



CORPORATE VOLUNTEERISM: Innovative Practices for the 21st Century

OVERVIEW

PURPOSE

This report was undertaken to identify creative approaches to corporate volunteerism and to counter the following trends, as identified and acknowledged by study participants: decreasing employee participation in corporate volunteer programs; participation in corporate volunteer programs, overwhelming, by the same small, core group of employees; reduced senior management involvement and a mounting resistance by low- and middle-managers; the devolution of the traditional corporate structure and environment, due to the increased usage and reliance on “virtual” offices; and the increased emphasis placed on community relations and volunteer program managers to demonstrate the value and business benefits of volunteering through tracking, measurement and evaluation.

The goals and objectives that have been established for this study and expressed throughout the report are threefold:

1. **To Identify Trends:** What are the quantitative changes in how companies approach corporate volunteerism? *How many companies have formal corporate volunteer programs? How many companies track, measure and evaluate volunteer events and activities?*
2. **To Establish Benchmarks:** What are the standard or commonplace approaches that a majority of companies take in planning, organizing and implementing corporate volunteer programs, as well as individual events and activities? *How do companies define “corporate volunteerism?” How are they structuring their programs? What are companies spending on volunteer programs and activities? What are the techniques used to recruit employee volunteers?*

3. **To Highlight “Best” or “Innovative Practices:”** What are the most innovative and effective ways in which companies are developing and implementing corporate volunteer programs? *How can volunteer programs and initiatives be designed/adapted to address various corporate goals and objectives? And ultimately, how are companies utilizing volunteerism to generate benefits for their employees and the communities in which they live and work, and how is this effecting their bottom-line?*

METHODOLOGY

Over a six month period – from September 2000 to February 2001 – the following 65 U.S. companies and corporations, and one Canadian company, took part in this “best practices”/research study:

Advanced Micro Devices (AMD), Inc., Alabama Power Company, American Express Company, AT&T Corporation, Autodesk, Inc., BAE Systems, Bank of America Corporation, BellSouth Corporation, The Boeing Company, Borden, Inc., Bristol-Myers Squibb Company, Cargill, Inc., Carolina Power and Light Company, Cisco Systems, Inc., CMS Energy, The Coca-Cola Company, Columbia Gas of MD and PA, Compaq Computer Corporation, Consolidated Edison, Inc., Costco Wholesale Corporation, The Walt Disney World Company, Dominion Resources, Inc., The Dow Chemical Company, Duke Energy, Inc., Eastman Kodak Company, Electronic Data Systems (EDS) Corporation, Entergy Corporation, Equiva Services, Exxon Mobile Corporation, Federated Department Stores, Inc., First Union Corporation, Florida Power and Light Company, General Electric Corporation, GE Capital Corporation, General Mills, Inc., The Home Depot, Inc., Honeywell International, Inc., IBM Corporation, Intel Corporation, International Paper, J.P. Morgan Chase and Company, Lucent Technologies, Inc., MBNA Corporation, McKesson HBOC, Inc., Microsoft Corporation, Mitsubishi Electric America, The MONY Group, Inc., Nationwide Insurance Companies, Nicor Gas, Inc., Nike, Inc., Pacific Gas and Electric Company, Philip Morris Companies, Inc., The Pillsbury Company, Pitney Bowes, Inc., The Procter and Gamble Company, Prudential Insurance Company of America, Sappi Fine Paper, NA, The Charles E. Schwab Corporation, Sempra Energy, Starbucks Corporation, Target Corporation, TELUS Corporation, Time Warner, Inc., TRW, Inc., Washington Mutual, Inc., and Weyerhaeuser Company.

According to Hoovers On-Line, Inc., these companies employ over 4.3 million workers and had a combined net income in excess of \$135 Billion for 1999. LBG Associates is extremely grateful for their willingness to participate in the study.

The data were collected, primarily, through two main components. First, second-hand data were gathered through a literature review of existing academic research, as well as publications and other collateral material from nearly 200 of the Fortune[®] 500 companies. Examples of publications and collateral material used include corporate volunteerism/philanthropy statements, policies and guidelines; annual corporate philanthropy reports; and volunteer program manuals. Second, original data were generated from telephone interviews with the vice presidents and managers from the 65 corporations listed above. Participants were provided copies of the questionnaire used during the interviews approximately one month in advance. On average, interviews lasted between one- and one-and-a-half hours in duration. Each vice president or

manager that participated in a phone interview was responsible for overseeing their company's corporate volunteer program and initiatives, and frequently, they had their subordinates who managed the day-to-day responsibilities of corporate volunteerism, also take part in the interviews.

NOTE: For the purposes of this study, General Electric and GE Capital were treated as two separate companies for two reasons: first, GE Capital is approximately the same size – both in terms of revenues and employees – as all of General Electric's other divisions, combined; and second, GE Capital manages its volunteer programs and initiatives considerably different than the rest of General Electric's other divisions.

OVERVIEW AND HIGHLIGHTS

Corporate Volunteerism can be defined as: *“Those community service initiatives that are planned, organized and executed by employees and endorsed by management, which generate specific benefits for the corporation, as well as the community.”*

Volunteer programs provide companies with an efficient and effective means by which to strategically intersect community needs, employee values and key business goals and objectives.

Based upon our research, *68% of all companies maintain formal corporate volunteer programs.*

The following components are the key elements needed to build and maintain successful corporate volunteer programs:

KEY COMPONENTS OF CORPORATE VOLUNTEER PROGRAMS

- Mission / Value Statement
- Goals and Objectives
- Guidelines and Policies
- Dedicated Resources
- Structure / Organization
- Communications and Marketing
- Education and Training
- Measurement and Evaluation
- Reward and Recognition
- On-going Programs/Activities
- Annual and Signature Events
- Senior Management Support

VOLUNTEER BUDGET STATISTICS

- **48%** of companies maintain budgets at the corporate-level that cover *both* national and local volunteer initiatives

On average, companies budget **\$4.90 per the total number of employees in their workforce** regardless as to the actual number of employees who volunteer

The amount of money companies budget/allocate for their volunteer initiatives ranges between **\$1 - \$10 per every employee in their workforce** regardless as to the actual number of employees who volunteer

VOLUNTEER STAFF ALLOCATION STATISTICS

- **87%** of companies house their volunteer programs in a *corporate department*
- **13%** of companies house their volunteer programs in their *foundations*
- **At a minimum**, companies maintain *1 full-time professional staff person* at the corporate-level to help coordinate volunteer activities

VOLUNTEER PROJECT STATISTICS

- **92%** of companies provide volunteer opportunities
- **70%** provide opportunities on *workdays, weekends & after hours*
- **20%** provide opportunities on *workdays & weekends OR weekends & after hours*

GLOBAL VOLUNTEERISM

- **72%** of companies that maintain corporate volunteer programs in the U.S. also maintain volunteer programs in their international locations

PAID LEAVE STATISTICS

- **18.5%** of companies *compensate* employees for participating in company-sponsored volunteer activities
- **3%** of companies plan to begin compensating employees in *2001*

RECOGNITION STATISTICS

- **92% of companies recognize employees for their volunteer efforts**
- **57%** of companies maintain *informal recognition programs*
- **35%** of companies maintain *formal recognition programs*

Formal Recognition: The utilization of an annual, company-wide initiative that recognizes select employees, typically on a competitive basis, and is coordinated/managed at the corporate-level.

Informal Recognition: The on-going, day-to-day recognition of employee volunteers, coordinated/managed at the local or business unit level, that may vary from one location to the next within a company.

DOLLARS FOR DOERS PROGRAM STATISTICS

- **60%** of companies *HAVE* a Dollars for Doers program or volunteer component in their Matching Gifts programs
- **31%** of companies plan to implement a Dollars for Doers program or add a volunteer component to their Matching Gifts program in 2001

TECHNIQUES TO GENERATING SENIOR MANAGEMENT BUY-IN

- Get Them Involved!
- Anecdotal Stories
- Formal Data
- Business Benefits
- Media Hits
- External Studies / Research
- Regular Reports
- Awards / Recognition
- Formal Training

STATISTICS ON MANAGEMENT REVIEWS AND COMMUNITY INVOLVEMENT

- **17%** of all companies include *volunteerism/community involvement* as part of senior management's *formal or annual review*
- **3%** of companies plan to *add volunteerism/community involvement* as part of senior management's *formal or annual review 2001*

STATISTICS ON FAMILY INVOLVEMENT

- **85%** of companies *invite / encourage friends and family members* to participate in company-sponsored volunteer events and activities.

STATISTICS ON MEASURING CORPORATE VOLUNTEERISM

- Only **48%** of companies track employee participation in volunteer events and activities
- Less than **40%** of companies evaluate the effectiveness of their volunteer programs
- Little more than **1/3** survey employee volunteers (36%)

WHAT COMPANIES ARE TRACKING

- **48%** of companies track employee participation in company-sponsored volunteer events and activities
- **14%** of companies track only participation in *annual or signature events* (i.e., Day of Caring)

STATISTICS ON EVALUATING CORPORATE VOLUNTEER PROGRAMS

- **23%** of companies conduct *formal evaluations*
- **16%** of companies conduct *informal evaluations*
- **24%** of companies conduct *annual employee surveys* on volunteering

COST

PAPER COPIES

Companies & Corporate Foundations\$150.00 (*plus S&H*)
Students & Nonprofit Organizations\$135.00 (*plus S&H*)

REPORT on CD

Companies & Corporate Foundations (only) \$500.00 (*plus S&H*)

The CD is great for making multiple copies of the report to distribute to community relations, human resources and public affairs staff throughout your entire company, especially in local/regional offices.

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