

Workplace Giving Works! Make It Work for You



LBG Research Institute
245 Long Close Road
Stamford, CT 06902
203-240-5766
www.lbgresearch.org



LBG Associates
245 Long Close Road
Stamford, CT 06902
203-325-5154
www.lbg-associates.com



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Introduction to Workplace Giving Programs

Workplace giving programs are charitable solicitation programs conducted at places of employment. But they are also much, much more. Workplace giving programs encourage and support employee philanthropy, which in turn engages employees, increases satisfaction, and helps recruit and retain talent.

Traditionally, these programs have included only the United Way. No more—since the '70s, other charities and federations have been competing for access to employees. And employees themselves have asked for the ability to support their chosen charities. Companies recognized this as an opportunity to enhance not only employee satisfaction with workplace giving, but also to increase recognition of the company in the community for its support of philanthropy. As a result, in the past 10 years the shift has become more of a sea change—companies have been opening up their workplace campaigns at a rapid pace.

Companies can have a truly “open” campaign, in which any 501(c)(3) is eligible, or they can limit employee choices to a handful of charities or federations (an “expanded” campaign). Other terms for these campaigns are “strategic choice” or “employee choice.” The United Way usually continues to be an important partner, but not in every case.

LBG Research Institute and LBG Associates have been contacted with increasing frequency about the challenges and rewards of workplace giving programs. Typically, our clients are looking for the most effective and efficient structure for a workplace giving campaign, often trying to decide if they should expand beyond the United Way, and if so, to what degree.

This study is the result of both research and experience counseling corporate clients on their workplace giving programs. The research includes companies with all types of campaigns: United Way-only, expanded, and open. Participants with expanded or open campaigns were asked about their decision to change, and their experience in the transition and post-transition phases of change.

This report is like no other. Based on solid, current research on workplace giving, this report clearly shows that workplace giving *works*. It works for the company, the employees, and the communities they serve. Read on...

The Research

From August 2009 through January 2010, LBG Research Institute and LBG Associates conducted four separate surveys researching workplace giving campaigns. A total of 54 companies participated. Not every participant was asked every question, however, and in some cases, additional surveys were fielded based upon initial responses.

Participants completed an online survey on Survey Monkey that covered the following information areas:

- Type of workplace giving program;
- Program details and administration;
- Workplace giving matching policies;
- Experience with transition to expanded campaigns;
- Recent workplace giving results;
- Measuring success;
- Current challenges;
- Changes planned for 2010.

In addition, LBG surveyed 10 nonprofits and federations to learn their view of workplace giving. Specifically, we asked:

- The importance of workplace giving to the charity/federation;
- Types of assistance the charity/federation provides to corporate partners;
- Recent results from workplace giving campaigns.

Workplace Giving: The Benefits of Choice

Making the Business Case

The business case for workplace giving is straightforward: it is a win-win-win for employees, companies, and communities. Having an expanded or open campaign enhances the known benefits, particularly for employees. It shows that the company is responsive and sensitive to employee philanthropic preferences. And that leads to what the company wants most: *participation*.

According to the research, almost every company cites an increase in employee participation as part of the business case for change. The next two big reasons for change also relate to employees: 72% of respondents feel it demonstrates a responsiveness to employee desires and 66% feel it increases employee morale. One-third believes it helps recruit and retain talent. It is not surprising, then, that 92% of companies believe that having an expanded or open workplace giving program is a benefit for their employees.

“United Way is a huge nonprofit partner of ours, but our campaign is about helping employees in their personal philanthropy...not about getting the employees to support the company's philanthropy. We are focused on the employees in our campaign.”

–Survey respondent

There are plenty of benefits that accrue to the company as well. An expanded campaign is a public relations plus for the company. More than half of respondents say that the increased awareness of the company in the community because of the expansion benefits their business. Half also say they believe an expanded campaign increases donations, provides an opportunity to select organizations to support, and offers the opportunity to brand the campaign. About 44% believe the new model enables them to be more strategic.

What was the business case for expanding your employee giving campaign? (Check all that apply.)	Response %
Increases employee participation	96.9%
Demonstrates a responsiveness to employee desires	71.9%
Improves employee morale	65.6%
Increases awareness of the company in the community (by supporting more organizations)	56.3%
Increases campaign donations	50.0%
Provides an opportunity to select the organizations in the program	50.0%
Provides an opportunity to brand the campaign	50.0%
Enables the program to be more strategic	43.8%
Helps retain talent	34.4%
Helps recruit talent	34.4%

Factors in the Respondents' Decision to Add Choice

The case for open or expanded giving has been established, but the decision to make the change depends upon the desires of the individual company and its employees. The community relations team must establish a dialogue with both senior management and employees to find out what they want. Frequently employees are surveyed after the annual campaign, and this is a perfect time to ask them their preferences.

For the companies in this study, employee desires factored greatly into the decision to add choice: Nearly 88% of companies say employee requests for choice were important to them. Employees, regardless of how they feel about the United Way, want to support causes that are important to them. Twenty-five percent of companies in this survey say the switch was an acknowledgement that the United Way does not include causes important to their employees.

What precipitated your move to an expanded employee giving program? (Check all that apply.)	Response %
Employees wanted more choice	87.5%
Desire to create a company-branded campaign	43.8%
Senior management was in favor	34.4%
United Way does not include causes important to employees	25.0%
Need to better align program with contributions strategy	25.0%
Benchmarking to industry standards	21.9%
Declining United Way participation	15.6%
Other	15.6%
Declining United Way donations	12.5%
Dissatisfaction with current partners or model	9.4%

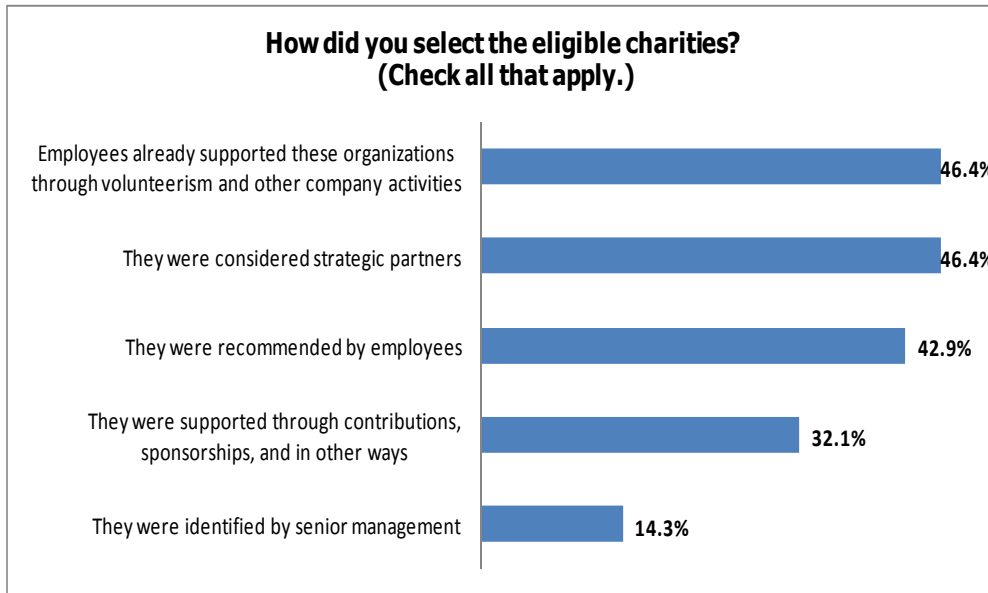
Enlightened self-interest plays a part in the decision as well. Expanding the campaign gives the company the opportunity to brand it with the company name and to align the program with the company's contributions strategy. The data also show that senior management understands this and their support is extremely important in the decision-making process.

In open-ended responses, respondents also cite the desire to include community foundations, to include organizations that do work in the company's supply chain, and to include charities already supported by the company as reasons to open up the workplace campaign.

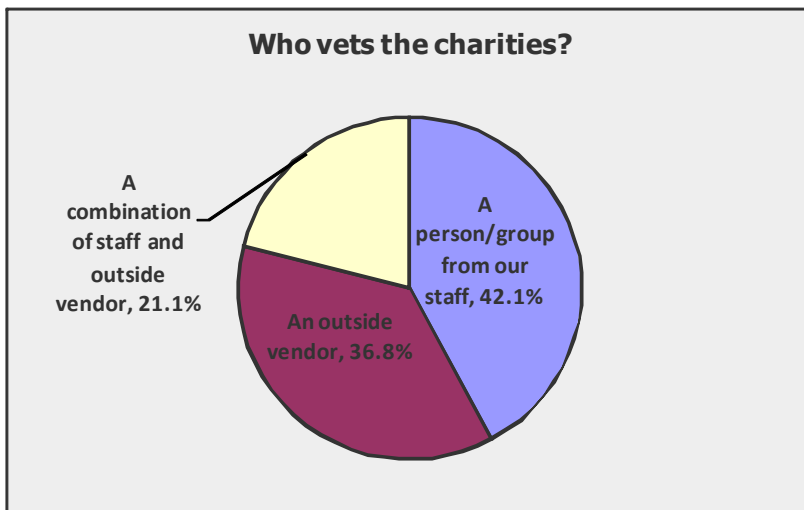
Open or Expanded?

Once the company decides to expand workplace giving to charities other than United Way, it must determine just how open the campaign should be. Should it limit the choices to organizations that support the company's giving focus? Or should it allow employees to name any 501(c)(3)?

Limiting the charities can make strategic and administrative sense. The process of continually vetting charities and sending hundreds or thousands of individual checks can be daunting if handled in-house, and expensive if outsourced. But an open campaign is much more employee-friendly, and is most often chosen. In an open campaign, the company usually keeps a database of charities and employees can nominate additional charities for inclusion. If found to be eligible, it is added to the list.



Employees have a lot of say in forming the initial list, regardless of whether it is an open or expanded campaign. Forty-six percent of respondents say they chose charities already supported through employee volunteerism and other company-sponsored activities. Another 46% say they chose their current strategic partners. About 43% say the charities were recommended by employees, and 32% say they considered organizations they already supported. Only 14% say that senior management selected the charities.



Most companies with open or expanded workplace giving programs (42%) vet any new charities themselves, although 37% use an outside vendor to vet them. In 21% of the cases, the company uses a combination of its staff and an outside vendor to vet new charities.

In the transition, donation parameters may change from the original United Way campaign. Nearly all companies in this study use payroll deduction. Payroll deduction allows employees to donate

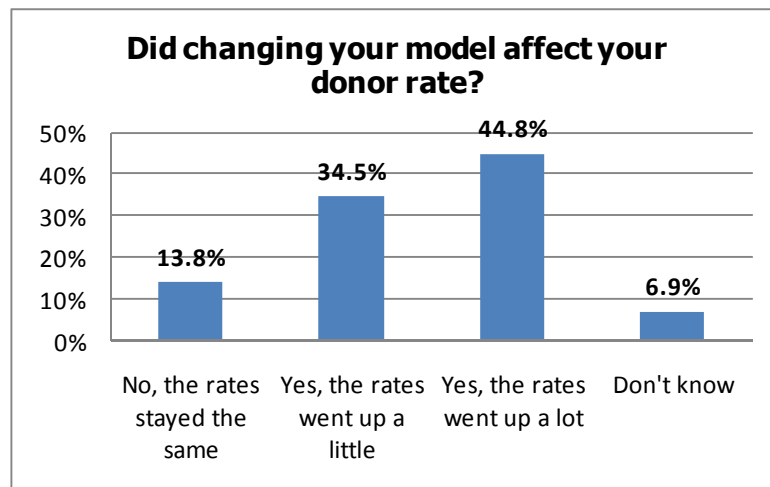
without absorbing the full financial burden at once—making it easier to give more. Transitioning to a new program allows companies to make additional changes. Companies might re-examine their minimum and maximum donations, add the ability to donate by check or credit card, or even add a one-time deduction option. Some innovative companies have even added “trust” accounts, which allow employees to accumulate payroll deductions into an account from which they can make charitable donations at a later date.

The timing of the delivery of the donation to the charity is often a sensitive issue for employees. Although employees don't complete payment of the pledge until the end of the year, most want their charity to receive the donation as they are deducted from their pay. Payment periods among companies interviewed range from biweekly to quarterly. However, more companies say they are moving to monthly payments—mainly as a result of employee pressure.

After the Transition: Reaping the Benefits of Choice

The beauty of an open or expanded workplace giving campaign is that it attracts employees who did not participate before because the charity of their choice was not available. The research found that, overall, companies making the change from United Way-only to an open or expanded workplace giving campaign report higher participation rates, higher donor rates, and increased dollars pledged.

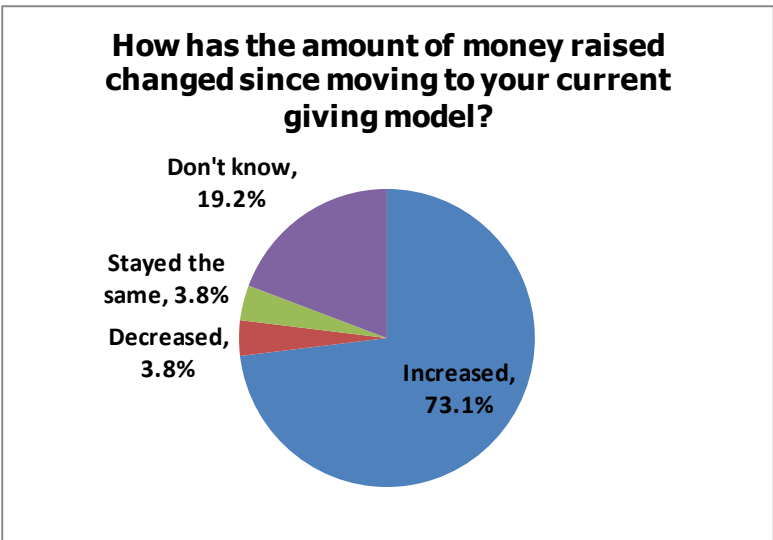
Not one company in the survey says that its donor rates went down after the transition. Just over 79% say their donor rates went up—and more than half of those say they went up a lot. Only 14% say their donor rates remained the same.



“Employees are much more engaged since we converted from a traditional United Way campaign to an open choice campaign. We would still like to have a higher percentage of employees making contributions.”

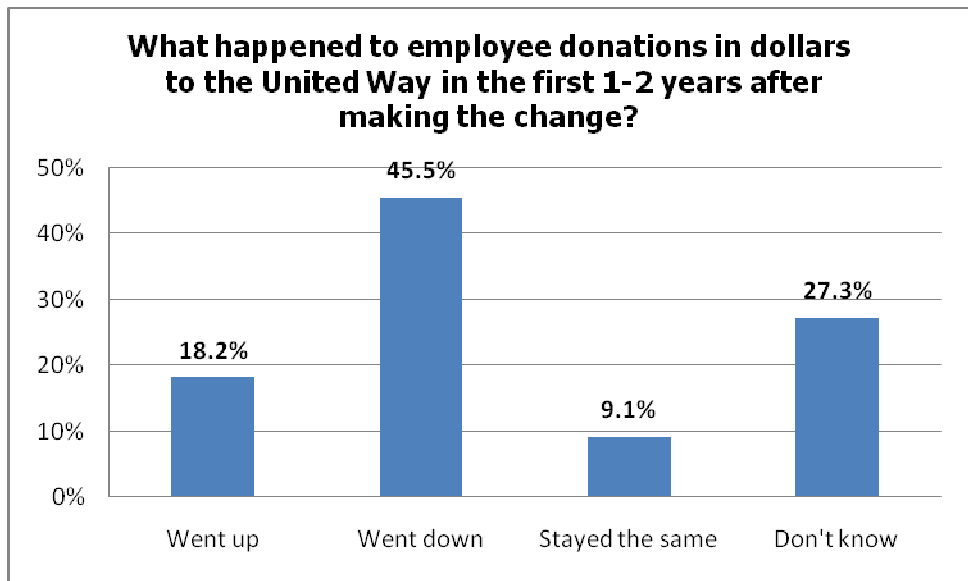
—Survey respondent

With increased donor rates comes increased dollars raised. Seventy-three percent say they raised more money after changing their model; only 4% decreased the amount of money raised; and 4% raised the same amount of money. (Many of the “don’t know” answers are due to the transition being far in the past, and the data not being available.)



One of the first questions companies ask themselves in considering the change is, “What happens to donations to the United Way?” For most, the increase in dollars did not benefit the United Way. The plurality (46%) say total dollars collected for the United Way in the first few years after the transition went down. About 18% say United Way pledges went up, however, and 9% say there was no change. A significant percentage (27%) no longer have the data to answer this question.

Phone interviews with respondents point toward the strength and reputation of the local United Way chapters as indicators of whether United Way dollars will go up, down, or stay the same.



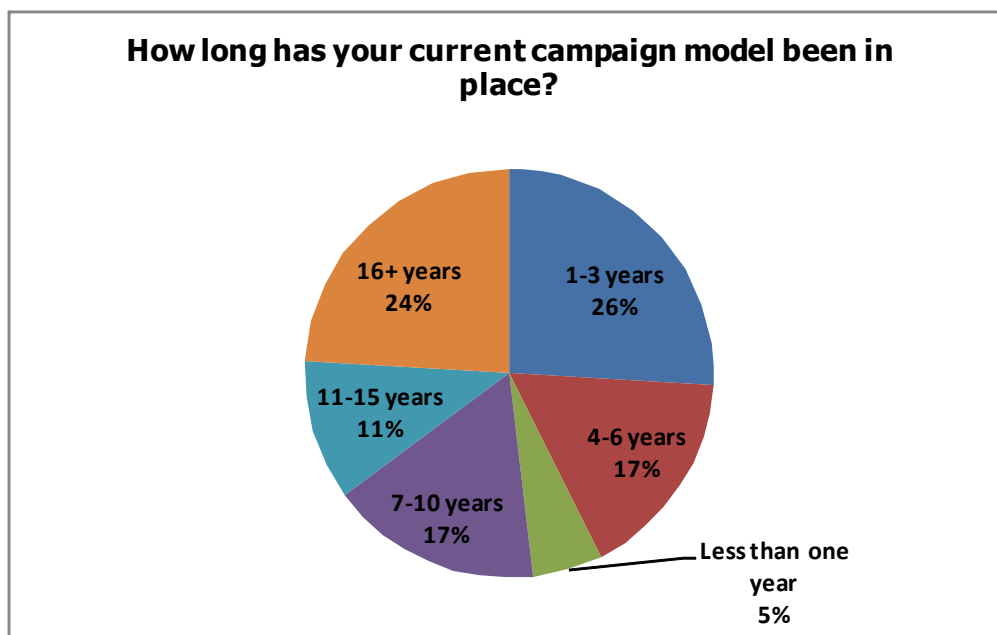
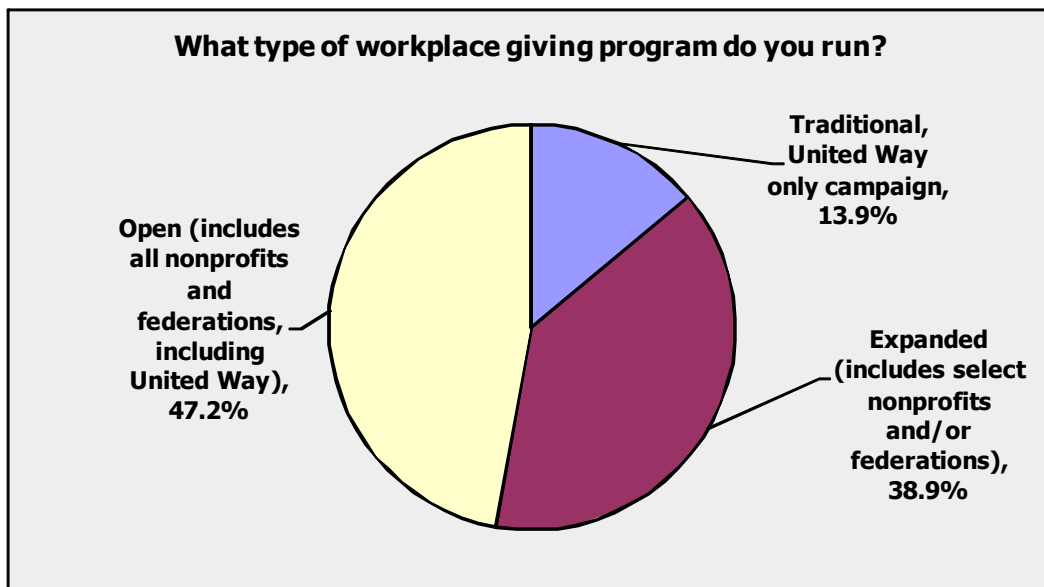
The company can intervene to mitigate the negative effects to the United Way, however. It can:

- Assign all match dollars to the United Way, regardless of the charity the employee chooses;
- Have a higher match rate for United Way donations;
- Continue to give the United Way prominence in the campaign to help it keep its current donors;
- Structure “alimony,” in which the company agrees to fill in the funding gap created by the switch for a period of time.

What Workplace Giving Programs Look Like Today

Type of Workplace Giving Program

LBG has been tracking the trend toward open or expanded workplace giving for decades. The results of this research study seem to further demonstrate this trend, showing that just 14% of the respondents have a United Way-only program. Just under half (47%) have an open campaign, and 39% run an expanded campaign.

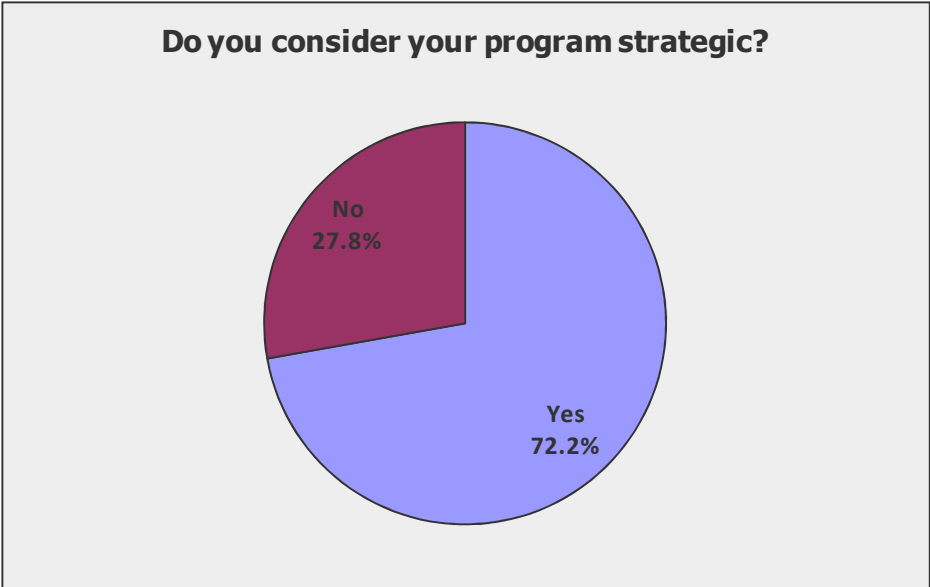


About one-quarter of respondents (26%) have had their current campaign model in place between one and three years. Nearly the same percentage (24%) have had their current model for 16 years or more. Seventeen percent have had their current model for four to six years; another 17% have had their model for seven to 10 years. Eleven percent have had their model for 11-15

years, and just 5% changed their model within the last year.

As expected, the majority (80%) of companies with United Way-only campaigns have had that model for 16 or more years. In comparison, 22% of those with expanded programs have had that model for 16 or more years, and just 15% of companies with open campaigns have had that model for that length of time. Open campaigns overall tend to be older than expanded campaigns: 60% of companies with open campaigns have had that model for seven or more years, versus 48% of companies with expanded campaigns.

Regardless of the program configuration, most companies say they are running strategic campaigns. Nearly three-quarters of respondents consider their program to be strategic—that is, it includes targeted organizations that are aligned with the company’s contributions/CSR strategy or mission/values.

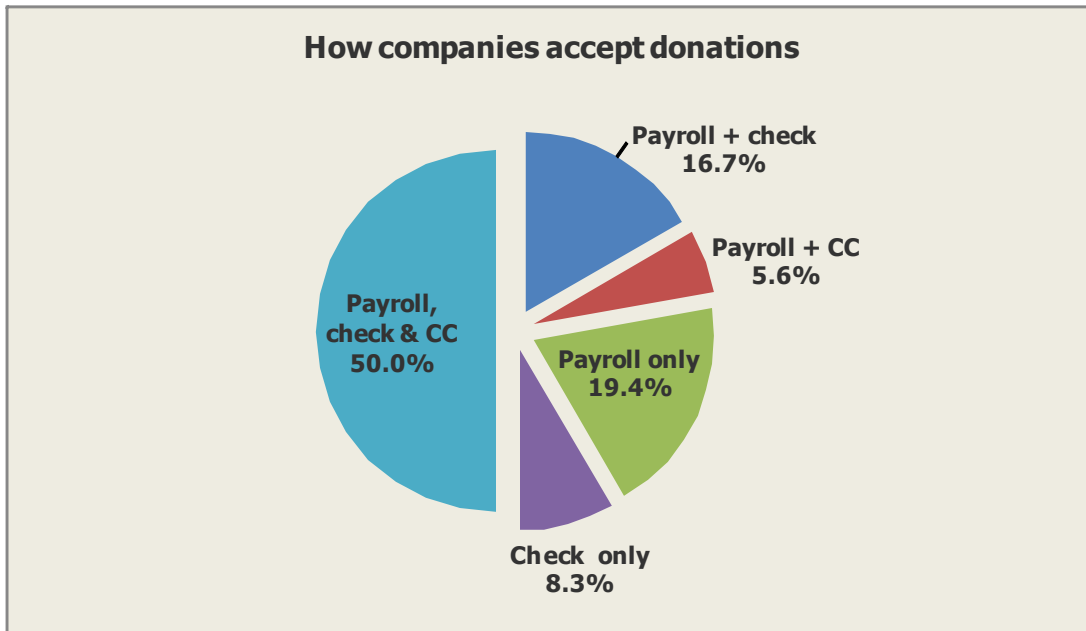


Program Details and Administration

Payroll Deduction

Nearly all the companies (92%) in the survey have a payroll deduction option for their workplace giving program. Seventy-two percent will accept donations by check, and 53% will accept credit card donations.

Breaking down the data further, 50% of respondents take all three payment options; 19% only accept payroll deduction; 17% take payroll deduction and checks; 8% only take checks; and 6% take payroll deduction and credit cards.



Timing

Even companies that have made the switch to an expanded workplace program continue with the traditional seasonal (usually fall) campaign. Almost two-thirds of companies surveyed (65%) run their workplace giving campaign during a defined period. The rest run their campaigns year-round. Although allowing enrollment at any time is convenient for employees and probably heightens goodwill, not every company has the capacity to manage the process. Inputting new information all year round can be burdensome without adequate staff.

Administration

The majority of respondents administer the program internally (56%) and the remainder (44%) use an outside vendor. Of those that run the program internally, the community relations/community affairs department is generally responsible for workplace giving.

Among companies that use an outside vendor and provide the vendor name, JK Group is the most popular choice, at 50%. About 29% say they use Truist, about 14% use eWay, and 7% use America's Charities.

Communication

LBG's research shows, time and time again, that companies, their vendors, and the nonprofits believe communication is the key to success for workplace giving programs. Eighty-five percent of the respondents say that they have a detailed communications plan in place for the program.

The companies in the survey employ a variety of tactics to communicate to their employees about donating through the workplace. Events, contests, and CEO messaging are the most popular tactics used. Other activities respondents mention in the survey are:

- Newsletters;
- Intranets;
- Facebook;

- Employee orientation materials;
- Desk drops, leadership giving events;
- Online fundraising auctions; and
- Web-based training

The table below shows the popularity of different tactics used by the survey participants.

Campaign Activities	Response %
CEO messaging	73.8%
Kick-off event	71.4%
Events, such as breakfasts and pizza parties	64.3%
Contests/prizes	62.1%
Employee-initiated activities, such as bake sales	52.4%
Agency fairs	50.0%
Webinars/videos	26.2%

Workplace Giving Match Policies

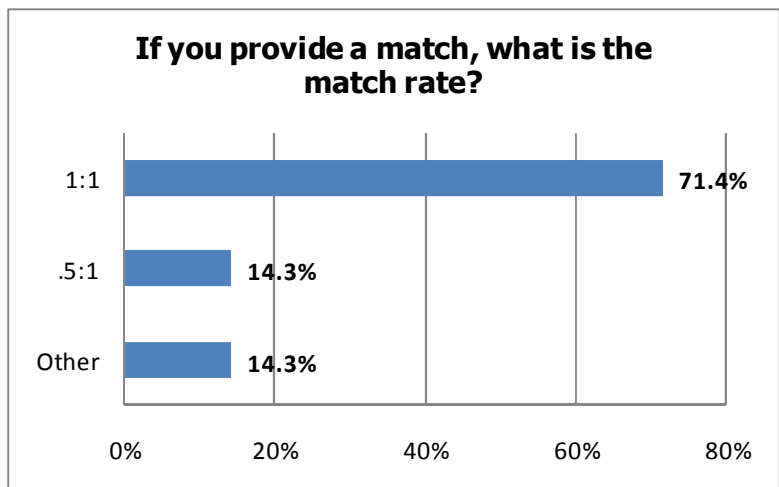
When it comes to matching workplace donations, there is no right or wrong approach. The decision depends on a company's culture and its goals for its workplace giving program.

Almost 80% of all respondents match employee donations as part of their workplace giving program. The popular approach is to keep things simple and have the match follow the employee gift. In this study, 60% of companies with a matching program use that approach.

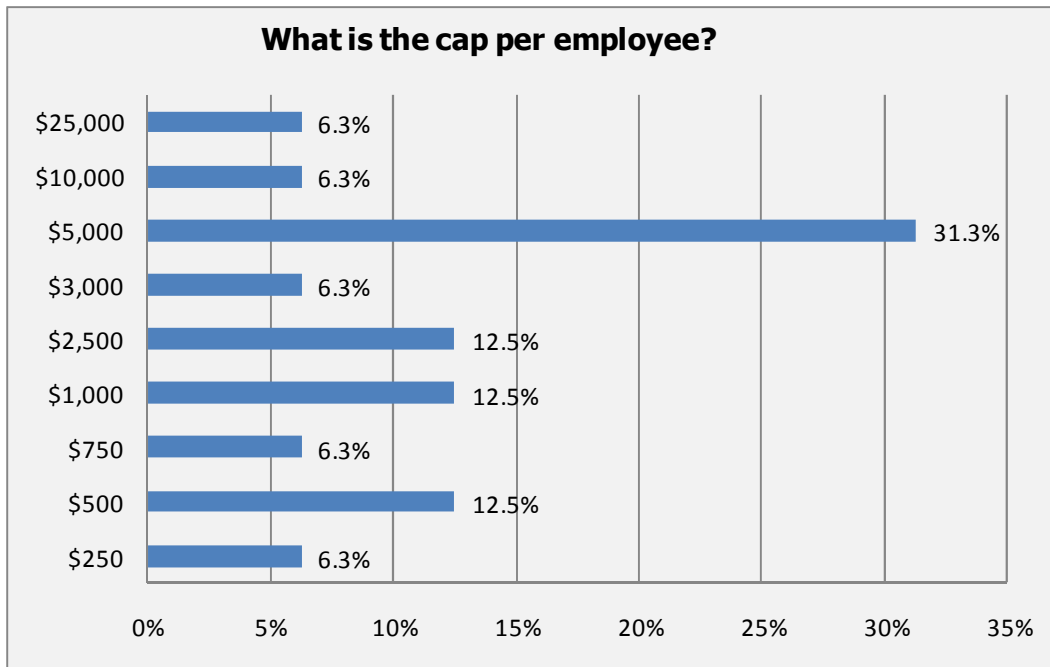


If the company has an open program, the downside to that approach is that a large chunk of the company's philanthropic budget may not be used strategically. If that is a concern, then the company can direct the match to its strategic partners, or only match gifts made to its strategic partners. In this study, 20% direct all matches to the United Way, and the remaining 20% only match gifts to certain organizations.

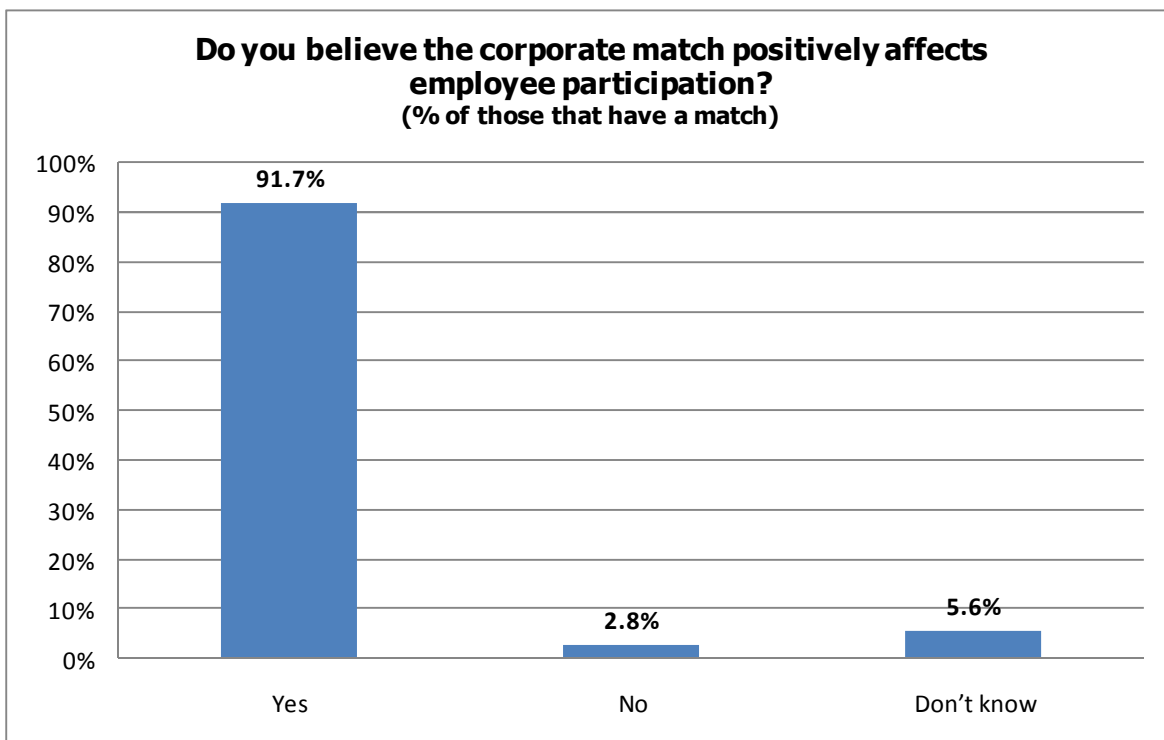
If a company matches, the match rate is most often 1:1, with 71% matching at that rate. Fourteen percent match 50 cents on the dollar. The "other" answers include 60 cents on the dollar, variable match rates between headquarters and non-HQ locations, and a match cap based on dollars donated and not a percentage of the donation (i.e., match up to \$100).



Dollar limits for all companies that match range widely. Some have different caps depending on the job title, with higher caps for higher-level employees. For companies with a single dollar cap per employee, the cap ranges from a low of \$250 to a high of \$25,000. The plurality, at 31%, cap the match at \$5,000. The average is \$4,500 per employee and the median is \$2,750.



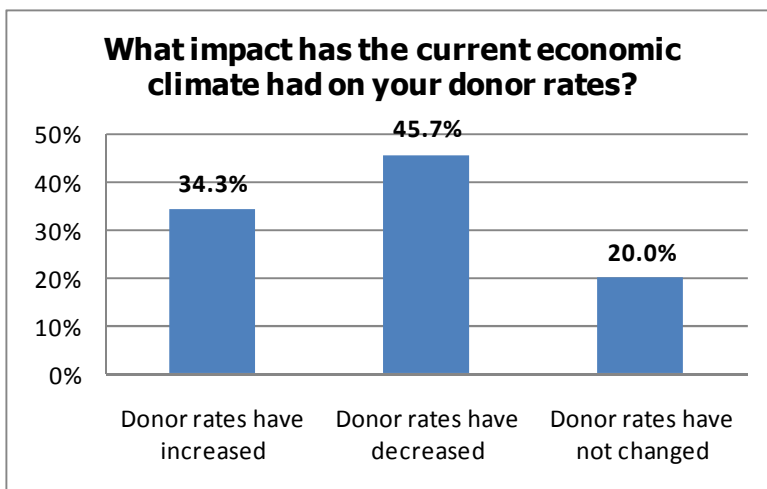
Regardless of the match parameters, just having a match program increases participation, according to 92% of companies surveyed. Only one company says it does not, and 6% (just two companies), say they don't know.



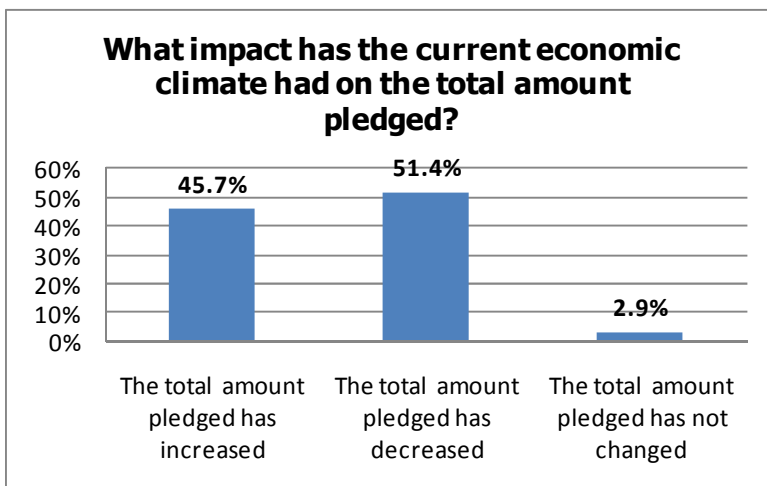
Workplace Giving Results: What Happened in 2009

Most community relations professionals held their breaths in 2009 as their workplace giving programs launched. Would the economy positively or negatively impact pledges? Would employees simply not be able to afford to donate, or would the glaring need of the local community cause employees to dig deeper?

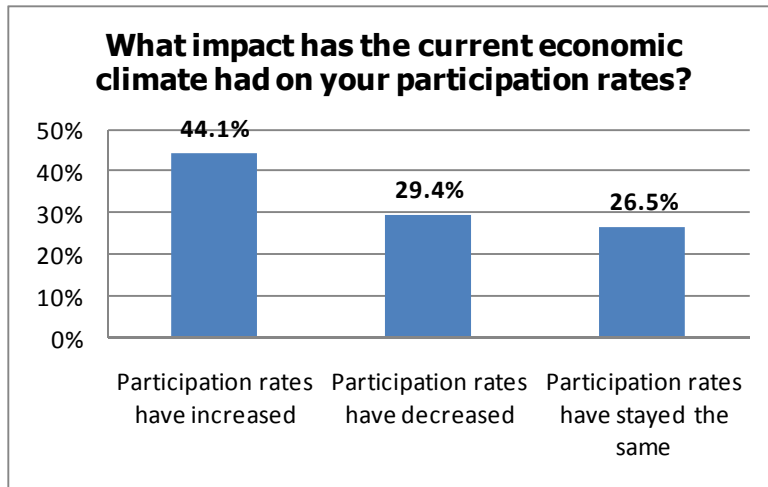
A slim majority of program administrators got to breathe a sigh of relief: Fifty-four percent of companies say donor rates were the same or up. The other 46%, however, saw their fears realized when donor rates went down. In this survey, donor rates ranged from 1% to 85%. (Eighty-two percent of respondents either knew their donor rate or chose to provide it.) The average donor rate was 30%; the median was 32%.



Total amount pledged is a different story. The majority (51%) say the economy has *negatively* affected the total amount pledged, but that is offset somewhat by 46% reporting an increase in the total amount pledged. Across the entire landscape of workplace giving, total amount pledged is likely flat or slightly down overall.



Participation rates, on the other hand, are up for the plurality (44%) of respondents, down for 29%, and have stayed the same for 27%. Participation rates are considered an important measure of success, so it is good news that they have increased overall.

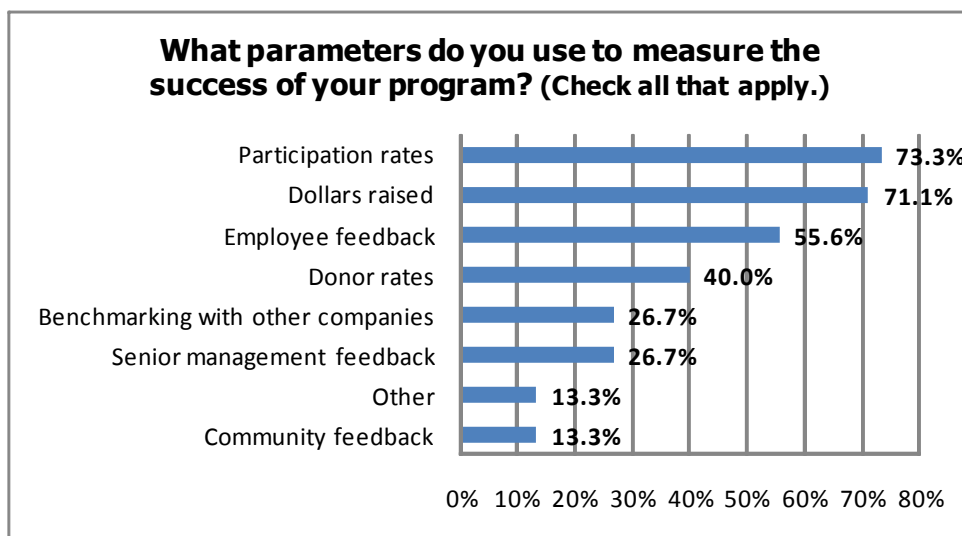


Measuring Success

Evaluation is a critical part of any workplace giving program. The first step is deciding on the program's goals and objectives. Only then can a company determine whether the program has met its goals.

Three types of data need to be collected: process, output, and outcome data. Process data indicates how well the system works. For example, it is important to get feedback from employees on how well the online pledge system is working (if you have one), and gather their suggestions for improvements. Output data are the typical measurements: participation rates, donor rates, dollars collected, average pledge amount, etc. Outcome data is gathered from employees and other stakeholders and measures satisfaction levels. This is usually gathered from surveys, focus groups, or interviews.

Participants were asked what metrics they use to measure success. The top two are participation rates and dollars raised, followed by employee feedback and donor rates. Less important measures are senior management feedback and benchmarking with other companies. On the bottom, at just 13%, is community feedback.



But whether a program is successful depends on the company's overall goals and objectives, measured against the data collected in the evaluation process. In this study, just over 80% of respondents feel their workplace giving program is a success. When asked why they feel this way, respondents consistently answer "employee engagement and satisfaction derived from the program." The second most frequently mentioned measure of success is the amount of money raised and the good that money does in the local communities. Below are some verbatim comments from companies with self-described successful programs:

"We have been able to continue to raise the funds for the communities across the country and have increased the engagement of employees—we receive much positive feedback from employees across the country."

"Our campaign has been in place for more than 20 years and is ever-evolving. Employees are becoming more engaged in making a difference in the communities where they live and work and the company match has remained in place during challenging economic times."

“Our program has raised over \$1 million dollars per year for the past nine years. In 2010, we are moving to an expanded giving program and believe that it will be even more successful.”

Companies that have experienced less success in their workplace giving program cite a lack of resources, senior management support, or employee interest. Some verbatim comments from these companies:

“The impact on organizations is minimal in comparison to the cost of administering the program. Most employees choose their alma mater as the charity to give to.”

“We don't have the staff time or resources to run an effective campaign on an annual basis. Also, because we're a global company and have employees in many countries, it's been challenging to get participation in areas other than our main office headquarters. Many of our employees also express a preference for giving locally, rather than through a federation, so it's been difficult to create excitement around the program.”

Challenges and Changes

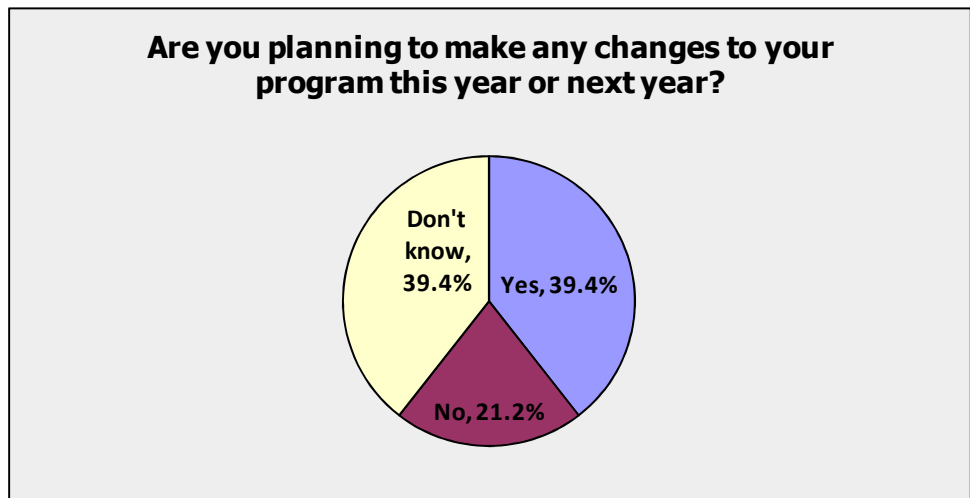
It's challenging to run a successful campaign. The top four obstacles cited by participants are: communicating effectively throughout the organization; employee apathy; administering the program; and aligning the program with the company's contributions strategy.

Challenges	Response %
Communicating effectively throughout the organization	56.3%
Employee apathy	31.3%
Administering the program	25.0%
Aligning the program with the company's overall contributions strategy	25.0%
Getting volunteers (captains, leadership positions)	18.8%
Vetting new/write-in charities	12.5%

Challenges mentioned in the “other” category are:

- The cost of administering the program;
- The economic climate;
- Organizational changes;
- Communicating to employees how to write-in a charity;
- Balancing employee awareness of the program while respecting the employee's choice to give only outside the workplace;
- Low field participation.

Constant evaluation means ongoing change—large and small. About 40% of respondents say they are planning changes for the coming campaign. Some are just making incremental changes, such as adding charities for employees and/or executives, or making changes to the online giving system to encourage online pledges. A few others are looking at larger changes:



“[We are] Integrating all ‘giving’ opportunities into one website to include volunteerism and other community awards programs.”

“We'd like to add a local environmental federation to cater to the employees that would like to support local, rather than national, charities. We will also plan a schedule for the workplace giving program to take place on a more regular basis and work on allocating adequate time and resources to carry out a more formal campaign.”

“[We are] moving to more of an open giving campaign; potentially more of a corporate push; potentially a year-round campaign.”

“We plan to make the campaign more about giving and less about who the funds go to.”

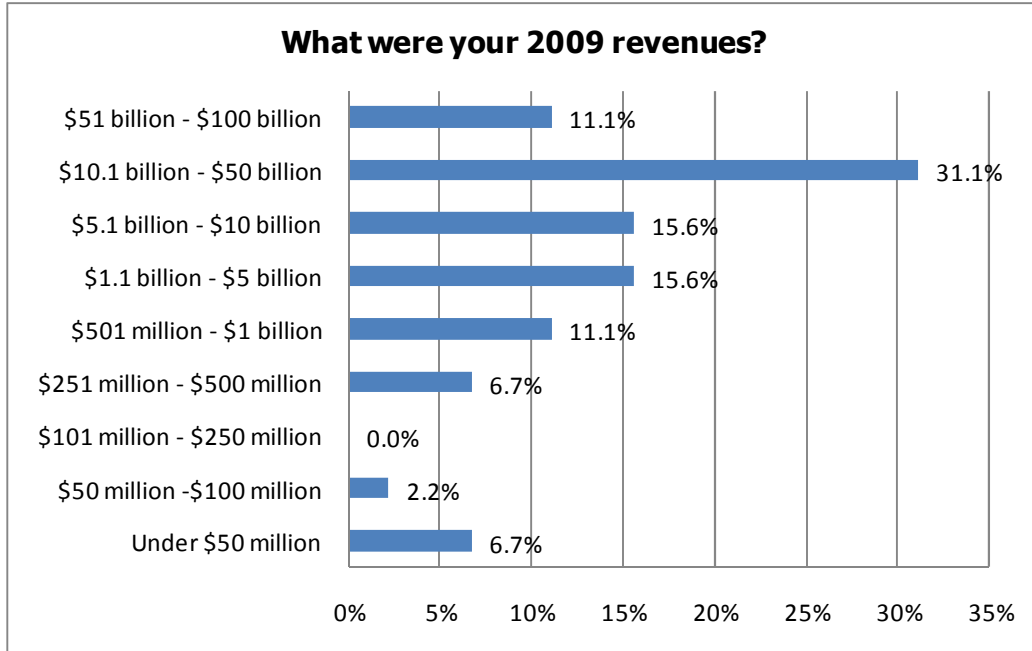
“This year we will ask employees to pledge volunteer hours as well as dollars.”

“[We are] considering adding a federated program that encompasses many of our current choices.”

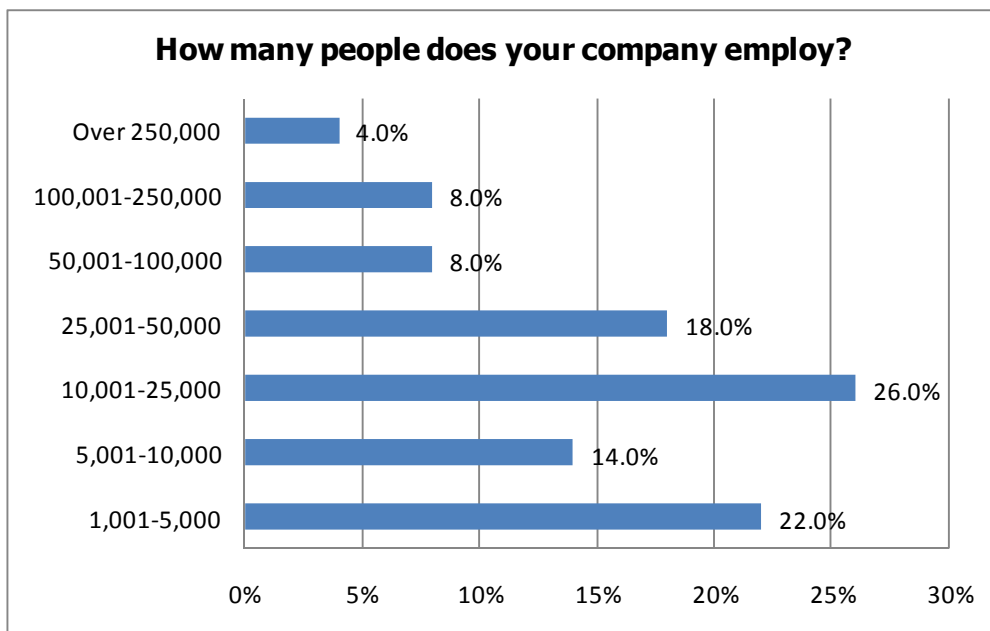
“This year we doubled the minimum donation and changed the incentive and the participation has stayed the same.”
—Survey respondent

Respondent Demographics

Nearly three-quarters of respondents to the survey have revenues of more than \$1 billion. About 42% have revenues of more than \$10 billion. About 9% are very small—less than \$50 million in revenue.

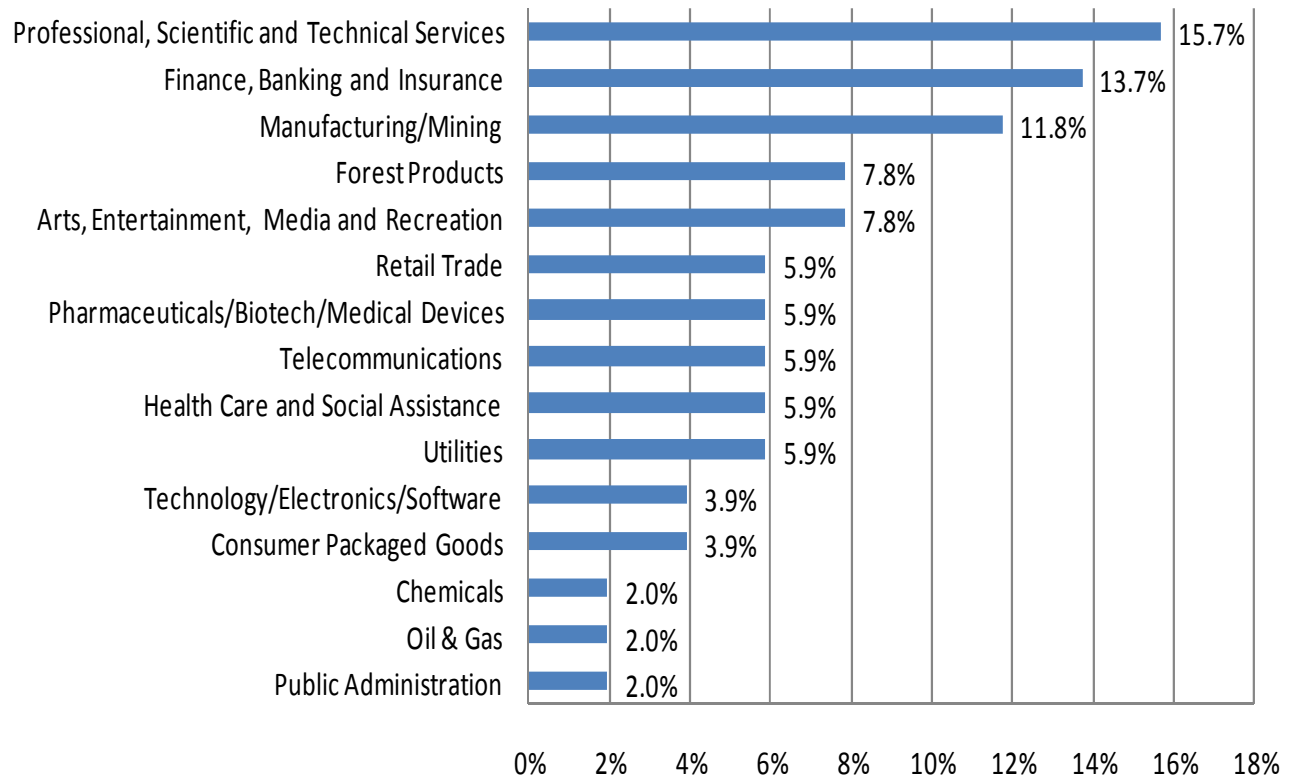


Sixty-four percent employ more than 10,000 people, while 20% employ more than 100,000 people. Thirty-six percent employ 5,000 people or fewer.



Respondents represent a wide range of industries. The largest group comprises companies providing professional, scientific, or technical services, at 16%. Finance, banking, and insurance companies follow at 14%, then manufacturing or mining companies. The least represented industries are technology/electronics/software, consumer packaged goods, chemicals, oil and gas, and public administration.

Which industry classification best describes your company?

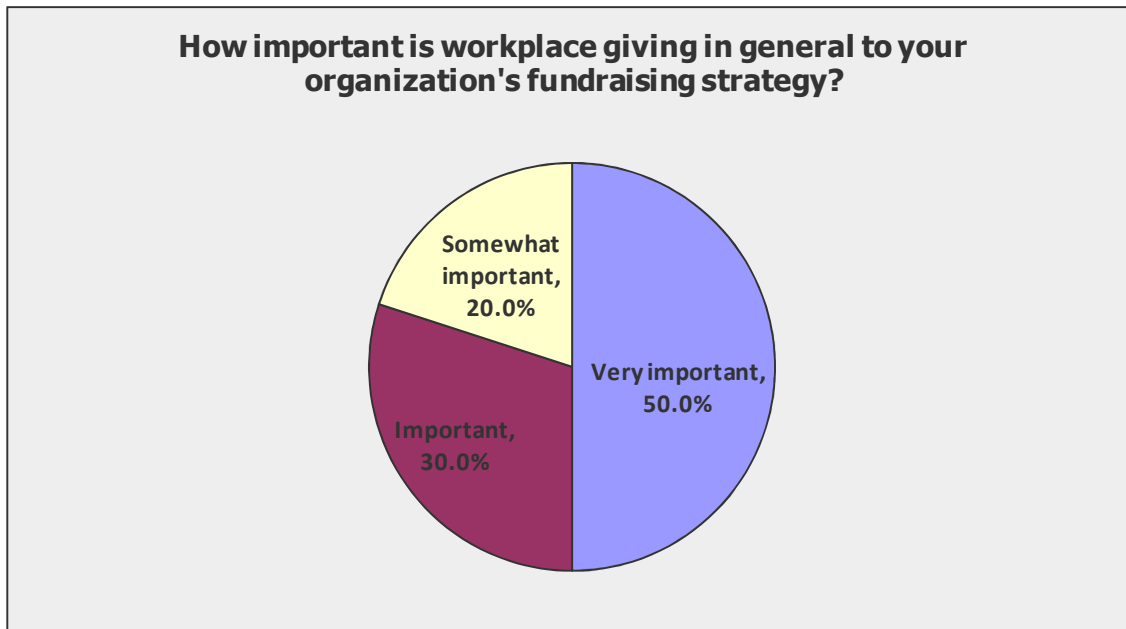


Workplace Giving from the Nonprofit Point of View

The Importance of Workplace Giving

Over the past 40 years, nonprofits and federations other than United Way have looked to workplace giving as an additional source of revenue. But how important is it?

For all our 10 nonprofits, workplace giving is considered an important part of their fundraising strategy. Half of respondents say workplace giving is “very important,” while three, or 30%, say it is “important,” and the remaining two say it is “somewhat important.”



Considering the pace of change in this field, it is not surprising that 70% of respondents say workplace giving has become more important to their organization over the past year. The remaining 30% say it has not changed in importance.

Support for Workplace Giving

Every organization in the study provides many forms of support to the companies that include them in their workplace giving program. Nearly every organization will send personnel to an agency fair, provide whatever advice is needed, provide a printed guide on how to run a successful campaign, and create the educational or marketing materials required.

Almost all will assign the company an account manager, and some will provide administrative support. A few provide research as well. Among the other services the participants of this study provide are custom online donation sites; processing capabilities; detailed reporting; year-round cultivation plans; employee health education; campaign management; benchmarking data; and more.

The table on the next page details the nonprofits' responses.

What types of support do you provide to companies with workplace giving programs? (Check all that apply.)	Response %
Generic marketing/educational materials	90.0%
On-site personnel for fairs, lunches, etc.	90.0%
Dedicated account manager	80.0%
Consulting/advice	80.0%
Custom marketing/educational materials	70.0%
Printed "guides" on running a campaign	70.0%
Administrative support	60.0%
Research	40.0%

“We feel workplace employee giving is in transition and in need of an advocate. It is both resilient (campaigns are holding up despite the economy) and sustainable. It is a sustainable source of unrestricted funds for charities – something they desperately need as United Ways and foundations increasingly restrict the use of their funds.”

—Survey respondent

Seven of the 10 organizations say they have increased their support of workplace giving programs. One has hired a staff person specifically to support workplace giving, and another is investing in building year-round partnerships with its clients. This organization is also spending more time in “training and equipping its staff with the right tools to be leading edge in this space.” A third says it has increased its engagement in health, wellness, and community involvement. Yet another says it sees workplace giving as a way to raise additional unrestricted dollars in support of its work.

Two of the 10 have made no change in their efforts to support workplace giving, and one says it has decreased its support of workplace giving.

Recent Results

The nonprofits were asked about 2009 results versus 2008 in three areas: percentage of employees making a pledge, total employee dollars pledged, and average pledge amount. If 2009 results were not available, the respondents were asked to estimate based on early results. The results indicate that:

1. **The percentage of employees making a pledge was either the same or up in 2009 for most of the survey respondents.** Fifty percent of the nonprofit respondents say that their pledge percentage was the same, and 39% say it was up. Only one respondent says the percentage of employees pledging was down, and the other two did not know. One organization says it does not have results for 2009 but had an increase of 1-2% from 2007 to 2008. Another notes that because of layoffs, fewer total employees were asked to give, but it appears that the same percentage donated in 2009. A third says the percentage pledging seems to be the same based on data from its major, completed 2009 campaigns. A fourth believes it will have an increase of 2-4%.
2. **Employee dollars pledged was up for half of the group and flat for 40% of the group.** Just one charity says 2009 donations were down, but by less than 1%. One organization is projecting a 3% increase, and another is projecting a 2-3% increase. The others declined to predict a percentage increase.
3. **The average amount pledged was up or the same.** Of the eight respondents who provided an answer to this question, half believe the average pledge amount was up, and half believe it was the same.

Incentives and Keys to Success

Respondents were asked to evaluate the success of various incentives, if they use them. Respondents rated the following incentives on a scale of 1 to 4, with 1 being “very successful” and 4 being “not successful.” They could also answer “not applicable.” The lower the average rating, the more successful the incentive.

What incentives has your organization been using to increase results, and how successful have they been? (1=very successful, 4=not successful)	Rating avg. (Lower is more successful)
Special recognition to employee donors	2.20
Educational materials	2.30
Lunch and learn events	2.63
Prizes for employee donors	2.67
Giveaways at agency fairs	2.86

Special recognition to employee donors is used by just five of the respondents, but it is highly rated by those who use it. Educational materials are used by all respondents and are also highly rated. Although prizes and lunch and learns are rated virtually the same, only three of the respondents use prizes at all. Lunch and learns are used by eight of the 10 nonprofits surveyed. One rates lunch and learns as “very successful,” one says they are “successful,” and the remaining six say they are “somewhat successful.” Giveaways are used by seven of the 10, with two of those respondents rating them “successful,” four rating them “somewhat successful,” and one rating them “unsuccessful.”

Respondents describe other incentives they use that have been successful. One says that exhibits work well for larger accounts, and another is focusing on a cultivation program for payroll-deduction donors.

When asked what makes a workplace giving program at a particular company successful, respondents, collectively, say the following are elements for success for the organization:

“[Successful companies have] a committed, empowered and dedicated staff to manage the campaign and year-round communication.”

–Survey respondent

- The nonprofit or federation is actively involved in the campaign, i.e., speaks at campaign events, provides materials, etc.
- The organization is a featured charity or is otherwise promoted by the company.
- The company provides a match for the gifts to the organization.
- The campaign is company-branded.
- The organization has support and endorsement from the company and/or upper management.
- The campaign coordinator is a strong leader and good communicator.
- The company has a robust philanthropic culture that is encouraged by senior management.
- The campaign timing is the same each year.
- The organization can connect with employees.
- The company has a strong philanthropic culture that is embraced by employees.
- There is a strong “business plan” for the campaign.
- Both the company and the nonprofit/federation are committed to success.
- There is more local involvement.

Conversely, the respondents also list what they believe leads to an unsuccessful campaign:

- Donors have to write in the organization’s name and/or search for an EIN.
- There is little endorsement or support from the company or upper management.
- Campaign managers are “hands-off.”
- Campaigns are United Way-focused, even if the employee can write in any charity.
- The company uses a third-party vendor without adequate checks and balances.
- Planning is poor.
- No relationship has developed between the company and the nonprofit/federation.
- There is a lack of energy or commitment.
- There is a poor relationship with the charity’s national and local offices.
- Employee donor fatigue.
- Senior leadership is not engaged in supporting community and philanthropic efforts.

Looking to the future, a number of organizations in this study talk about integrating workplace giving with other ways a company can support the organization. They want to build partnerships that are year-round and go beyond the fall campaign season. For example, one organization notes that its partnership programs include cause marketing, licensing, consumer fundraising, volunteerism, and other activities in addition to workplace giving. Another notes that it has been approached by a number of corporations wanting to support its work in other ways besides workplace giving. Still another mentions grants, sponsorships, spe-

cial events, in-kind contributions, affinity groups, and social media marketing and networking.

Two organizations provide final comments that are thoughtful and relevant. First, one says that the market is not growing, but that some nonprofits are losing market share, and that provides an opportunity for organizations willing to service workplace giving clients.

The second nonprofit's comment sums it all up:

“Workplace giving continues to be a convenient, cost-effective way for employees to make charitable contributions. We find that the more choices employees have in their workplace campaign, the higher the participation rate.”

Respondent Demographics

The 10 respondents represent major U.S. charities and federations, some of which operate globally. Seven of the 10 are on *Forbes'* list of the top 200 U.S. charities by revenue. Two are in the top 10 and three are in the top 20. Revenues of the participating charities range from \$25 million to more than \$1 billion.

Conclusions

The trend away from United Way-only workplace giving programs seemingly continues apace. The *Trends and Best Practices in Corporate Community Involvement* study published by LBG Associates and LBG Research Institute just three years ago showed that United Way-only campaigns still dominated the landscape: 57% of respondents to that survey reported United Way-only campaigns. But among this study's respondents, just 14% say the same.

There are many good reasons for the change. This study clearly shows the benefits of adding choice to a workplace giving campaign: higher participation, increased donations, and greater employee satisfaction.

For companies that either have an open workplace giving campaign or are considering expanding their program, they will find many willing and helpful partners in nonprofits and federations. These charities are looking for companies that have well-run campaigns, with good executive support, and a strong culture of giving. Many in the study also note that they are looking for partnerships that go beyond the campaign season.

Matching workplace gifts also contributes to the success of a program. In the *Trends and Best Practices* study, 57% matched at least some workplace contributions. In this study, almost 80% match at least some workplace contributions. Of those that match, 60% match every employee gift with a gift to the same charity. The most frequent match rate remains 1:1, even in the down economy.

Participation rates and monetary goals are the primary measures of success, a fact that has not changed since the *Trends and Best Practices* survey. But economic conditions have hampered success of late. The study shows declines overall in both donor rates and dollars pledged. One can only guess when the recovery will be complete and this trend reversed. In the meantime, workplace giving professionals focus on continually improving an important part of employee engagement—the workplace giving program.

Open Workplace Giving: A Checklist of Decision Points

From LBG Associates and LBG Research Institute

Strategy	Yes	No
Will this be a strategic expanded workplace giving campaign? Will there be a select list of charities? Will these charities be based on company giving guidelines? Will the program include the charities of certain federations?		
Enrollment and Timing	Yes	No
Will the program have a specific enrollment period? If there is continuous enrollment, will the company still have a “kick off”?		
Donations	Yes	No
Will there be a minimum and maximum donation threshold? Will the workplace giving program include payroll deductions only? Will it allow pledges based on a percentage of salary? Will one-time donations be allowed? Will the company allow donations by credit card? Will the company allow donations by check? Will the company allow stock transfers? Will trust accounts be set up for employees?		
Matching	Yes	No
Will employees’ donations be matched? Will the match follow the employee’s donation? Will the match be restricted to specific charities? Will there be a minimum match amount? Will there be a maximum match amount? Will the match ratio vary depending on the size of the donation?		
Administration/Program Management	Yes	No
Will the company vet the charities itself? Will the company engage a third party to vet the eligible charities? Will the program offer an on-line pledge form? Has a decision been made as to when donations to charities will be paid? Will the employees be told when the charity receives their donations?		

About LBG Research Institute

LBG Research Institute is a nonprofit organization dedicated to providing companies, foundations, and nonprofits with the most current information on trends and best practices in corporate community involvement in the United States and abroad.

By providing timely and quality research on myriad issues, LBG Research Institute helps companies and foundations improve their corporate citizenship programs and their work with their nonprofit partners, resulting in greater benefits to the communities they serve.

Call LBG Research Institute for:

- Custom research services;
- Fast answers to research questions;
- Audio conferences and webinars on today's issues and concerns;
- Benchmarking studies at very competitive prices;
- Members-only networking events;
- Signature programs;
- Landmark research studies;
- Governance issues;
- Getting an extra hand when needed.

Call 203-240-5766, email Donna Devaul at lbgresearch@gmail.com, or visit us at www.lbgresearch.org.

research + education + collaboration = IMPACT!

**Our mission is to empower companies to better
communities through research, education, and collaboration.**

About LBG Associates

LBG Associates is a woman-owned consulting firm focused on designing, implementing, and managing corporate citizenship and community outreach programs and initiatives. Founded in 1993 by Dr. Linda Gornitsky, LBG Associates is committed to providing clients with creative and innovative solutions in a personal, professional, cost-effective, and timely manner.

LBG Associates drives social change through:

- Advice to help companies develop strategic, innovative programs that help communities become better places to live and work;
- Implementation of strategies, programs, policies, and procedures, especially for companies with limited time and/or expertise;
- Research on cutting-edge issues, groundbreaking trends, “best practices,” and pressing social needs and concerns;
- Training that equips practitioners with the knowledge and skills to become “strategic thinkers” and to grow and advance in the field of corporate community involvement.

Advice, implementation, research, and training represent LBG Associates’ philosophy about advancing socially responsible business practices. Although steeped in research and scientific methodologies, the firm’s approach to corporate community involvement is more of an art than science, more creative than formulaic.



Specific Services Provided

In response to clients’ needs, LBG Associates’ services include the design, implementation, management, and evaluation of entire community outreach/citizenship programs. The firm helps clients establish and maintain images as good corporate citizens and socially responsible companies by offering custom-tailored services in the following areas:

- Foundation and corporate giving;
- Employee giving and volunteerism;
- Strategic relationship development;
- Strategic communications development;
- Special events planning and sponsorships;
- Research and benchmarking capabilities;
- Program evaluation; and
- Training and staff development.

Call 203-325-3154, email Linda Gornitsky at lbgassoc@gmail.com, or visit www.lbg-associates.com.

LBG Publications

***Motivating Volunteering in Tough Times* (2009)**

In these tighter times, many companies are viewing employee volunteerism as a cost-effective way to continue to make an impact in their communities. But what is motivating employees to volunteer right now? If you don't know, or haven't checked in with your employees to find out, you may have some surprises in store.

We understand that there's an urgent need to help companies make crucial decisions about ways to bring their volunteer programs more in line with today's economic realities—and employees' needs and desires. This research study from LBG Associates and LBG Research Institute is designed to provide you with that help, by answering the following questions:

- Are employees more driven to volunteer during this recession, or are they so depressed that they are in a state of inertia?
- Are employees afraid to use workday-based programs, such as skills-based, pro bono, or paid time off, for fear of losing/jeopardizing their jobs?
- Just what is inspiring employees to volunteer during these challenging economic times?

This report is unique in that it includes both the voice of the employee volunteer manager and the employee. By comparing research from both groups, this study provides a much-needed and robust view of today's volunteering landscape.

***Making the Most of What We Have: Corporate Giving in the New Economy* (2009)**

This new study from LBG Research Institute shows how community involvement professionals are coping with their various challenges in 2009. Yes, budgets are down more than expected, but philanthropy is far from dead, having changed its focus to marshaling all resources to help communities in need. This study shows how much corporate giving budgets have declined and what CI professionals are doing to counteract that decline. It also reveals the challenges most on the minds of giving professionals and how they plan to make the most of what they have.

***Doing More with Less: How the Economic Downturn Will Impact Corporate Giving in 2009* (2008)**

The precursor to *Making the Most of What We Have*, this LBG Research Institute study shows how community involvement professionals perceive the challenges ahead. It reveals how corporate giving budgets are expected to change, which charities are expected to gain, and which may see reduced corporate support.

***The Green Effect: How Corporate Community Involvement Is Embracing Environmentalism* (2008)**

This report from LBG Associates reveals the top environmental trends and practices among 51 of today's leading corporations—and includes a unique self-diagnostic tool that helps determine if a company is a *Peridot* (becoming green); a *Jade* (green in many business and community involvement practices); or an *Emerald* (extremely green). It also includes eye-opening findings on perceptions of for-profit/nonprofit partnerships, based on in-depth discussions with nine green NGOs.

This new report presents a wide range of research findings from the participating companies, addressing topics such as:

- Whether respondents believe being green is part of their corporate culture;
- What metrics are being used to measure companies' environmental footprints;

(Continued on page 33)

- How product design and manufacture have been greened;
- How environmental practices vary among the Peridot, Jade, and Emerald companies;
- How charitable giving is affected by the green movement;
- Median green giving levels;
- The critical role employees play in promoting environmentalism;
- How companies are communicating their environmental activities.

The Green Effect also includes more than 25 case studies showing how participants are “walking the talk” and executing their environmental commitments—in both operations and community involvement activities.

With its landmark research findings, case studies, and proprietary self-diagnostic tool, *The Green Effect: How Community Involvement Is Embracing Environmentalism* is a much-needed, one-of-a-kind resource guide for the next step in community involvement: *going green*.

***Trends & Best Practices in Corporate Community Involvement* (2007)**

Trends & Best Practices in Corporate Community Involvement presents the extensive findings of a comprehensive survey of the community involvement (CI) programs of 35 major U.S. corporations. Originally designed to update LBG Associates’ 1998 *Best Practices in Corporate Community Relations* report, this landmark community involvement study goes well beyond the 1998 report, and is unprecedented in its scope, detail, and analysis.

The report examines the following topics :

- The business case for corporate citizenship;
- Structure and governance of the CI department and the foundation;
- Charitable giving program types and budgets;
- Employee-directed giving;
- Employee volunteerism;
- Sponsorships, memberships, and signature programs;
- Disaster relief;
- Measurement and evaluation; and
- Communication.

Each section comprises three sections:

- **Overview:** Provides a broad look at the topic and information about the section’s contents.
- **Survey Results:** Details the statistical findings derived from the responses to the survey questions for each topic area, including numerous charts and tables that can be easily used for benchmarking a company in very specific community involvement areas.
- **Trends & Best Practices:** Highlights the significant trends revealed by the survey participants’ responses, plus provides recommended best practices.

With its 130-plus pages of data, trend analysis, and best practices, this report is a tool for companies looking to gauge their CI performance, and a reference that can elevate CI activities to an even higher level.

(Continued on page 34)

Global Community Involvement (2007)

As Corporate America becomes more international in scope and the focus on philanthropy and corporate citizenship grows, more and more companies are seeking assistance in developing a global community involvement program or enhancing/modifying their U.S. program for expansion overseas.

The *Global Community Involvement* research report, published by LBG Associates and LBG Research Institute, is designed to provide that assistance. The data in this study (derived from separate surveys of U.S. multinationals, their overseas sites, and foreign firms) illustrate what participating U.S. companies are doing abroad, and what participating foreign companies are doing within their own countries.

The research covers a number of community involvement areas and includes details on:

- The business case;
- Structure;
- Charitable giving;
- Employee volunteerism;
- Sponsorships and signature programs;
- Disaster relief;
- Measurement and evaluation; and
- Communication.

From the findings of this research, companies can begin to find similarities in approach and gain a better understanding of the issues that need to be addressed when establishing a global CI program.

The Standards of Excellence for Corporate Volunteer Programs (2005)

Measuring Corporate Volunteerism (2004)

Corporate Philanthropy in Times of Crisis (Disaster Relief) (2002)

Corporate Volunteerism: Innovative Practices for the 21st Century (2001)

Best Practices in External Corporate Diversity (2000)

To order any of these publications, please visit our website at www.lbg-associates.com or contact us at 203-325-3154 or lbgassoc@gmail.com.



LBG Research Institute

Empowering Companies to Better Communities

Some of Our Member Companies:

- Capital One
- CenturyLink
- CSX
- Genworth Foundation
- Blue Cross and Blue Shield of Florida
- Target
- Verizon
- Walt Disney World Co.
- Waste Management

Short on Time? Staff? Both?

LBG Research Institute is here to help.

In this economy, making the most of every dollar invested in the community is critical. Doing it with fewer resources is the challenge.

Membership in LBG Research Institute is like having another staff person on board but at a fraction of the cost.

Our members call on us when they need help re-researching a potential project or just a few stats.

What can we do for you?

We can provide research on best practices, benchmarking studies, vendor reviews and more in all areas of community involvement. We've researched for our members questions on

global giving, disaster relief funds, corporate volunteerism and much more.

And we do it in your time-frame: Tight turnarounds are usually not a problem.

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one member calls us "the leader in research and benchmarking."

Gain a trusted partner in your quest to better your communities. Call 203-240-5766 for more information.

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- ◆ Seven free hours of custom research by LBG Research Institute knowledge experts to answer your specific questions
- ◆ Free participation in audio conferences/webinars on the latest LBG research for your entire staff
- ◆ Members-only networking conference calls
- ◆ Corporate subscription to Trends, Topics and Tidbits (T³), LBG's quarterly electronic newsletter on trends in corporate community involvement and philanthropy
- ◆ Recognition on the LBG Research Institute web site
- ◆ PLUS...20% discount on all Institute publications, events, and additional custom research services.

Research * Education * Collaboration = IMPACT!

Our mission is to empower companies to better their communities through research, education and collaboration.

Through our research we educate our clients and

members on the trends and best practices in various areas of community involvement. Our network of members is a place for community relations professionals from both the nonprofit and for profit sectors to share

and learn from each other. The research and education together with the collaboration, helps companies create a greater impact, improving communities wherever they operate.

LBG Research Institute
 245 Long Close Road
 Stamford, CT 06902
 Phone 203-240-5766
 Fax 203-894-9468
 lbgresearch@gmail.com
 www.lbgresearch.org

Membership Application

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Title

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Mailing Address

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Type of Organization

Partnership/LLP Corporation/LLC Corporate Giving Program Public Charity
 Private Foundation Corporate Foundation Independent Foundation

Membership Annual Dues \$5,000*

*PLEASE SUBMIT PAYMENTS WITH APPLICATION. MAKE ALL CHECKS PAYABLE TO "LBG Research Institute".

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Mail this page with check to: Memberships, LBG Research Institute, Inc., 245 Long Close Road, Stamford, CT 06902