



SNAPSHOT 2015

The New Corporate DNA:

Where Employee Engagement and Social Impact Converge



SNAPSHOT 2015

The New Corporate DNA: Where Employee Engagement and Social Impact Converge

SPONSORED BY



“Snapshot 2015 takes the pulse of the nation’s workplace-centered philanthropy and gives leaders insight into trends that are shaping employee engagement programs from top to bottom. One of those trends is the changing expectations around impact. Companies are demanding more evidence that their charitable resources help fuel the strategic social responsibility objectives. Employees are demanding more transparency, accountability and proof of life that their donations are resulting in measurable outcomes and social impact. The Snapshot series is a vital tool for employers who seek to be on the cutting edge of these expectations that are quickly becoming the DNA of corporate giving.”

STEVE DELFIN, PRESIDENT AND CEO, AMERICA’S CHARITIES

Table of Contents

I. EXECUTIVE SUMMARY	4
II. A DRAMATIC SHIFT IN JUST TWO YEARS	7
III. IT CUTS BOTH WAYS: WHAT MATTERS TO LEADERS AND WHAT'S EXPECTED OF THEM	9
IV. MOVING FAST JUST TO KEEP UP	9
V. TECHNOLOGY PLATFORMS AND ENGAGEMENT	14
VI. WORKFORCE DYNAMICS AND CHANGING EXPECTATIONS	16
VII. SMALL AND LARGE COMPANIES ARE GETTING IN THE GAME	19
VIII. THE SHARING ECONOMY – SOCIAL MEDIA'S PREVAILING WINDS	20
IX. CORPORATE–NONPROFIT PARTNERSHIPS AND RISING EXPECTATIONS	21
X. FINAL INSIGHTS	26
XI. ADVISORY COMMITTEE	28
XII. ABOUT AMERICA'S CHARITIES	29

I. EXECUTIVE SUMMARY

Employee engagement, workforce demographics and workplace giving are changing at a rapid pace as patterns of giving, digital culture and employee interests take center stage. Snapshot 2015 – The New Corporate DNA: Where Employee Engagement and Social Impact Converge reveals that employee engagement not only continues to evolve, it is evolving at a very rapid pace.

Conducted during the third quarter of 2015 and built on the trends and themes reported in Snapshot 2013 and Snapshot 2014, Snapshot 2015 is the third in a series of original research reports America's Charities has produced as part of its ongoing efforts to track, analyze and reflect on the changing nature of workplace-centered philanthropy and employee engagement.

Snapshot 2015 revisited the transformation of employee engagement and explored how companies are responding to new employee expectations, particularly those of the Millennial workforce; It also examined the strategic role of employee volunteering; challenges and opportunities digital culture presents; and increased demands to demonstrate impact and outcomes from corporate philanthropic investments. Snapshot 2015

findings were collected from responses to an online survey of corporate executives. One hundred twenty (120) unique companies responded to the survey. They represent more than 600,000 employees and 17 unique industry groups including Finance, Manufacturing, Information Technology, Healthcare, Energy, and Marketing. Responding companies were geographically dispersed and equally distributed between large companies with more than 5,000 employees and small-to-midsize companies with fewer than 5,000 employees.

SOCIAL RESPONSIBILITY AND EMPLOYEE ENGAGEMENT

Effective engagement programs are beneficial to all key stakeholders, including the company, employees, customers, and nonprofit organizations. In fact, engagement has become a central feature in employee recruitment and retention strategies. Furthermore, companies recognize they must also meet rising expectations of their employee and customers.

“The field is changing so quickly it necessitates re-evaluation often to make sure there is still alignment with goals.”

- Corporate Respondent

About America's Charities Snapshot Series: The Snapshot series is original research designed to capture the issues and trends that are foremost on the minds of employers and their employees related to corporate workplace philanthropy.

Snapshot 2103: Trends and Strategies to Engage Employees in Greater Giving focused on corporations and their views on employee engagement. The report examined the transformation from workplace giving to employee engagement, corporate expectations of future programs, and insights into trends and best practices in employee giving programs. Snapshot 2013 was released at an April 2013 special event at the Washington Post Conference Center in Washington, D.C.

www.charities.org/trends

Snapshot 2014: Rising Tide of Expectations – Corporate Giving, Employee Engagement and Impact looked at employee engagement and impact through the lens of nonprofit organizations. The report explored key trends shaping corporate-nonprofit partnerships and future challenges and opportunities for charities to maximize engagement. Snapshot 2014 was released in April 2014 at the National Press Club in Washington, D.C.

It is important to note that companies responding to the Snapshot surveys are not necessarily the same companies each year. Thus, the data should be viewed as trends compiled from the viewpoint of different stakeholders.

Snapshot 2015's Top 6 Trends

1

GETTING INVOLVED IS AN ON-RAMP TO FULL ENGAGEMENT.

Volunteerism is now the core around which companies are building employee engagement strategies and programs. Not only does it serve as a catalyzing force within companies but it is an on-ramp to full employee engagement and deepening partnerships with nonprofit organizations.

2

IF IT'S NOT AUTHENTIC, THEY WILL KNOW.

Employee engagement has become a key ingredient in employee recruitment and retention strategies and it **MUST** be authentic. Anything else is considered superficial and inauthentic.

3

LEADERSHIP MUST BE INVOLVED.

Leadership **MUST** be involved in efforts to engage employees. Employee engagement and workplace giving programs **MUST** be woven into the fabric of a corporation's identity.

4

MILLENNIALS ARE HERE AND THEY ARE COMPANY INFLUENCERS.

No other generation has entered the workforce with such high expectations of their employers. The barriers that separated life inside and outside the walls of the workplace have come tumbling down.

5

LARGE COMPANIES MOVE OVER AND MAKE ROOM FOR SMALL-TO-MIDSIZE COMPANIES.

Engagement isn't for just large companies. Small-to-mid-size companies now feel increased expectations to be more strategic in their philanthropy and empower their employees to give time, talent and money.

6

ALIGNMENT OF CORPORATE GOALS, EMPLOYEE INTERESTS AND NONPROFIT NEEDS IS ESSENTIAL.

Companies can drive greater engagement but they need to align strategically to match corporate and employee interests with the genuine needs of nonprofit organizations.

🔑 Workplace Giving Programs

1

PROVIDING EMPLOYEES with the opportunity to make financial donations directly from their paycheck (also known as workplace giving) is the most common component of employee engagement.

2

YEAR-ROUND GIVING is becoming the standard with more than 60% of companies saying their giving program is open year-round. In 2013, only 24% of companies indicated they offered this year-round option.

3

ABOUT 30% OF COMPANIES provide employees with an opportunity to give to international charities while only 13% give to international charities in international currency.

4

MATCHING GIFT PROGRAMS are about equally split between companies matching any employee gift (open programs) and those that match a limited number of charities or specifically identified charities.

SNAPSHOT 2013:
LARGE CORPORATIONS

SNAPSHOT 2015:
LARGE, MID-SIZE AND SMALL COMPANIES

71% conducted the giving program during a finite period of time, usually the fall

60% now offer year-round giving

63% match employee contributions

65% large companies match while only 28% of small to mid-size companies match

21% include global employees

31% offer opportunities to give to international charities

28% allow employees to post videos and/or testimonials

51% believe peer-to-peer engagement is essential

II. A DRAMATIC SHIFT IN JUST TWO YEARS

In 2013, when America's Charities conducted its first Snapshot report, companies indicated their employee-giving model included elements such as corporate branded campaigns, charity choice, a time-limited fall campaign, and increased reliance on technology vendors. Specialized services, such as matching gift programs and hosting events that catalyze giving, were growing in importance but were not as widely adopted.

Two years ago, just over one-third (38%) of companies indicated they were moving beyond Fall campaigns to year-round giving. Today, almost two-thirds (60%) say they now offer year-round opportunities for employees to give.

We also see a growing interest in giving to international charities and a small growth in interest to give to international charities in international currencies.

A GAME CHANGER – VOLUNTEERISM IS FRONT AND CENTER

Two years ago, Snapshot 2013 signaled the technological transformation of employee giving. Employees who had grown up as part of

the networked and digital culture expected their workplace giving and volunteering experience to mirror what they had access to outside of the workplace. Consequently employers sought robust, engaging technology platforms that have continued to evolve and are now business as usual. Snapshot 2013 also noted that employee volunteerism was emerging and serving as the impetus for evolving corporate engagement strategies, employee involvement and personal as well as corporate impact. Snapshot 2015 clearly shows these trends and practices have taken hold and are evolving at a very rapid pace.

In Snapshot 2014, many nonprofit organizations indicated they felt obligated to use corporate volunteers in order to maintain their corporate partnerships, but many nonprofits were challenged to offer meaningful volunteer work. There is still much work to be done to move corporate-nonprofit relationships from transactional to strategically focused partnerships designed to meet mutual goals and needs with real social impact. See section "Corporate-Nonprofit Partnerships and Rising Expectations" on page 21.

Transformative Role of Engagement

92%

of respondents noted their customers expect them to be good corporate citizens.

Nearly half of survey respondents say employee engagement programs will have a larger, more significant role in employee recruitment and retention strategies in the future.

88%

believe effective employee engagement programs help attract and retain employees.

86%

believe their employees expect them to provide opportunities to engage in the community and **87%** believe their employees expect them to support causes and issues that matter to those employees.

90%

indicated that partnering with reputable nonprofit organizations enhances their brand and **89%** believe partnering leverages their ability to improve the community.

🔑 Components of Employee Volunteer Strategies

1

Company-sponsored volunteer projects and projects that encourage employees to team with their peers are the most common components of a company's volunteer strategies. **(71.43%)**

2

A growing number of companies plan to introduce mentor programs that team employees with the beneficiary of a nonprofit organization. **(31%)**

3

Today nearly **27%** of companies offer financial grants in recognition of individual volunteer service and an additional **30%** of companies plan to offer these within the next two years.

4

Nearly **60%** of companies offer paid time off for employees to volunteer, and an additional **21%** plan to offer release time in the next two years.

5

Nearly **50%** offer pro bono and skills-based opportunities and nearly **30%** plan to offer this type of 'skills giving' over the next two years.

6

About **25%** of companies tie skills-based volunteering to an employee's professional development plan but **21%** say they plan to make this tie in the future.

Respondents indicated that identifying employee interests and ensuring volunteer engagement opportunities aligned with those interests (including employee schedules) was key to a successful program. Respondents also articulated the challenges they face as evidenced by these comments:

“The challenge is that volunteer opportunities through work competes with all that is going on outside the company walls or with competing demands from other business priorities.”

– Corporate Respondent

Respondents also noted the critical importance of having engagement programs integrated into business strategy and operations so there is authentic senior management and operations and business strategy alignment:

“What causes people choose to support is personal; giving at the office is about the change we can affect when we work together. It’s about making it easy for busy people to give back in meaningful ways, to be a part of that collective impact.”

**HEATHER LOFKIN WRIGHT,
DIRECTOR, CORPORATE RESPONSIBILITY, PwC US**

“Get buy in and support with Human Resources to show the power volunteering has in attracting, engaging and retaining employees.”

– Corporate Respondent

III. IT CUTS BOTH WAYS: WHAT MATTERS TO LEADERS AND WHAT’S EXPECTED OF THEM

Without leadership support, employee engagement programs are likely to lack authenticity and fail. Employees are keenly aware if leadership at all levels is authentically involved or not. It’s not enough to say giving of time, money, and skills are important. They **MUST** be involved, and it **MUST** be in the corporate DNA.

Companies are expected to do more to engage their employees and support causes employees care about. The paradigm shift from static one-time giving to fully integrated employee engagement programs described in Snapshot 2013 has taken hold. This new engagement model has moved away from giving as a transaction to giving as part of a larger engagement profile, one that must be embedded in a company’s culture, values and actions.

IV. MOVING FAST JUST TO KEEP UP

For many years, workplace giving remained a basic program of payroll deduction with a slow but steady growth in the number of companies offering it with varying participation rates. In Snapshot 2013, a dramatic shift documented the transformation to fully integrated engagement strategies. Employers began to understand this changing environment as they began to integrate corporate goals, employee expectations and opportunities to grow giving.

“We must always re-evaluate, otherwise we are not innovating.”

– Corporate Respondent

Top 7 Engagement Elements Most Important to Corporate Leadership

We asked companies what aspects of employee engagement are most important to their company's leadership.

1

PROVIDING YEAR-ROUND GIVING and volunteer opportunities for employees is of the greatest value to company leadership.

2

SUPPORT FOR EMPLOYEES to serve as board members with nonprofit organizations.

3

ABILITY TO MEASURE ROI of employee engagement.

4

ABILITY FOR EMPLOYEES to choose the causes/charities they give to.

5

CONNECTING EMPLOYEES with corporate signature programs.

6

OPPORTUNITIES FOR EMPLOYEES to connect with their peers around causes.

7

EXTERNAL RECOGNITION/PROMOTION of engaged employees to the media and/or the public.

SUCCESS IS IN THE CORPORATE DNA

83%

of respondents indicate the most important factors in building and sustaining successful integrated employee engagement programs are

1. obtaining support from leadership and
2. ensuring engagement that is embedded in an authentic culture. While these present challenges, the true success will be because, as one corporate respondent said, "It will be in the corporate DNA."

The below chart highlights what companies said were the top five components of their future of employee engagement programs in 2013 and today. Volunteerism has clearly moved to the top of the list.

Top 5 Components of Employee Engagement Programs

SNAPSHOT 2013: LARGE CORPORATIONS	SNAPSHOT 2015: LARGE, MID-SIZE AND SMALL COMPANIES
1 Payroll giving	1 Year-round volunteering
2 Matching of employee contributions	2 Giving and volunteering as central components of employee engagement programs
3 Charitable choice	3 Connecting employees to corporate signature programs
4 Participation and revenue goals	4 Year-round giving opportunities
5 Incentives that encourage employees to give their time, talent and money	5 Connecting employees to causes they care about

Companies are now developing strategies that invite and encourage employees to volunteer and tap into their interests beyond just giving money. Further, small and large companies alike are looking to metrics and data to measure success and determine the value of investing in these strategies.

ONGOING PROGRAM RE-EVALUATION

Employee engagement programs can no longer be conducted with the mindset: 'if you build it, they will come' or 'it's once and done.' There is a growing recognition that these programs must be robust, constantly improving, engaging to meet the needs of the workforce, and competitive with all of the opportunities available outside the walls of the workplace.

“We continually review and evaluate because we are trying to keep up with the evolution of people's giving habits and stay relevant to the changing workforce AND increase impact.”

– Corporate Respondent

Top 3 Reasons for Ongoing Re-evaluation of Engagement Programs

1. TO MAINTAIN/ENHANCE ENGAGEMENT AND RESPOND TO NEEDS
2. TO MAKE PROGRAMS MORE EFFECTIVE AND MEANINGFUL TO EMPLOYEES
3. TO REFRESH AND STAY RELEVANT

More than 70% of respondents plan to re-evaluate their employee engagement strategies in the next 18 months. Larger companies are significantly more likely to re-evaluate their giving programs within the next two years than are small to mid-size companies. This may be a question of resources, corporate bandwidth or being a newer entrant to philanthropy and engagement.

In fact, as technology and digital culture are ubiquitous, the barriers to entry for small and mid-size companies no longer exist. Solutions are scalable and workforce expectations hold for companies regardless of their size.

ENGAGEMENT PROGRAM SUCCESS IS IN THE DATA

More companies are embarking on a continuous cycle of evaluation and refinement. The key metrics of success continue to be how many employees participate in their company's programs and how much money they give. However, this is expanding to include employee surveys and benchmarking. Companies are increasingly looking to the best practices of other companies whether competitors or in other industry sectors.

To determine success, companies want to measure outcomes and meet demands from leadership to establish a return on their investment and the ability to place a business value on such engagement programs.

Employee Engagement Program Success Measures

65%

or two-thirds measure success by the growth and the trends in the amount of money given and how many employees participate.

63%

use employee surveys as a measurement tool.

44%

benchmark against other corporate best practices and programs.

25%

of respondents also measure success by their media presence – metrics related to visibility in traditional media and social media mentions (retweets, posts, followers, sharers).

“Snapshot 2015 shows the number of companies incorporating employee tweets, photos, video and other content into their official social media presence has doubled since Snapshot 2013. This corresponds with a trend we’re seeing at 3BL Media, where organic, employee-produced content about community and charity initiatives is being published on company newsrooms and intranets.”

DAVE ARMON, CHIEF MARKETING OFFICER, 3BL MEDIA

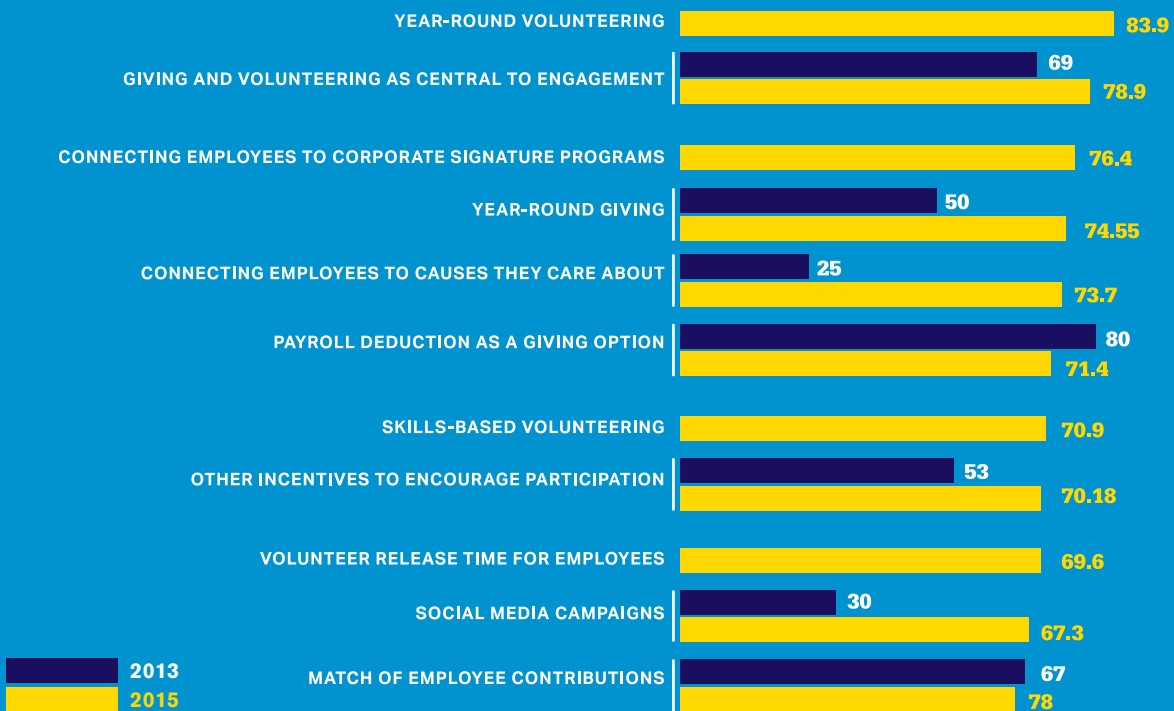
Trends in Giving

The time-honored tradition of Fall campaigns is evolving into new traditions. Many have said that workplace giving is dead. The Snapshot reports reveal quite the opposite is true. The traditional model of top down, corporate-directed giving is no longer acceptable. And, workplace giving and employee engagement is alive and evolving at a very rapid pace.

- 1** More than 50% of the companies that responded indicate they see an increasing number of employees who give as well as an increase in the amount of money given.
- 2** The number of employees who volunteer is increasing and the amount of time they give is growing as well.
- 3** 42% of the companies have less than 20% participation rates in their employee giving program (giving financial contributions). While 13% have participation rates above 61%. 29% have rates between 41-60%.

While we asked slightly different questions in 2013 and 2015, respondents provided insights on their expectations about what future engagement programs would look like:

View in 2013 and 2015 on What Future Programs Would Look Like



WORKPLACE GIVING COMPONENTS – COMPANY SIZE IS A DIFFERENTIATOR

There are significant differences in what comprises a workplace giving program between large and smaller companies. See below chart. Also, see section “Small and Mid-Size Companies Are Getting In the Game” for more findings on those similarities and differences.

	SNAPSHOT 2013: COMPANIES (LARGE COMPANIES ONLY)	SNAPSHOT 2015: SMALL TO MIDSIZE COMPANIES (UNDER 5,000 EMPLOYEES)	SNAPSHOT 2015: LARGE COMPANIES (OVER 5,000 EMPLOYEES)
Year-Round Giving	50%	44%	85%
Volunteer Opportunities	68%	60%	92%
Payroll Contributions	80%	37%	88%
Matching Gift	70%	28%	70%

V. TECHNOLOGY PLATFORMS AND ENGAGEMENT

Snapshot 2013 highlighted the technology challenge companies faced as they expressed the desire to have “all engagement embedded into one tool that is easy to manage and streamlines the employee experience.”

“Time-crunched administrators face hurdles when coming up with new engaging and relevant ways to encourage employees to participate. They are looking for new solutions that are easy to use, don’t require a lot of time to administer and offer a platform to engage employees.”

– Corporate Respondent

Technology platforms are now widely available. Today, to meet corporate needs, these platforms must offer a rich robust user experience.

Technology platforms are being used to support the broad range of employee engagement programs. More than 80% said they use technology to allow employees to give money, and 65% use it to record volunteer hours and 69% use technology to sign up for a volunteer event. About one-third (37%) use technology platforms to empower employees to promote their favorite causes. However, there are significant differences between how small and large companies empower employees. See chart on page 15.

Use of Technology Platforms Small versus Larger Companies

USE TECHNOLOGY PLATFORM TO EMPOWER EMPLOYEES TO DO THE FOLLOWING:	SMALL COMPANIES	LARGE COMPANIES
Give money	64%	96%
Record volunteer hours	50%	80%
Sign up for volunteer event	59%	80%
Evaluate a volunteer event	14%	36%
Access the corporate matching program	27%	80%
Promote their favorite causes	45%	28%
Fundraise for their favorite cause	36%	20%
Push out messages, videos or pictures to their peers	27%	28%




Key Leveraging Technology Platforms

1

40% have implemented a new employee engagement platform within the last 18 months.

2

A smaller percentage of employers use Instagram and Pinterest but many indicate they also plan to use these social platforms within the next two years.

58% **53%**

3

Companies say their current engagement and giving platform make it easy to:

- 80%** Give money
- 83%** Volunteer time
- 70%** Sign up for a volunteer event
- 65%** Record volunteer hours
- 54%** Access the corporate matching gift program

4

Companies responding to the survey say their current platform isn't as easy as they expected to enable employees to push out messages, videos or pictures to their peers both inside and outside of the company.

- 35%** Platform is easy for employees to promote favorite charities
- 25%** Platform is easy for employees to push messages, videos to colleagues

VI. WORKFORCE DYNAMICS AND CHANGING EXPECTATIONS

Millennials continue to reshape the work environment. They expect their employers to support their involvement with causes. In fact, it is well documented that millennials consider a company's genuine social responsibility and support for philanthropic activities and initiatives when deciding which employer to work for (or with).

ENGAGEMENT IS A RECRUITMENT AND RETENTION STRATEGY

Companies increasingly view employee engagement as a core component to attract and retain employees. An overwhelming majority of Snapshot

2015 respondents view volunteer opportunities as an important way to engage employees.

Respondents indicated they are under pressure to find proven ways to engage a changing workforce.

"Given the changing workforce in both age and global expansion, there is a need to reinvent our programming. It is important that we learn what our employees want in a giving program. Our current giving campaign is successful but it is NOT resonating with millennial employees who wish to give faster and differently."

– Corporate Respondent

"There are significant employee engagement benefits to directing corporate charitable funds towards the causes employees are passionate about rather than exclusively supporting a handful of charities a company's executive leadership team chooses."

ADAM WEINGER, PRESIDENT, DOUBLE THE DONATION

Employee Engagement Opportunities

77%

of the respondents believe that offering employee engagement opportunities is an important recruitment strategy to attract millennials.

84%

of the respondents agree that providing volunteer opportunities is an important way to engage employees.

73%

are in agreement that offering employee engagement opportunities is an important retention strategy for their company.

TOP COMPONENTS OF ENGAGEMENT PROGRAMS – WHAT EMPLOYEES EXPECT AND WHAT NONPROFIT ORGANIZATIONS VALUE

In Snapshot 2015 and Snapshot 2013, companies were asked to identify the top components of their future engagement programs. In Snapshot 2014, nonprofit organizations ranked those engagement elements that were of greatest value to them. There is a significant shift as engagement programs are becoming more sophisticated and responsive to employee and customer expectations. See comparison below.

Corporate Expectations of Future Engagement Programs and Components Valued by Nonprofits

(RANKED IN ORDER OF IMPORTANCE)

	SNAPSHOT 2013: COMPANIES (LARGE COMPANIES ONLY)	SNAPSHOT 2015: SMALL COMPANIES	SNAPSHOT 2015: LARGE COMPANIES
1	Payroll contributions	Matching employee contributions	Year-round volunteering and allow them to volunteer during company time
2	Matching employee contributions	Employees able to promote their favorite charity to their peers	Giving and volunteering as central to engagement
3	Choice	Financial incentives for employee volunteer service	Connecting employees to corporate signature programs
4	Goals	Year-round giving	Year-round giving
5	Incentives	Payroll contributions	Connecting employees to causes they care about
6	Year-round giving	Choice	Payroll contributions
7	Individual giving accounts	Employees serving as board members	Skills based volunteering
8	Employees able to promote their favorite charities to their peers	Company-sponsored volunteer teams	Other incentives to encourage participation

🔑 What Employees Expect

When we asked what companies believe their employees expect of them, nearly 70% of the survey respondents strongly agree that employees expect them to be a socially responsible company.

This includes the following expectations to:

- Provide opportunities to connect them with causes they care about
- Allow them to volunteer during company time
- Conduct an effective giving program that is engaging and empowering

Less than half, 43%, strongly agreed that employees want the company to have programs that support environmental sustainability.

CORPORATE- AND EMPLOYEE-DRIVEN VOLUNTEER OPPORTUNITIES

There is a growing expectation that employers will provide volunteer opportunities for teams of employees. Furthermore, companies believe their employees also want opportunities to organize their own volunteer events and recruit their peers to join them:

82%

of the survey respondents say employees want the opportunity to volunteer with peers in a corporate-supported event.

70%

say employees want the ability to organize volunteer events and 60% want to be able to recruit peers to support their giving and volunteer efforts.

IMPACT 2030: Corporate Volunteers to Focus on Worldwide Issues

A new initiative, IMPACT 2030 demonstrates the growing trend towards leveraging corporate employee time and talent to have meaningful and significant impact.

IMPACT 2030 is the only business-led collaboration with the United Nations' Sustainable Development Goals designed to mobilize corporate volunteers and align corporate volunteering efforts to accelerate the global achievement of the United Nations' Sustainable Development Goals. This cross-sector collaboration between the private sector, United Nations, civil society, academia, and philanthropic organizations provides a unique and highly visible platform to engage employees around the world.

With a focus on raising awareness of this corporate-driven worldwide initiative, nearly 50% of respondents said they are aware of IMPACT 2030 and 42% indicated an interest in participating as a conduit to cross-sector collaboration and increased impact on their social investment. As expected, large companies were more likely to be aware and interested in participating.

IMPACT 2030 is a unique opportunity for small to mid-size companies to be engaged in this global initiative. For more information, go to www.IMPACT2030.org

VII. SMALL AND MID-SIZE COMPANIES ARE GETTING IN THE GAME

Engagement in all forms is becoming a strategic focus for small and mid-size companies as well as large companies. As more and more small companies recognize the call for social responsibility and for meeting the needs of a changing workforce, they are able to capitalize on the lessons learned over the past decade to build authentic and robust giving and engagement programs. However, there are still differences in perceptions, priorities and resources for employee engagement between large and small to mid-size companies.

BIGGEST DIFFERENCES BETWEEN LARGE AND SMALL TO MID-SIZE COMPANIES

Large companies hold the following beliefs more significantly than small and mid-size companies:

- Partnering with nonprofits enhances the corporate brand
- Partnering leverages their ability to improve the community
- Their employees expect they can support causes they personally care about

When it comes to giving programs, large companies are significantly more likely to offer:

- Year-round giving opportunities
- Fall campaigns
- Matching gifts programs
- Option for employees to give out of their paycheck

Large companies are also more likely to have these components in their employee volunteer programs:

- Volunteer projects that encourage employees to team with their peers or company-sponsored volunteer projects
- Support for individual volunteer projects outside of company time

- Pro bono or skills-based volunteer opportunities
- 'Dollars for Doers' or financial grants for employee volunteer service
- Placement on nonprofit boards

LARGE AND SMALL ALIKE

Large, mid-size and small companies are similar when it comes to these beliefs:

- Employee engagement is a recruitment and retention strategy
- The company is committed to employee engagement
- Engagement is a growing priority

PARTNERING WITH NONPROFITS

Large companies (more than 5,000 employees) are more likely to partner with reputable non-profit organizations to improve the community and leverage the company brand.

GOOD CORPORATE CITIZENSHIP

In addition to large companies, small and mid-size companies (fewer than 5,000 employees) have a degree of recognition that their customers expect them to be good corporate citizens. Collectively, the public holds a greater expectation that all companies will be more socially responsible.

PAYROLL GIVING AND MATCHING GIFT PROGRAMS

Payroll giving and matching programs are used predominately by larger companies with more employees.

- 68% of companies with more than 5,000 employees indicate they match payroll contributions
- 7% of companies with fewer than 5,000 employees offer matched payroll contributions
- 89% of larger companies offer payroll giving while less than 38% of smaller companies have payroll giving as part of their engagement program

VOLUNTEER PROGRAMS

It comes as no surprise that smaller companies tend to have less formal volunteer programs that include release time, support for individual volunteer efforts, etc.

SOCIAL MEDIA EXPECTATIONS

Small and mid-size companies believe their employees have higher expectations around social media tools that allow them to post content and promote causes to their peers than large companies.

Large companies are likely to have greater restrictions on their employees' use of social media due to brand-related issues. In other cases, it could be for security reasons. But, as one CEO of a social innovation company says, "Your employees are talking about you anyway. Let them talk about how your company supports giving and volunteering."

VIII. THE SHARING ECONOMY— SOCIAL MEDIA'S PREVAILING WINDS

Snapshot 2013 noted the emergence of social media and the challenge companies face in deciding how, if at all, they would use social media and whether they would support their employees' use of social media. Now it's a given—and not just for the employee. Corporations want employees to play the role of brand ambassadors as much as employees want to be able to use social media to support causes they care about. Our lives inside and outside the walls of the workplace are no longer separate.

Snapshot 2013 found that only 30% of employers incorporated social media tools into their giving program. Snapshot 2015 finds that more than half of employers (56%) are now using social media tools as part of their employee engagement program.

🔑 Digital Platforms and Social Networks

55%

say their employees want the ability to post content and promote their favorite causes to their peers as social media is important to employees both inside and outside the walls of the workplace.

57%

say their employees expect they should be allowed to use social media to engage with and promote their causes. And less than half of the respondents (41%) note their employees want to be able to crowdfund with their peers.

A highlight of Snapshot 2013 was "We share what we like." In 2015, it's "We share what we care about and use our social networks to influence others."

IX. CORPORATE–NONPROFIT PARTNERSHIPS AND RISING EXPECTATIONS

Corporate giving and employee engagement are key elements of the social impact equation. The work of nonprofit organizations is an essential ingredient in this equation. Workplace giving is changing to embrace the broader aspects of employee engagement and provide greater opportunities for employees to learn about, interact and connect with charities. Nonprofit organizations are responding to this shift by changing the way they operate to better address the new expectations of corporate, institutional and individual donors. Snapshot 2014 examined this question in detail. (See page 4 for Snapshot series overview.)

The transformation in the nonprofit sector to meet rising expectations to be accountable, transparent and have impact mirrors the changes taking place in the corporate world. Both are responding to the need to be relationship- and engagement-focused. Corporate-nonprofit partnerships are no longer solely based on a financial transactions; they now play a central role in the employee engagement equation of involvement, impact and value. As one respondent stated:

“Companies shouldn’t look at their work with nonprofits as transactional events but rather as building a relationship with a trusted ‘go to’ nonprofit partner that is working to achieve mutual goals.”

– Corporate Respondent

TYPES OF PARTNERSHIPS AND EXPECTATIONS

Snapshot 2015 respondents revealed what’s important to building and sustaining nonprofit partnerships, whether their company is small or large:

- Companies are looking to establish strong relationships with key nonprofit partners.
- Companies prefer to have deeper partnerships with a smaller number of nonprofit organizations rather than less extensive partnerships with many nonprofits.
- Companies expect greater accountability and transparency from their nonprofit partners to demonstrate impact and deliver measurable results.
- Requests by employees are increasing to provide more meaningful ways to be engaged.

FINANCIAL CONTRIBUTIONS REMAIN ESSENTIAL TO NONPROFITS

More than ever before, companies are developing strategies that encourage and invite employees to volunteer. Giving time and talent to nonprofit organizations is a central component and an on-ramp to a more comprehensive engagement program. However, it’s vitally important to note that the ability of nonprofit organizations to fulfill their mission and have the expected impact still requires unrestricted and sustainable financial contributions.

Key Corporate-Nonprofit Partnerships

1

More than 77% of companies agree that they have strong relationships with their key nonprofit partners and over **63%** say they have higher expectations of their nonprofit partners as it relates to accountability, transparency and impact.

2

75% of respondents say it is important or essential for nonprofit organizations to provide meaningful volunteer opportunities for their employees.

63% say it is important or essential to allow employees to provide their skills to build the nonprofit's capacity.

Nearly 50% of the nonprofit respondents in Snapshot 2014 said the number of requests to engage with employees has increased within the last three years. Additionally, they see a growing number of young professionals engaged with nonprofit organizations.

3

85% of companies said it is essential for their nonprofit partners to have the ability to sustain the relationship. Snapshot 2014 found that one of the greatest challenges for nonprofit organizations is to sustain the relationship.

80% of nonprofits in Snapshot 2014 said they have difficulty building strong corporate partnerships and workplace giving strategies with limited staff and resources.

90% report a major challenge is sustaining ongoing relationships with corporate and other funds.

Corporate Expectations of Their Nonprofit Partners



COMPANY HAS STRONG RELATIONSHIP WITH ITS KEY NONPROFIT PARTNERS



COMPANIES PREFER TO HAVE DEEPER PARTNERSHIPS WITH A SMALLER NUMBER



EXPECT GREAT ACCOUNTABILITY FROM NONPROFIT PARTNERS TO DEMONSTRATE IMPACT



REQUESTS ARE INCREASING TO PROVIDE MORE MEANINGFUL WAYS TO ENGAGE EMPLOYEES



HIGHER EXPECTATIONS OF NONPROFIT PARTNERS AS IT RELATES TO ACCOUNTABILITY

Companies are engaging with their key signature or strategic nonprofit partners in a number of ways. The primary method is by providing financial support, followed by volunteer opportunities and including their signature programs in employee giving programs.

Respondents indicated that it's important to encourage their employees to volunteer on corporate-supported initiatives and incentivize them to give to the company's strategic non-

profit partners. At the same time, they are increasingly empowering employees to promote their favorite causes within the walls of the workplace and give them a way to post videos, pictures and stories.

An emerging and vital component of corporate-nonprofit partnerships is to engage in strategic and mutually beneficial discussions around goals and strategies.

🔑 Ways Companies Engage with Nonprofit Organizations

81%

say that providing financial contributions remains one of the most important ways a company supports its nonprofit partners.

75%

say that providing volunteer opportunities for corporate employees with nonprofit partners has emerged as a primary way to engage with nonprofits

56%

say that including strategic nonprofit partners in the employee giving program is important. This is true more for larger companies that have employee giving programs than smaller companies that are beginning to enter this space.

52%

engage in discussions with their nonprofit partners around mutually beneficial goals and strategies. Yet these discussions are of the utmost importance to ensure there is a match between employee and corporate volunteer interests and nonprofit needs.

“As a practice we need to start admitting that there is a significant difference between participation and engagement. When corporate volunteering goes beyond transactional and is instead transformative, participants experience a fundamental change in how they think, feel and act. As a result workplace giving and volunteering are no longer ‘things to do’ but expressions of ‘who I am.’”

CHRIS JARVIS, CO-FOUNDER AND SENIOR PARTNER, REALIZED WORTH

IMPORTANCE OF CHARITY VALIDATORS

Individual, corporate and institutional donors are becoming increasingly focused on a nonprofit organization's accountability, transparency and impact, but there is much work to be done to make this a greater priority. The number of 'validators' and rating groups has grown in recent years and each takes a different approach. These validators need to change as quickly as the dynamically evolving employee engagement programs are.

With the democratization of charity information and massive amounts of data, donors are turning to these validators for information and independent assessment of nonprofit effec-

tiveness. Of the 250 nonprofit respondents to Snapshot 2014, only 6% had met the Better Business Bureau's Wise Giving Alliance Charity Accountability Standards, 17% had earned a GuideStar badge and 30% were rated by Charity Navigator. About 35% had been reviewed on GreatNonprofits.

Nearly two-thirds of the companies in Snapshot 2015 say it is important that their nonprofit partners are championed by the various charity validators. Further, they expect their nonprofit partners to have an impact. But less than half (40%) of the survey respondents indicate their nonprofit partners are effective in demonstrating impact and providing data to show a return on investment.

🔑 Expectations of Nonprofit Partners to Demonstrate Transparency, Accountability and Impact

1

In the view of corporate respondents, strong nonprofit leadership is the most important factor in demonstrating transparency, accountability and governance. Followed by the use of data to demonstrate impact; reporting of organization's activities; conflict of interest policies; and a written code of ethics.

2

Nearly 40% of the respondents felt their nonprofit partners were either effective or very effective in demonstrating impact and providing data to show a return on the investment. However, almost one-quarter of the respondents said their nonprofit partners were ineffective or somewhat ineffective in demonstrating impact.

3

To respondents, data and metrics are important factors in establishing a strong corporate-nonprofit partnership. This is followed in importance by alignment of corporate and nonprofit goals and ability to sustain the relationship.

Top 3 Qualities of Corporate-Nonprofit Partnerships

- 1. MUTUALLY BENEFICIAL STRATEGIES AND MUTUAL GOALS THAT ALIGN WITH BUSINESS GOALS AND STRATEGIES.**
- 2. TRANSPARENCY AND ACCOUNTABILITY.**
- 3. MULTI-LEVEL RELATIONSHIP BUILDING AND TRUST WITH OPPORTUNITIES TO ENGAGE ON MULTIPLE LEVELS AND IN MULTIPLE WAYS.**

BRIDGING THE DISCONNECT BETWEEN COMPANIES AND NONPROFITS

There is growing importance that corporations and nonprofits align strategically, work to identify mutually beneficial goals, and work in partnership to deliver transformational volunteer experiences for employees while meeting real nonprofit needs. Simultaneously, companies and institutional donors as well as employee-donors expect more of their nonprofit partners

and expect them to be accountable, transparent and demonstrate real impact.

This is a compelling attraction when thinking about where to contribute, and corporate grants are increasingly expected to demonstrate this level of real impact detail. Furthermore, bridging this divide and ensuring mutually identified goals and outcomes must be given far more attention than it is currently given. This will be the key to successful partnerships and meeting authentic needs.

X. Snapshot 2015: Final Insights

WITH THIS RAPIDLY EVOLVING SECTOR AND DYNAMICALLY CHANGING WORKFORCE, HOW CAN COMPANIES MEET AND EXCEED EXPECTATIONS?

America's Charities Snapshot series has become a benchmark of trends and best practices in corporate nonprofit partnership and the evolving employee engagement landscape. Employee engagement programs account for more than \$4 billion in charitable contributions and companies give more than \$17 billion to nonprofit organizations each year.

America's Charities encourages companies to identify opportunities to assess and strengthen their internal programs and practices. Collectively, corporations and nonprofits have the capacity to make a significant difference and have a social impact in workplaces and communities throughout the country and around the world. When properly aligned the impact has even greater potential.

Snapshot 2015 has revealed that volunteerism is the core around which companies are building employee engagement strategies and programs. Millennials are becoming an increasing influence in forcing change. Engaging employees can have transformative value on the employees themselves, their colleagues and in the communities where they live and work. It is no longer what they are doing but who they are.

Based on Snapshot 2015's findings, America's Charities recommends five things companies can do to have a positive impact on your company, your employees and the communities where you operate –

- 1.** Ensure that company leadership is authentic and senior officers are actively engaged and involved.
- 2.** Align employee engagement strategies and nonprofit partnerships with business values and mission.
- 3.** Engage in a dialogue with key nonprofit partners to ensure engagement is strategic and is mutually beneficial.
- 4.** Involve and empower employees to support corporate signature programs AND the causes they care about.
- 5.** Identify opportunities to ensure you use your programs to recruit and retain the best talent by connecting employee engagement to professional development and recruitment strategies.

As advocates for a fully engaged workforce and mutual beneficial corporate nonprofit partnerships, America's Charities encourages employers and nonprofits to think more strategically and creatively about how to strengthen and transform their collective efforts.

“The rapid changes highlighted in Snapshot 2015 point the way to greater empowerment of employees to support corporate as well as personal causes. Today, engagement is an integral part of employee recruitment and retention strategies. While large companies have led the way, there are tremendous opportunities for small and mid-size companies to make these practices work for them and their employees. Our digital culture makes this scale possible.”

LYNNE FILDERMAN AND STEVE GREENHALGH, CONSULTANTS AND SENIOR ADVISORS TO AMERICA'S CHARITIES

XI. ADVISORY COMMITTEE

America's Charities would like to thank the Advisory Committee for providing insight, guidance and support for Snapshot 2015. Opinions expressed in Snapshot 2015 are solely those of America's Charities.

Dave Armon

Chief Marketing Officer
3BL Media

Chris Jarvis

Co-Founder and Partner
Realized Worth

James Lum

Chief Financial Officer
GuideStar

Matthew Nelson

Corporate Vice President,
Corporate Responsibility
New York Life Insurance Company

Perla Ni

Founder and CEO
GreatNonprofits

Matthew Perdoni

Director of Business Development
Independent Sector

Adam Shapiro

President and CEO
Adam Shapiro Public Relations

Anthony Shop

Co-Founder and Chief Strategy Officer
Social Driver

George Sifakis

Founder and CEO
Axella LLC and Ideagen

Emily Simone

Director, Global Community Outreach
Lockheed Martin

Adam Weinger

President
Double the Donation

Heather Lofkin Wright

Director, Corporate Responsibility
PwC US

Researched and written by

Lynne D. Filderman

Senior Advisor to America's Charities

Stephen K. Greenhalgh

Senior Advisor to America's Charities

Design:

The Glover Park Group
Washington DC

XII. America's Charities is a multi-dimensional, mission-driven organization that connects public and private sector employers with charities to engage employees in greater giving.

We have led the transformation in workplace giving—from paper pledges to digital platforms, from giving to engagement, from traditional annual campaigns to flexible year-round opportunities inside and outside the walls of the workplace. Today, we understand the unique and complex concerns embedded within the private and public sectors and effectively bridge the gap for our many members and brand name clients.

For more than 35 years, we have been on the forefront of corporate social responsibility (CSR) and workplace philanthropy. Our team of executive-level consultants brings a combined century of experience in every facet of cause-driven corporate philanthropy to assist businesses in meeting their social impact goals. Our experience united with an accountable and transparent process has resulted in generating more than \$600 million to 10,000 nonprofits since the organization's inception.

America's Charities Senior Leadership

Stephen Delfin
President and CEO

Kimberly H. Young
Vice President, Business Development

Denise Gustafson
Vice President, Charitable Funds Management Solutions

James E. Starr
COO and Chief Business Development Officer

Lindsay J.K. Nichols
Vice President, Marketing and Communications

Robyn Neal
Vice President, Client Engagement Solutions

For more information, visit www.charities.org.

To access our research, visit www.charities.org/trends.

“America's Charities' Snapshot 2015 provides the Corporate Social Responsibility field with fresh insights into employee engagement. Every page is worth reading and can positively impact how corporations implement their employee engagement and workplace giving programs.”

MATTHEW NELSON, CORPORATE VICE PRESIDENT, CORPORATE RESPONSIBILITY, NEW YORK LIFE INSURANCE COMPANY



14150 Newbrook Dr. Suite 110
Chantilly, VA 20151
www.charities.org