

BUILDING BLOCKS OF
AN INSPIRED EMPLOYEE
VOLUNTEER PROGRAM:
Recognition



A White Paper from
LBG Associates
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Introduction to the Research

LBG Associates has been studying volunteerism for nearly 15 years, and we have observed that many of the challenges that perplexed volunteer managers 15 years ago persist today.

Volunteer managers continue to struggle with some basic building blocks of an employee volunteer program:

- How to recruit/retain employee volunteers
- How to motivate volunteers through recognition and other activities
- Determining the value of a Dollars for Doers program, and
- How to track and report volunteer hours efficiently.

To find out how volunteer managers are dealing with these age-old questions, LBG Associates fielded a survey in September 2011 that covered recruitment and retention; recognition, including Dollars for Doers and tracking and reporting. Forty-eight companies participated in the research.

The result is a series of white papers, one on each of the three topics researched, that enlighten and inform volunteer managers on what their peers are doing today to strengthen each building block of their employee volunteer programs (EVPs).

STUDY PARTICIPANTS

AMD	Green Mountain Coffee Roasters	Pacific Gas & Electric
Amway	HSBC	Pitney Bowes
Best Buy	IBM	Portland General Electric
Blue Shield of California	IMA Financial Group	Prologis
Brown Brothers Harriman	ING	Royal Bank of Canada (RBC)
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BUILDING BLOCKS OF AN INSPIRED EMPLOYEE VOLUNTEER PROGRAM:

Recognition

The most important goal of a recognition program is to raise awareness of the employee volunteer program as a whole.

Recognizing employees that volunteer, either on behalf of the company or on their own time, is an important function of a volunteer manager. Some companies have formal, company-wide programs that recognize select employees as well as informal programs that recognize and thank every employee that donates time. The thank you can be as simple as a note or voice mail message, or a breakfast, ice cream social, or inexpensive giveaway.

Previous LBG Associates studies have shown conclusively that recognition is correlated with the overall success of an employee volunteer program (EVP). This white paper focuses on the recognition tactics that contribute to success.

THE GOALS OF RECOGNITION

A recognition program isn't just a way to say "thank you"—it can help volunteer managers achieve goals for the volunteer program as a whole. The most important goal, according to the research, is to raise internal awareness of the EVP. (See Table 1, page 14.)

Recognition events, posters, cards, awards and the like provide multiple opportunities to spread the word about volunteer opportunities and the rewards of volunteering.

Goals two and three are to raise employee morale and to increase employee satisfaction. These goals relate to all employees—those who volunteer and those who don't—as recognition events, news stories and other communications reach all ears, and give all employees reason to celebrate. This also includes senior management, which is very important since the fourth most important goal of recognition, according to respondents, is to generate senior management support for the EVP.

Recognition is also frequently considered a recruitment and retention tactic. The respondents agree; they rated recruitment, retention and reporting of volunteer hours as "very important" goals, along with increasing overall participation rates. Important, but far less than the other goals, is to raise the external awareness of the EVP.

Measuring Success

87% of respondents survey employees about volunteerism, either through a dedicated survey or as part of a larger company survey.

Success metrics for volunteer recognition programs are a combination of hard numbers, like participation rates and survey feedback, and observational data, taken from media coverage and company blogs. Employee surveys are critical for gauging a program's success in reaching the top goals of increased awareness and higher morale and satisfaction. So it's not surprising that 87% of respondents survey employees about volunteerism, either through a dedicated survey or as part of a larger company survey. (See Chart 4, page 15.) And 13% survey senior management about the company volunteer program as well.

Participation rates are an important part of an EVP's overall success. The study reveals that 71% of volunteer

managers track participation rates. But if participation rates are so important to success, as earlier LBG Associates' studies have also demonstrated, why don't all managers track them? LBG Associates' upcoming white paper on tracking and reporting may shed some light on that issue.

Observational data are important too, although fewer managers collect them. Forty-five percent track media coverage of volunteer recognition events, 45% track hits on the company intranet, and 13% monitor company blogs for posts and/or comments about volunteering recognition. These bits of information, though, can tell a manager how well he or she is doing at getting the word out, as well as provide a peek into what employees and others are saying about volunteering at the company.

Rating Recognition Goals

GOAL	GOAL IMPORTANCE	GOAL SUCCESS	RATING DIFFERENCE
Raise internal awareness of the EVP	3.97	3.43	-0.54
Raise employee morale	3.87	3.54	-0.33
Increase employee satisfaction	3.87	3.24	-0.63
Generate senior mgt support for the EVP	3.84	3.62	-0.22
Recruit new employee volunteers	3.68	3.22	-0.46
Increase reporting of volunteer hours	3.66	3.15	-0.51
Increase overall participation rates	3.65	3.15	-0.50
Retain employee volunteers	3.48	3.50	+0.02
Raise external awareness of the EVP	3.19	2.84	-0.35

Respondents were asked to rate the importance of various recognition goals on a scale of 1 to 5, with 1 being "unimportant" and 5 being "extremely important." The results are at left, from highest score to lowest score.

Having a goal isn't the same as achieving a goal, of course. The research also asked volunteer managers how successful they are at reaching their goals. Overall, the managers are fairly successful, but their success ratings are consistently lower than their importance ratings of each goal. For example, raising internal awareness of the EVP was the highest rated goal, at 3.97, but that same goal's success rating was just 3.43. It is the same story with goals two and three—a gap between the importance rating and the success rating. The only goal whose success rating is virtually the same is "retain employee volunteers." This suggests that volunteer managers have some work to do to reach their recognition goals.

What's Working in Recognition

A Dollars for Doers (DFD) or volunteer grant program is the most effective recognition tactic, rated 4.2 out of 5, according to the research.

Cash awards or bonuses to the volunteers themselves were also rated highly—4.0 out of 5.

The study shows that the most effective recognition tactics aren't necessarily the most frequently used ones. Survey respondents were asked to rate effectiveness on a scale of 1 (ineffective) to 5 (extremely effective), or choose n/a if they do not use that tactic.

A Dollars for Doers (DFD) or volunteer grant program is the most effective recognition tactic, rated 4.2 out of 5, according to the research, but only two-thirds of respondents have a DFD program. (DFD will be examined in more detail later in this report.) Cash awards or bonuses to the volunteers themselves were also rated highly—4.0 out of 5—but only 10% of responding companies use that tactic. (See Table 3, page 16.) This would suggest that companies should consider offering more volunteer grants and cash awards to increase the effectiveness of their recognition program, and ultimately, their EVP.

The third most effective tactic, rated 3.5 out of 5, are American Idol-style competitive awards, in which employees vote for the winner, which are used by about 13% of respondents.

The good news however, is that while not the most effective, the two most popular recognition tactics, used by nearly every respondent, are rated above average in effectiveness. About 97% of companies use internal news stories to recognize volunteers, and their effectiveness rating is fairly high—3.41 out of 5. The same percentage also use thank you notes or emails, which are rated 3.25 out of 5. The next two most popular tactics, certificates of appreciation and informal events, were rated as “effective,” which is a 3 on the 5-point scale.

Top 5 Most Effective Recognition Tactics

- Dollars for Doers/Volunteer Grants
- Cash Awards/Bonuses to Volunteers Themselves
- Competitive Awards (American Idol-style voting)
- Individual/Team Awards
- Internal News Stories

Top 5 Most Frequently Used Recognition Tactics

- Internal News Stories
- Thank You Notes or Emails
- Certificates of Appreciation
- Informal Events/Socials
- Dollars for Doers/Volunteer Grants

What's New in Recognition

Volunteer Leadership Summits educate associates on best practices when leading or coordinating an event.

New ideas keep a recognition program fresh and exciting. A number of companies shared their latest program improvements. They don't have results yet, but they are all hopeful these changes will have impact on their employees.

- A financial services company added a competitive aspect to its month of service. The regional group of retail branches with the highest participation rate was awarded the President's Volunteer Service Award, an award created by the President's Council on Service and Civic Participation and administered by Points of Light Institute. The individual branch with the highest participation rate has the honor of hanging the plaque that comes with the award.
- One company participates in the National Jefferson Awards for Public Service, a prestigious national volunteer recognition award. This company honors five top employee volunteers a year at a formal recognition event. At that event, employees vote on which of the top five honorees will represent the company at the Jefferson Awards National Ceremony.
- A health care company rewards employees who lead team projects with seats at company-sponsored tables at special events and luncheons.
- A financial services company is experimenting with "Volunteer Leadership Summits." The summits will educate associates on best practices when leading or coordinating events in the local markets.
- A technology company uses Salesforce.com's "Chatter" function (like a company-only Twitter) to recognize volunteers. Each post is tagged with the volunteer's manager, manager's manager, and others, all the way up to senior management. The survey respondent said this tactic is very effective.
- Each quarter, this financial service company selects one team for an award that includes an extra donation to its charity. In addition, every volunteer team (700 teams annually in the U.S. alone) has a team photo and project description posted on the company intranet. During the company's annual employee giving campaign, 25 team stories are featured on the intranet and those charities get an additional donation. Employees can also submit stories for posting on the intranet, with more than 50 chosen each year.

Special Focus: Dollars for Doers

Dollars for Doers is one of the most popular and effective recognition tactics yet participation rates are notoriously low.

54% of companies allow employees to use company-sponsored and personal time to qualify for a grant, while the other 46% only allow personal time hours.

Dollars for Doers is one of the most popular and effective recognition tactics. Employees themselves, in previous LBG Associates research, said that earning a donation for the charity of their choice by volunteering is the top motivator to volunteer. Previous research has also shown, though, that participation rates are notoriously low for DFD programs. Why is it that a program that is so highly motivating and an effective recognition tactic is so poorly used? And if it is so poorly used, why do companies keep it in the recognition mix?

As it turns out, companies keep it because it is a low-cost program, at least administratively, that is effective even when it is not well used.

WHAT DFD PROGRAMS LOOK LIKE TODAY

There are myriad ways to set up a Dollars for Doers or volunteer grants program. The research shows a wide range of qualifications for a grant. For example, the minimum number of hours needed to qualify for a grant ranges from 5 to 60 in the study. Grant amounts range from \$50 to a whopping \$30,000. The average is \$376 and the median is \$250. (See Tables 4-6, pages 18-19.)

Some companies offer a single grant opportunity—a set amount of money for a set amount of hours. Others have a tiered grant structure, in which different grants levels are available for more hours, team projects, focus area volunteering, board service, and more. According to the research, a tiered structure is slightly more common, as 56% of respondents report having tiered grants.

Some companies are also more inclusive than others when it comes to eligibility. About 36% include all employees, 32% include full- and part-time employees, and 7% include full-time, part-time, and retired employees. For 21%, only full-time employees are eligible for a DFD grant. (See Chart 11, page 20.)

And last, in terms of program details, 54% of companies allow employees to use company-sponsored and personal time to qualify for a grant, while the other 46% only allow personal time hours. And for the majority (80%), the charity receiving the grant does not have to be a strategic focus area for the company; although 20% said they give higher grants to charities that are in their strategic focus areas.

What's (Not) Up with Participation Rates?

Participation rates among respondents would make any volunteer manager despondent. Sixty-percent said that participation was 5% or less. Ten percent reported participation rates between 6% and 10%, and 7% reported rates between 11% and 15%. A few reported rates higher than 15%, and one reported its participation as more than 35%. (See Chart 14, page 21.) These numbers are consistent with past research, which means that rates have not increased in recent years.

It follows naturally, then, that volunteer managers are overwhelmingly dissatisfied with their participation rates. About 82% said they are not satisfied, and 89% said they are actively trying to increase participation.

What DFD Programs Cost

The total administrative costs of the DFD program are the sum of three cost centers: staff, vendors, and out-of-pocket costs. The research data show that a DFD program is a relatively low cost program, administratively speaking.

The largest part of any DFD budget is the grants themselves. In 2010, the companies in the study gave between \$20,000 and \$14 million, with the larger grant totals coming from the larger companies with more employees. The company that gave \$14 million in 2010 had an impressive participation rate of between 16% and 20%. The middle ground is \$500,000: 50% of responding companies gave \$500,000 or less; 50% gave more than \$500,000. For almost half of companies, too, the budget number is flexible to accommodate upticks in program usage.

The total administrative costs of the program are the sum of three cost centers: staff, vendors, and out-of-pocket costs. The research asked companies about all three cost centers. Companies were asked how many FTEs are needed to run their DFD program, how much they spend on third-party vendors, and how much they spend on items used for recognition, such as T-shirts, posters and the like.

It's important to note that many companies did not know the answers to these questions because they do not break out costs that way. The DFD program is not budgeted separately but is part of the overall CI budget. Still, the data that were provided were illuminating because they show that DFD is a relatively low cost program, administratively speaking.

First, on average it takes .78 FTE to run a DFD program. About 55% of respondents said that it takes less than 1 FTE to run their programs. Thirty-six percent said it takes 1 FTE, and 9% said it takes more than 1 FTE, with the largest number of staff needed at 3 FTEs.

Second, vendor fees tend to be part of a larger volunteer program management package, so they are difficult to identify. Some of these fees are usage-based, so this is a variable cost rather than a fixed cost. Overall, fees ranged from \$1,500 to \$100,000. The companies with the steeper vendor fees also have programs that give away millions in grants.

As for out-of-pocket costs, those too are minimal. Some companies spend nothing on promotion or giveaways. Others spend \$100,000. The bigger spenders are mostly the companies with larger grant budgets.

The Benefits of DFD

Ninety percent of respondents said they use participation rates as a measure of success. Yet 85% are not satisfied with their participation rates.

Even with low participation rates, companies believe that having a DFD program holds important benefits. At the top is that a DFD program supports employees' personal philanthropic interests. This relates strongly back to the goals of recognition—improving employee morale and satisfaction. A company's willingness to donate cash to charities important to employees—even those outside the company's strategic focus—sends a powerful message to every employee that the company cares. (See Table 7, page 22.)

Even employees who don't use the program can feel good about his or her employer. Hence, the second most important benefit of having a DFD program is that it makes employees feel better about the company.

Many companies also said that the DFD program is just another part of the company's overall community involvement strategy. A DFD program encourages employees to get out into the community, whether they are representing the company or not. Further, making a donation to employees' preferred charities can help enhance the company's image in the community. Good public relations is always a plus for a company, and was cited as a benefit to having a DFD program in the study.

THE PARADOX OF SUCCESS

The success of a DFD program is measured by how well its benefits are realized or how it contributes to meeting the goals of the overall recognition program. According to the study, more than 85% of respondents said they consider their DFD program a success.

But wait: 90% of respondents said they use participation rates as a measure of success. Yet 85% are not satisfied with their participation rates. So, why do managers feel like their programs are a success?

It goes back to the benefits of the program and the goals of recognition, and how well the DFD program helps managers reap those benefits and reach those goals. For example, recognition programs help increase employee satisfaction; 69% of respondents said that employee satisfaction is a measure of the success of a DFD program. (See Chart 20, page 23.)

Similarly, recognition programs are designed to increase employee awareness of the EVP. About 59% of managers said that employee awareness is a success measure of DFD. So if participation rates are not satisfactory, but the program is considered a success, then the managers must be using other, more positive measures of success, such as employee satisfaction and awareness.

DFD: To Be or Not to Be...

That is the question this research sought to answer—whether low participation rates would cause companies to consider eliminating a DFD program. The study asked respondents that question straight out—at what participation rate would they consider eliminating the program?

Half said they would never eliminate the program because of the goodwill it creates. The other half named a participation rate between “less than 1%” and “less than 10%.” (The company that said “less than 10%” has the highest rate in the study—more than 35%.) In a number of cases, the “cut-off” rate is close to the company’s actual participation rate, meaning that if things don’t improve, the DFD program *could* be on the chopping block.

Volunteer managers are always looking for improvement, though, particularly in participation rates, the hallmark of success for nearly every DFD program. The pursuit of higher rates has given rise to new and creative program changes designed to spur usage. Among the changes being tested or implemented:

- Presenting a once-a-year “Super-Service Grant” of \$1,000 for the employee or employee team with an outstanding record of service. The grant committee looks at length, breadth and depth of service when considering the winner from among all community service grant applications.

- Offering employee teams a \$400 to \$500 grant for their charity when they accumulate 50 hours of service in one day among all the team members. The team applies for this grant like any other.
- Adding team grants to the mix of available grants.
- Providing higher value grants for focus area or signature program projects.
- Offering tiered grants for nonprofit board service.
- Making schools eligible for DFD grants.
- Adjusting the number of hours a team must volunteer downward for smaller company locations.

In addition, some companies are considering larger grants for first-time DFD users and for board service.

Conclusions

There are a variety of tactics that companies use to reward employees, but the two most popular and impactful are offering cash awards to the nonprofit or to the employees themselves.

Companies appear to have bought into the notion that recognizing employees for their volunteer efforts both domestically and globally provides benefits to the company and employees. Getting external recognition for its engagement activities is not an important goal of recognition programs, however.

There are a variety of tactics that companies use to reward employees, but the two most popular and impactful are offering cash awards to the nonprofit or to the employees themselves. These findings are consistent with those in LBG Associates' study from 2009.

Companies are also continuing to look for new and exciting ways to recognize employees which is important given that different demographics, such as age and geography, may be motivated by different tactics.

Finally the number of companies offering Dollars for Doers programs is increasing even though the participation rates are fairly low with the majority less than 5%. Since this program is a motivator for employee engagement, it is heartening that companies are committed to it irrespective of a possible low ROI. Employees consider the program a benefit and want to know that the company is offering it even if they don't personally take advantage of it. Given the fairly low cost of the program, companies for the most part, feel that it is a worthwhile program.

Employee Volunteer Program Statistics

CHART 1: PRESENCE OF RECOGNITION PROGRAMS

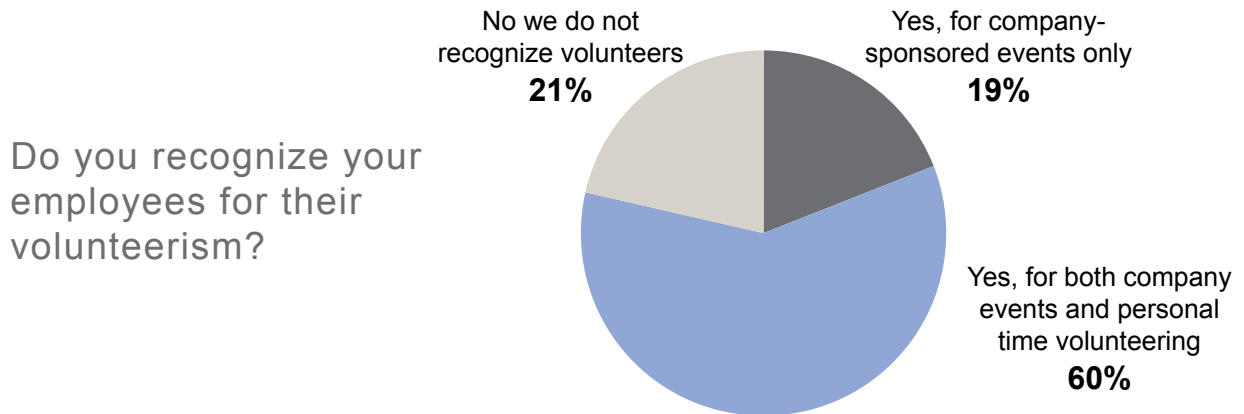


CHART 2: ELIGIBILITY FOR RECOGNITION

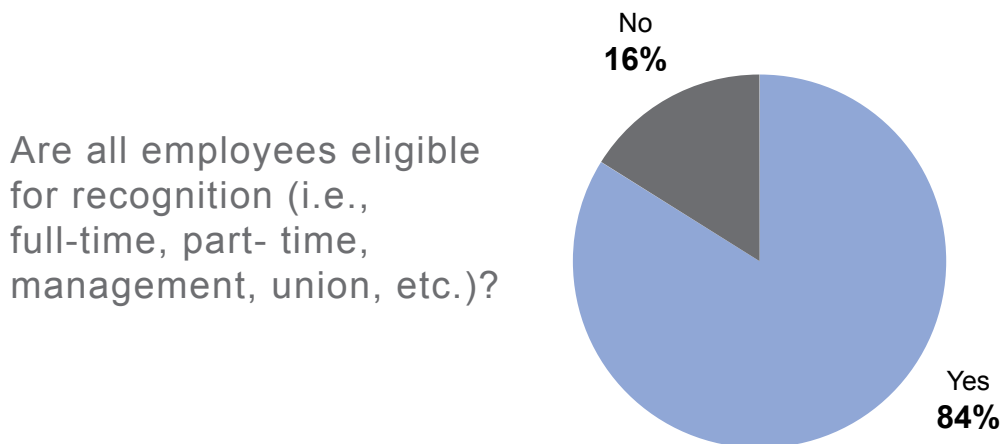


CHART 3: RECOGNITION FOR OVERSEAS EMPLOYEES

If you have overseas employees, do they participate in your recognition program?

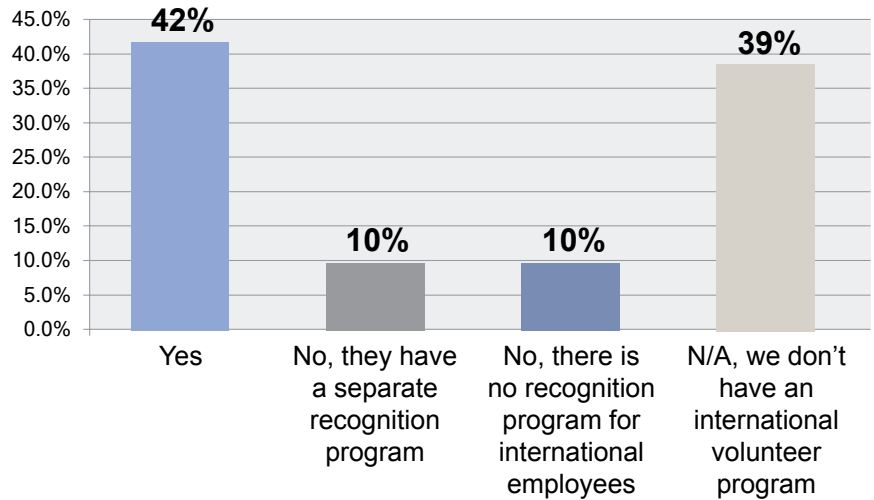


TABLE 1: GOALS OF RECOGNITION PROGRAMS, IN ORDER OF IMPORTANCE

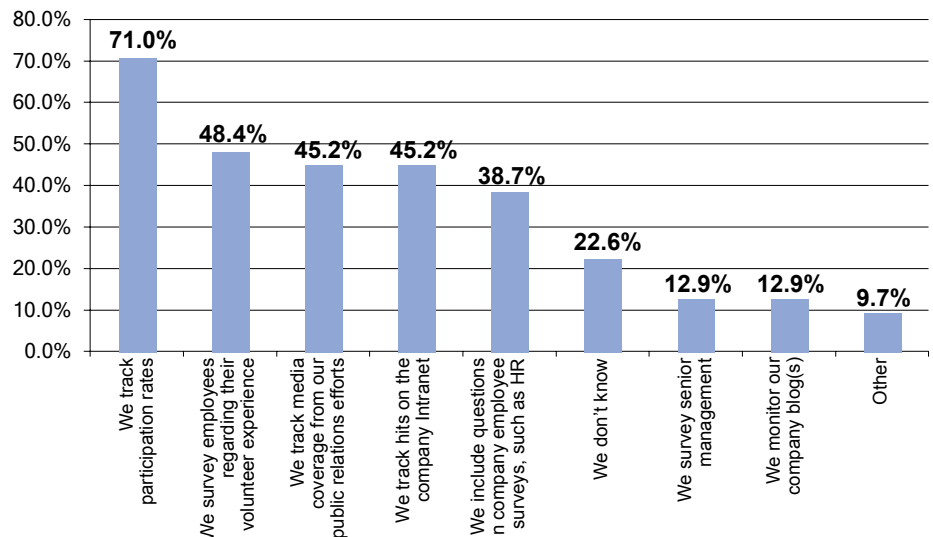
GOAL	UNIMPORTANT	SOMEWHAT IMPORTANT	IMPORTANT	VERY IMPORTANT	EXTREMELY IMPORTANT	RATING AVERAGE
Raise internal awareness of the EVP	0.0%	0.0%	32.3%	38.7%	29.0%	3.97
Raise employee morale	0.0%	0.0%	45.2%	22.6%	32.3%	3.87
Increase employee satisfaction	0.0%	0.0%	45.2%	22.6%	32.3%	3.87
Generate senior mgt support for the EVP	0.0%	3.2%	32.3%	41.9%	22.6%	3.84
Recruit new employee volunteers	0.0%	6.5%	41.9%	29.0%	22.6%	3.68
Increase reporting of volunteer hours	0.0%	13.8%	24.1%	44.8%	17.2%	3.66
Increase overall participation rates	0.0%	3.2%	51.6%	22.6%	22.6%	3.65
Retain employee volunteers	0.0%	16.1%	38.7%	25.8%	19.4%	3.48
Raise external awareness of the EVP	3.2%	19.4%	45.2%	19.4%	12.9%	3.19

TABLE 2: HOW SUCCESSFUL MANAGERS BELIEVE THEY ARE AT REACHING THEIR GOALS

GOAL	NOT AT ALL SUCCESSFUL	SOMEWHAT SUCCESSFUL	SUCCESSFUL	VERY SUCCESSFUL	EXTREMELY SUCCESSFUL	N/A	RATING AVERAGE
Generate senior mgt support for the EVP	0.0%	3.3%	46.7%	16.7%	20.0%	13.3%	3.62
Raise employee morale	0.0%	0.0%	45.2%	32.3%	6.5%	16.1%	3.54
Retain employee volunteers	0.0%	6.5%	35.5%	35.5%	6.5%	16.1%	3.50
Raise internal awareness of the EVP	0.0%	6.5%	41.9%	38.7%	3.2%	9.7%	3.43
Increase employee satisfaction	0.0%	6.5%	51.6%	19.4%	3.2%	19.4%	3.24
Recruit new employee volunteers	0.0%	9.7%	51.6%	22.6%	3.2%	12.9%	3.22
Increase overall participation rates	0.0%	12.9%	45.2%	25.8%	0.0%	16.1%	3.15
Increase reporting of volunteer hours	3.2%	16.1%	32.3%	29.0%	3.2%	16.1%	3.15
Raise external awareness of the EVP	0.0%	22.6%	48.4%	9.7%	0.0%	19.4%	2.84

CHART 4: MEASURING GOAL ACHEIVEMENT

How do you know you have achieved your recognition goals? Select all that apply.



**TABLE 3: EFFECTIVENESS OF RECOGNITION TACTICS,
IN ORDER OF EFFECTIVENESS**

TACTIC	INEFFECTIVE	SOMEWHAT EFFECTIVE	EFFECTIVE	VERY EFFECTIVE	EXTREMELY EFFECTIVE	N/A	RATING AVERAGE
Dollars for Doers/ cash grants	0.0%	0.0%	16.7%	20.0%	30.0%	33.3%	4.20
Cash awards/bonus to volunteers themselves	0.0%	0.0%	3.3%	3.3%	3.3%	90.0%	4.00
Competitive awards (other employees get to vote)	0.0%	0.0%	6.7%	6.7%	0.0%	86.7%	3.50
Individual/Team awards	0.0%	6.7%	26.7%	10.0%	10.0%	46.7%	3.44
Internal news stories (newsletter/intranet)	0.0%	13.3%	36.7%	40.0%	6.7%	3.3%	3.41
Third-party volunteer awards (i.e., Jefferson Awards, President's Volunteer Service Award)	0.0%	3.3%	13.3%	6.7%	3.3%	73.3%	3.38
Raffles/Random drawings among all who report hours	3.3%	3.3%	6.7%	13.3%	3.3%	70.0%	3.33
Competitions (team with most hours wins a lunch or other perk)	0.0%	6.9%	6.9%	17.2%	0.0%	69.0%	3.33
Thank you notes or emails	0.0%	27.6%	34.5%	17.2%	17.2%	3.4%	3.25
Formal recognition events	0.0%	13.3%	26.7%	13.3%	6.7%	40.0%	3.22
Press releases/public relations efforts	0.0%	13.8%	34.5%	13.8%	3.4%	34.5%	3.11
Notes in personnel file/in performance evaluation	0.0%	16.7%	10.0%	13.3%	3.3%	56.7%	3.08
Certificates of appreciation	0.0%	23.3%	30.0%	23.3%	0.0%	23.3%	3.00
Informal events/socials	0.0%	20.0%	40.0%	3.3%	6.7%	30.0%	2.95
Phone/voicemail messages	0.0%	16.7%	13.3%	6.7%	0.0%	63.3%	2.73
Inexpensive giveaways	0.0%	26.7%	30.0%	3.3%	0.0%	40.0%	2.61
Points-based incentive programs with a third- party vendor	0.0%	3.3%	0.0%	0.0%	0.0%	96.7%	2.00

CHART 5: CHOOSING AWARD WINNERS

If you present individual or team awards (e.g. volunteer of the year award), who has input into choosing the winners? Check all that apply.

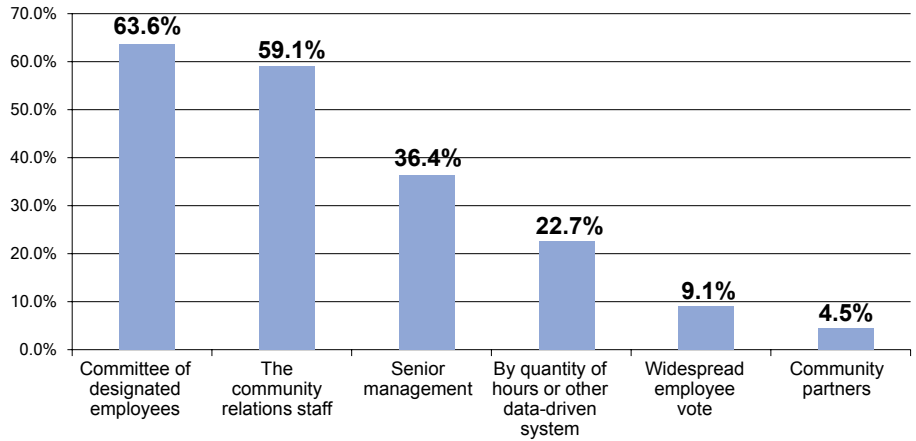


CHART 6: AWARD QUALIFICATIONS

If you present individual or team awards, are they:

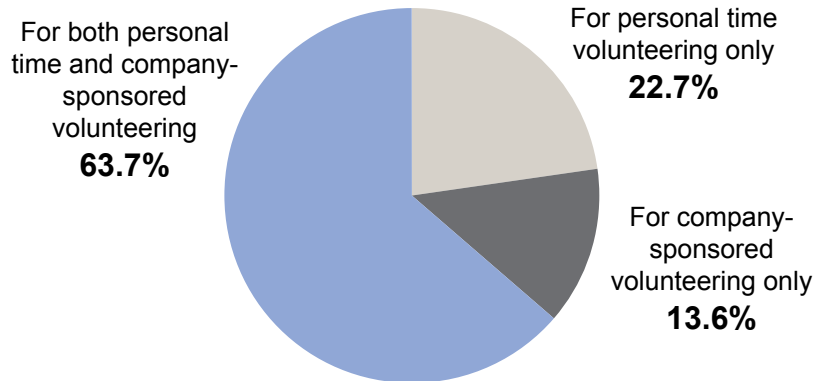
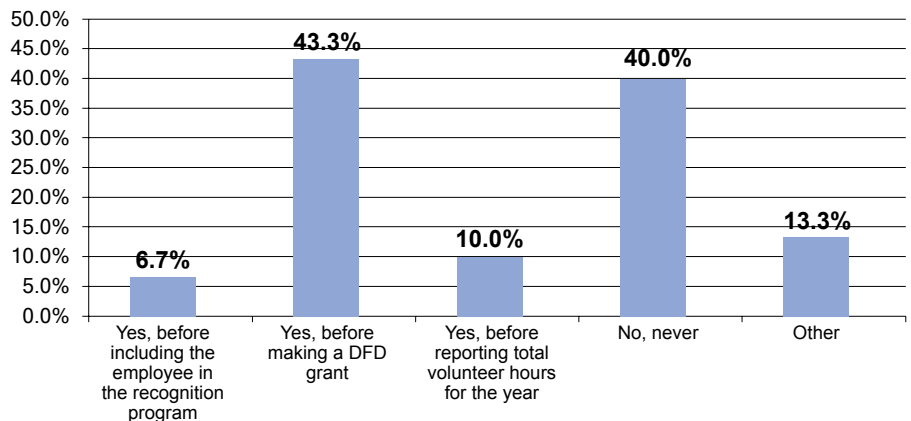


CHART 7: VERIFYING HOURS

Do you verify hours for non-company-sponsored volunteering with nonprofits for any of the following reasons? Select all that apply.



Dollars for Doers

CHART 8: PRESENCE OF DOLLARS FOR DOERS

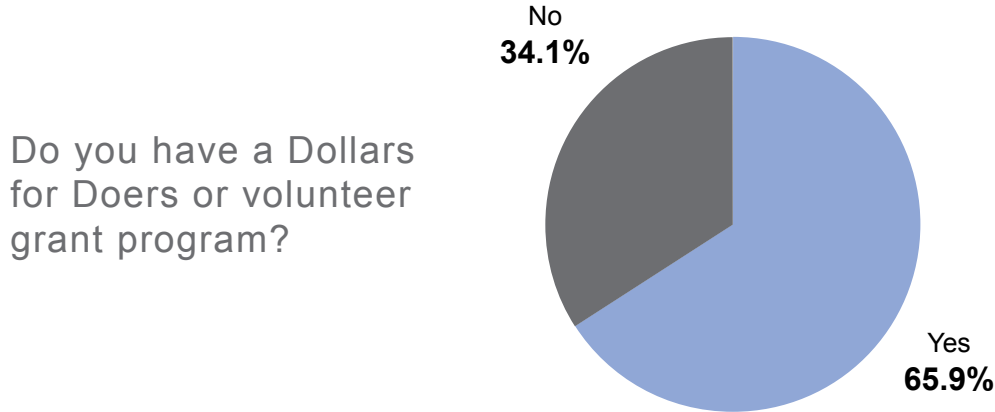


TABLE 4: MINIMUM HOURS REQUIRED

	RANGE	AVERAGE	MEDIAN
MINIMUM HOURS	5 to 60	27.9	25

CHART 9: FREQUENCY OF MINIMUM HOURS REQUIRED

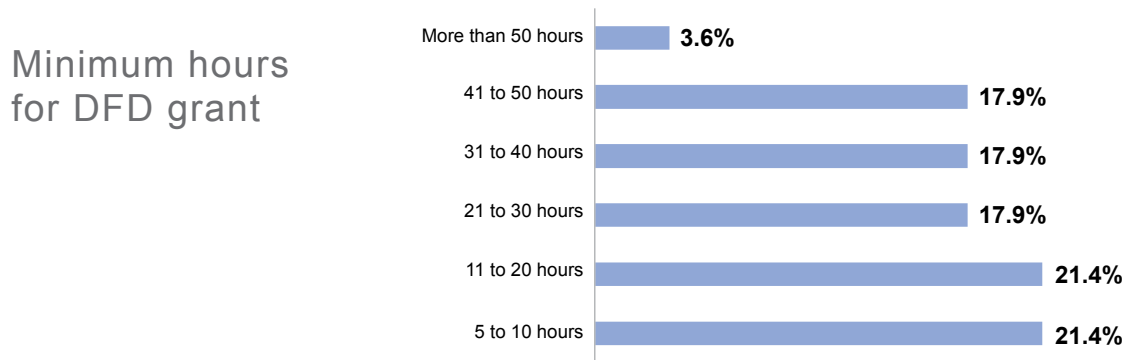


CHART 10: GRANT STRUCTURE

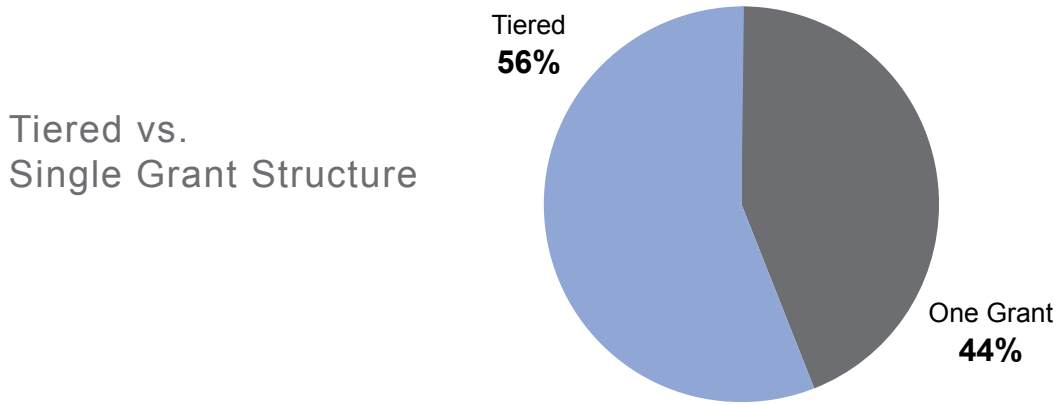


TABLE 5: DFD GRANT AMOUNT

	MINIMUM GRANT	MAXIMUM GRANT	MAXIMUM GRANT (OUTLIER REMOVED)
AVERAGE	\$376	\$2,697	\$746
MEDIAN	\$250	\$500	\$500

TABLE 6: FREQUENCY OF MINIMUM GRANT AMOUNT

MINIMUM GRANT	% OF RESPONDENTS	MAXIMUM GRANT	% OF RESPONDENTS
\$50	11.5%	\$250	6.7%
\$100	11.5%	\$300	6.7%
\$150	11.5%	\$400	6.7%
\$200	3.8%	\$500	40.0%
\$250	19.2%	\$1,000	26.7%
\$300	3.8%	\$2,500	6.7%
\$500	23.1%	\$30,000	6.7%

CHART 11: DFD ELIGIBILITY

Which employees are eligible for DFD grants?

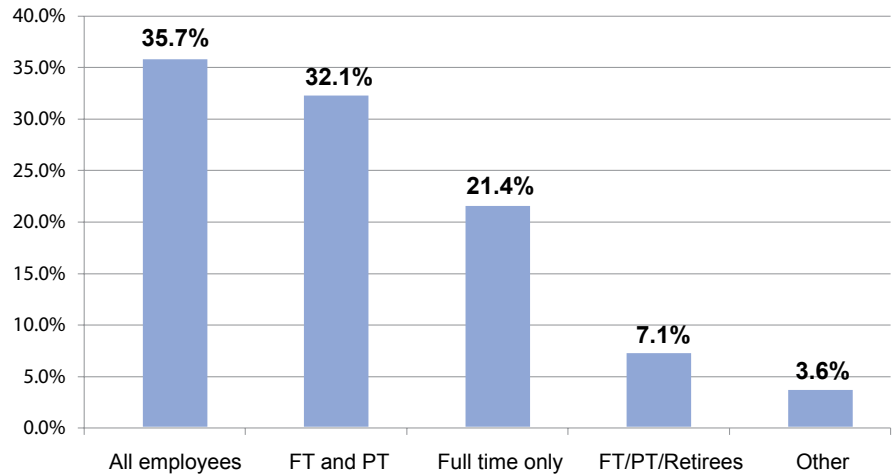


CHART 12: GRANT QUALIFICATIONS

What type of volunteering qualifies for a DFD grant?

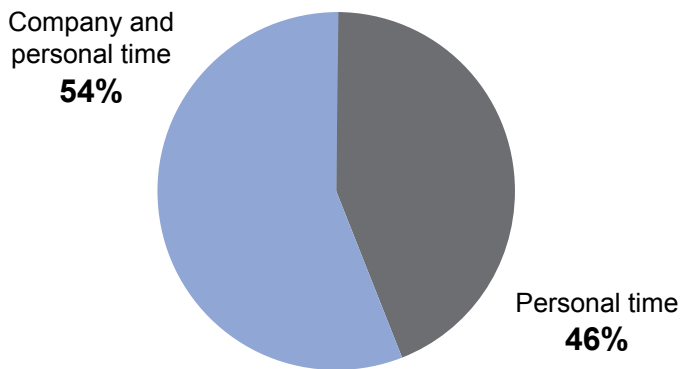


CHART 13: STRATEGIC ISSUE DFD GRANTS

Do you limit DFD to issues that are strategic focus areas for the company?

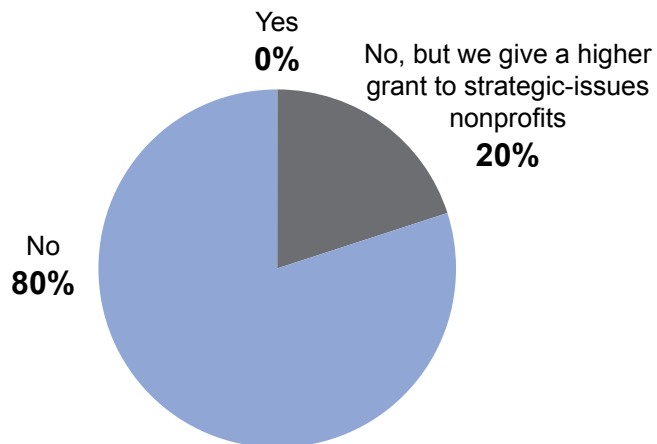


CHART 14: DFD PARTICIPATION RATES

What is your participation rate? Please round to the nearest whole number to answer this question.

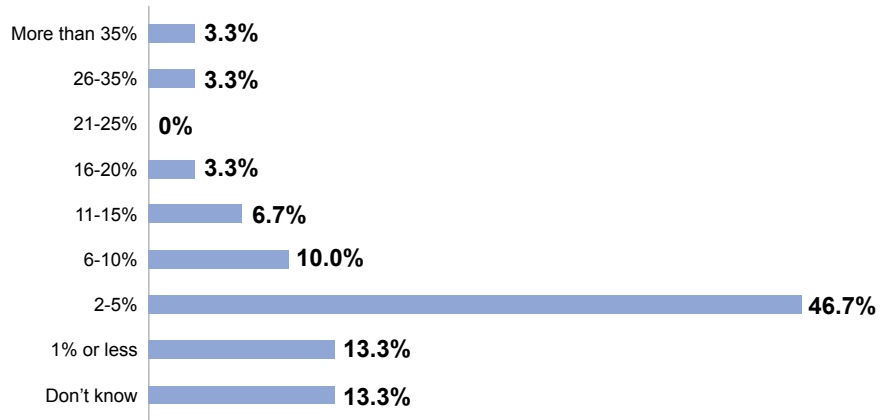


CHART 15: DFD PARTICIPATION SATISFACTION

Are you satisfied with your participation rate?

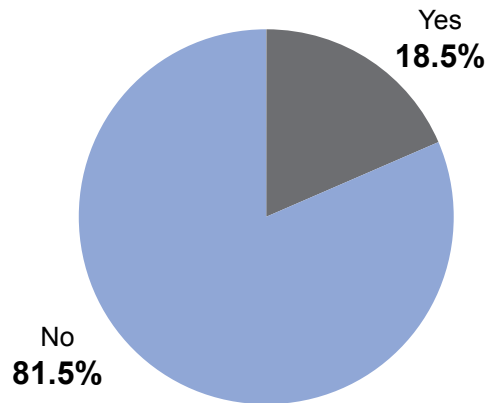


CHART 16: INCREASING DFD PARTICIPATION RATES

If no, are you actively trying to increase your participation rate?

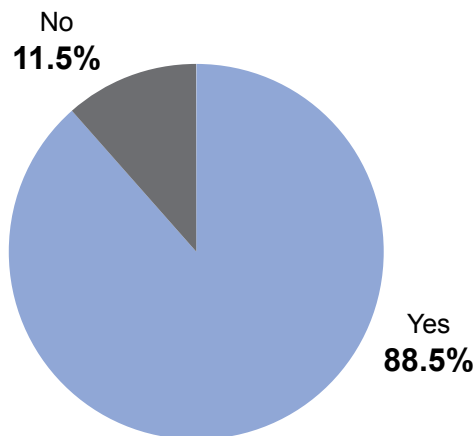


TABLE 7: BENEFITS OF DFD, IN ORDER OF IMPORTANCE

BENEFIT	UNIMPORTANT	SOMEWHAT IMPORTANT	IMPORTANT	VERY IMPORTANT	EXTREMELY IMPORTANT	RATING AVERAGE
Supports our employees' personal philanthropic interests	0.0%	3.4%	41.4%	37.9%	17.2%	4.10
Makes employees feel better about the company	3.4%	17.2%	34.5%	34.5%	10.3%	3.97
Part of our community involvement strategy	0.0%	0.0%	37.9%	44.8%	17.2%	3.79
An additional employee benefit	0.0%	0.0%	23.3%	43.3%	33.3%	3.69
Good public relations	0.0%	3.4%	31.0%	31.0%	34.5%	3.31

CHART 17: DFD STAFFING

How many FTEs are needed to run the DFD program?

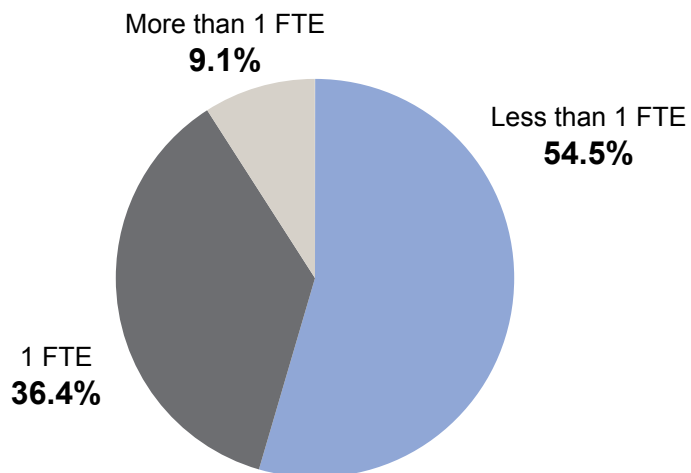


CHART 18: DFD GRANTS MADE IN 2010

How much did you give in DFD grants in 2010?

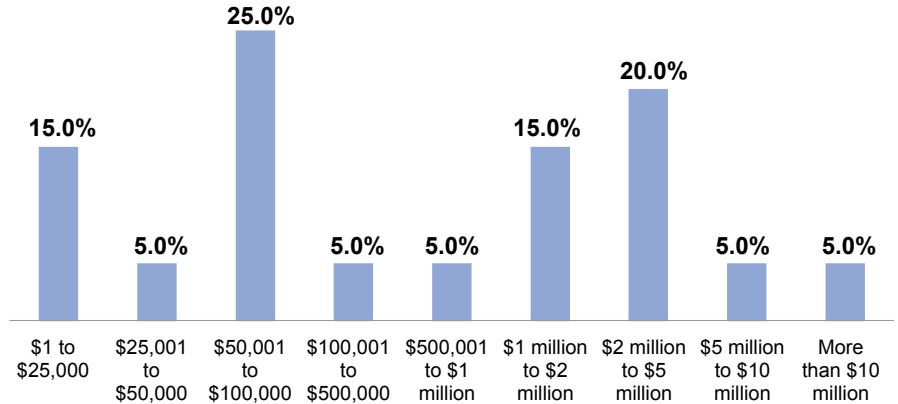


CHART 19: DFD BUDGET FLEXIBILITY

Is your DFD grant budget strict (you cannot give more than the budget in a given year), or flexible (no set budget or you are allowed to spend more than budgeted on grants)?

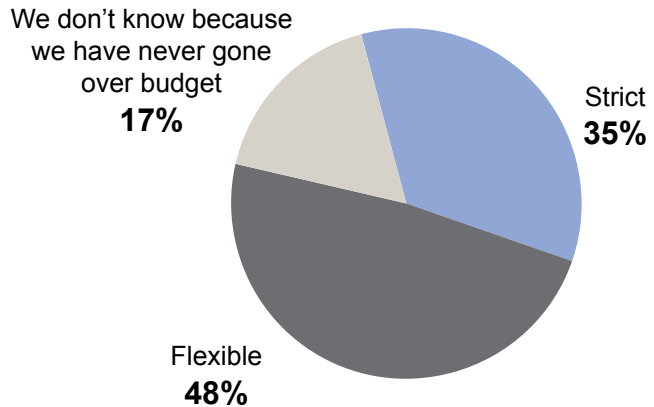
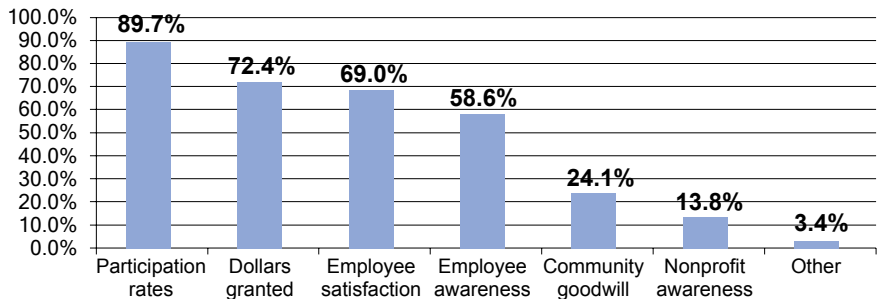


CHART 20: MEASURING SUCCESS

How do you measure the success of your DFD program? Select all that apply.



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.

LBG Associates' Leadership

LINDA B. GORNITSKY, PH.D., *President*

Dr. Gornitsky is president and founder of LBG Associates, a consulting firm which specializes in the development of strategic corporate citizenship and community relations programs, benchmarking, community attitude and evaluation studies, image-building/communications campaigns and efficient management practices. Clients include: Altria, Aramark, BMW, Con Edison, FedEx, Moody's, Neutrogena, Nielsen Research Media, Pitney Bowes, State Street Corp, Timberland, Toyota and Verizon.

Prior to establishing LBG Associates in 1993, Dr. Gornitsky directed a variety of corporate communications programs, developed strategic contributions programs, managed contributions, public issues and public affairs departments and identified new management directions. She developed and managed strategic contributions programs for Citibank and Pfizer.

Dr. Gornitsky publishes on various aspects of corporate citizenship and has completed over 10 groundbreaking studies. The most recent one (2011) is on developing successful strategic partnerships. In 2010 she released a study that focuses on how to motivate employees to volunteer during tough economic times. In 2008, LBG published research on the environment titled *The Green Effect: How Community Involvement is Embracing Environmentalism*. She released *Trends and Best Practices in Corporate Community Involvement and Global Community Involvement* in the fall of 2007. She has also published a benchmarking study in conjunction

with the Conference Board on international contributions programs and authored a chapter on community involvement in a book on new models for socially responsible business. Furthermore, Dr. Gornitsky developed a self-diagnostic tool to determine how green a company is, as well as a self-diagnostic tool for volunteer program managers called the *Standards of Excellence for Corporate Volunteer Programs*.

Dr. Gornitsky has designed a certificate program for corporate grant makers at New York University and is teaching classes on strategic philanthropy/volunteerism. She was a faculty member at the Center for Corporate Citizenship at Boston College where she designed and taught courses on strategic contributions and developing signature programs, provided custom training and consulted with companies on social investing. She is a frequent speaker at Conference Board conferences and organized a conference on global corporate citizenship in 1999.

Dr. Gornitsky is on the board of advisors for AngelPoints, on the board of Autism360 and is president of LBG Research Institute.

Dr. Gornitsky earned her Ph.D. in Environmental Psychology at City University of New York. She also holds a Master of Philosophy, Master of Arts and Bachelor of Science degrees, all in psychology. Dr. Gornitsky is very involved in her local community. She currently sits on the board of three local nonprofit organizations and holds executive positions at two of them. She was honored in May 2007 for her commitment to the Stamford, CT community.

LBG Associates' Leadership

(continued)

DONNA DEVAUL, MPPM,
Vice President of Research

Donna Devaul is Vice President of Research for LBG Associates. In this role, Ms. Devaul has conducted research for clients on all aspects of corporate community involvement, including workplace giving, employee volunteerism, corporate giving and more. She is the author of numerous research studies, including "Corporate Giving in the New Economy" and "Workplace Giving Works! Make It Work for You." In addition to her position at LBG Associates, Ms. Devaul is Executive Director of LBG Research Institute, where she is responsible for membership, marketing, research and administration.

Previously, Ms. Devaul was director of marketing for Irving Levin Associates, Inc., a

privately held newsletter publisher in Norwalk, CT. There she was responsible for the marketing strategy and execution of all marketing programs, and the daily operations of the firm. Prior to joining Levin in 2001, she held marketing positions at Simba Information, a Primedia company, and Money magazine, a Time Inc. publication. Her editorial credits include managing editor of Catalog Age magazine, where she won regional and national editing awards. While at Levin, she won marketing awards from both The Newsletter on Newsletters and the Specialized Information Publishers Foundation. Ms. Devaul is a magna cum laude graduate of Hamilton College and holds a Masters in Public and Private Management from Yale University.

Ms. Devaul can be reached at donna@lbg-associates.com or 203-240-5766.

More LBG Associates Research Publications

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SECRETS TO CREATING HIGH-IMPACT STRATEGIC PARTNERSHIPS

LBG Associates defines a strategic partnership as a mutually beneficial relationship and investment of resources between a nonprofit and a company that results in a community involvement program that aligned with the company's corporate citizenship strategy, brand, and business goals. This report lays out LBG Associates' recommendations for building a strategic partnerships, outlines the key steps to follow, and provides best practices

to enhance success. The report includes 24 case studies of successful partnerships with insight from both the corporations and their nonprofit partners. Learn from IBM, Moody's, American Express, AMD, Seventh Generation, Verizon, Western Union, Merck and 16 others about the challenges they faced and how they overcame them. The report includes the 13 Steps to Success and a checklist to guide you on the journey and help avoid missteps and mistakes.



WORKPLACE GIVING WORKS! MAKE IT WORK FOR YOU

LBG Associates and LBG Research Institute surveyed more than 50 companies to find out what makes a workplace giving campaign work. Work for your employees, work for your company, and work for your community. This research report from LBG will guide you in making your workplace giving program best in class. Find out:

- The type of program that sends participation through the roof;
- If your donor rates are above or below average;

- How companies like yours measure success;
- What matching workplace gifts can do to results;
- The impact of the economy on workplace giving;
- PLUS a special section on what nonprofits think about workplace giving campaigns;
- And much more!



MOTIVATING VOLUNTEERING IN TOUGH TIMEST

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.

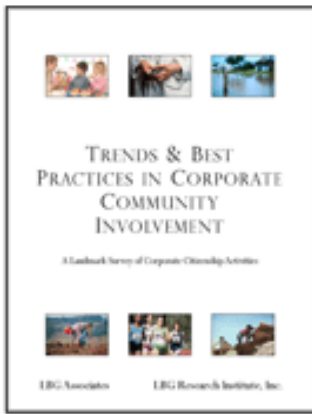
This research report is unique in that it includes both the voice of the employee volunteer manager AND the employee. By comparing research from both groups, this study provides a much-needed and robust view of today's volunteering landscape.



THE GREEN EFFECT: HOW COMMUNITY INVOLVEMENT IS EMBRACING ENVIRONMENTALISM

LBG Associates' research report, **The Green Effect: How Community Involvement is Embracing Environmentalism**, 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. The Green Effect also includes more than 25 case studies showing how research participants are "walking the talk" and executing their environmental commitments—in both operations and community involvement activities.



TRENDS & BEST PRACTICES IN CORPORATE COMMUNITY INVOLVEMENT

Trends & Best Practices in Corporate Community Involvement presents the extensive findings of a comprehensive survey of the community involvement programs of 35 major U.S. corporations. This landmark community involvement study goes well beyond the previous reports and is unprecedented in its scope, detail, and analysis.

The report examines the following topics in detail:

- 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.

With its 130-plus pages of benchmarking data, trend analysis, and best practice guidelines, this report is more than a reflection of the state of community relations: It is a tool for companies looking to gauge their CI performance, and a reference that can help elevate community involvement/community relations activities to an even higher level.



GLOBAL COMMUNITY INVOLVEMENT

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

Global Community Involvement examines the global CI practices of more than 20 U.S. multinationals (MNCs), 40 of their overseas locations in 15 countries, and the practices of foreign companies. In addition,

more than 20 pages are devoted to detailing the current tax legislation and the philanthropic and volunteer activities in a number of countries—including Australia, China, India, Poland, and many others.

Global Community Involvement is an invaluable resource for anyone interested in building or sustaining a global CI program. The findings of this study have resulted in the development of a best-in-class paradigm for global giving that will help companies deal with the complex challenges involved in developing a global CI program.