas for companies

- Spend time in selecting appropriate partners
- Involve volunteers in pre-engagement training
- Ensure there is on-going, two way communications
- Use evaluation to substantiate the business case
- Make sure you feedback results, celebrate success and seek external recognition
- Finally, the companies involved in this research dedicated a considerable amount of time and effort to help us assess the skills and competencies gained by employee volunteers. However, they suggest it was worth it:

  “The experience was so successful that a tailored version of the questionnaire is now used after all types of employee volunteering in Aviva”

  “[The research] adds substantially to our ability to build the business case for volunteering” (Société Générale)
For further information

www.cityoflondon.gov.uk/Corporation/LGNL_Services/Business/Business_support_and_advice/Economic_information_and_analysis/Research_publications/

Jennifer Peckman
Senior Consultant

Corporate Citizenship
241 Centre Street, 4th Floor
New York, NY 10013
United States

T:  (212) 226-3702
E:  jen.peckman@corporate-citizenship.com

Website:  www.corporate-citizenship.com

Andrew Wilson
Director

Corporate Citizenship
5th Floor, Holborn Gate
330 High Holborn
London WC1V 7QG
United Kingdom

T:  +44 (0)20 7861 1616
E:  andrew.wilson@corporate-citizenship.com