Trends and Best Practices Employee Giving
Current Landscape

- Employee involvement remains a high priority for companies.
- Companies are looking for more opportunities to engage employees and are supporting employees with financial grants/contributions.
- Workplace giving is still a highly used employee involvement strategy.
- Employee participation in the workplace campaign continues to decrease. Estimates are that participation rates are less than 30 percent in many companies.
- There is a new generation of employees that requires different strategies for employee involvement.
Trend 1 – Integrating Activities

- Matching Gifts
- Workplace Events/Sponsorships
- Disaster Relief
- Corporate Philanthropy
- Volunteer Programs
- Workplace Giving

Separate Activities

Company-wide

Branded Employee Involvement Program

Integrated Branded Program
Trends - Employee Giving

1. **Ownership** – Companies are taking ownership of the program and creating a brand/theme to reflect that ownership.

2. **Strategic Choice** – Companies are expanding charity choices to reflect the varied and diverse interests of employees.

3. **Integration** – Programs are linking employee engagement activities across activities including the matching gift program.

4. **Employee Empowerment** – Programs give employees greater range of opportunities in what and how they support charities of their choice.

5. **State of the art technology** – Companies are utilizing technology to support employee involvement programs.
Campaign Ownership

- Establishes ownership of a key employee engagement activity directly within the company.
- Allows for expansion of the charitable partners eligible to participate in the program.
  - Corporate initiatives
  - Employee interests
  - Current charitable partners
- Integrates multiple programs under a common theme and/or brand directed and supported by company policies.
# Campaign Branding

<table>
<thead>
<tr>
<th>American Airlines</th>
<th>American Giving</th>
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<tbody>
<tr>
<td>Dell</td>
<td>Dell Direct Giving Program</td>
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<tr>
<td>GMAC – RFC</td>
<td>Share the Magic</td>
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<tr>
<td>HSBC</td>
<td>United for Hope</td>
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<tr>
<td>Kimberly Clark</td>
<td>Community Partners</td>
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<tr>
<td>Progress Energy</td>
<td>Imagine the Progress</td>
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<tr>
<td>Marriott</td>
<td>Spirit to Serve</td>
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<tr>
<td>Mervyn’s</td>
<td>Starts with Me Giving Campaign</td>
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<tr>
<td>Prudential</td>
<td>Prudential Cares</td>
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<tr>
<td>Schering Plough</td>
<td>United for Healthy Communities</td>
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<td>Siemens</td>
<td>Caring Hands</td>
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<tr>
<td>Thomson Reuters</td>
<td>Because We Care</td>
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The Consulting Network
Defining a Campaign Model

Please check the one model that best describes your employee giving program.

- United Way is our only featured partner (skip to question 44)
- Our program features nonprofit organizations (federations or specific...)
- We do not feature any specific charities but allow employees to direct...
Strategic Choice

Choice is generally driven by five key factors.

1. The employees desire to have additional charitable options.
2. The ability of the nonprofit partner to fulfill corporate philanthropic objectives.
3. As a response to declining employee participation.
4. The incorporation of technology.
5. Recent United Way strategies to move away from agency funding to community problem solving and impact funding, and actively discouraging donor designations.
# New Campaign Models

<table>
<thead>
<tr>
<th>Model</th>
<th>Advantages</th>
<th>Disadvantages</th>
<th>Companies</th>
</tr>
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<tbody>
<tr>
<td><strong>Federated</strong></td>
<td>• Strategic choice&lt;br&gt;• Easy to market around issues&lt;br&gt;• Federations bring experience and resources.</td>
<td>• Perception of too much choice&lt;br&gt;• Carries some negative aspects of an umbrella organization</td>
<td>• American Airlines&lt;br&gt;• American Express&lt;br&gt;• Accenture&lt;br&gt;• Dell&lt;br&gt;• TIAA-CREF&lt;br&gt;• United Airlines</td>
</tr>
<tr>
<td><strong>Select Charity</strong></td>
<td>• Easy to administer&lt;br&gt;• Eliminates negative aspects of an umbrella group&lt;br&gt;• Can capture “top or popular” charities</td>
<td>• May be perceived as limited choice&lt;br&gt;• May be more costly to administer due to write-ins</td>
<td>• Abbott&lt;br&gt;• HSBC&lt;br&gt;• Progress Energy&lt;br&gt;• Walgreen’s</td>
</tr>
<tr>
<td><strong>Open Choice</strong></td>
<td>• Wide open choice</td>
<td>• Too much choice may lead to confusion&lt;br&gt;• Difficult to market&lt;br&gt;• May be costly to administer.</td>
<td>• Cardinal Health&lt;br&gt;• Microsoft&lt;br&gt;• Nike&lt;br&gt;• Prudential</td>
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## Additional Campaign Model

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<thead>
<tr>
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<th>Disadvantages</th>
<th>Companies</th>
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<tbody>
<tr>
<td><strong>Corporate Initiatives</strong></td>
<td>In addition to employee selected charity partners, the campaign includes one or more corporate initiatives.</td>
<td>• Perception that it's a corporate campaign</td>
<td>• American Airlines</td>
</tr>
<tr>
<td></td>
<td>• Engages employees with corporate initiatives</td>
<td></td>
<td>• BMS</td>
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<tr>
<td></td>
<td>• Raises additional dollars</td>
<td></td>
<td>• State Street</td>
</tr>
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Integration

- Companies are leveraging employee giving to align with and help achieve other corporate and employee citizenship goals.
  - Align with company mission and corporate values.
  - Integrations of business goals.
  - Reflect employee interests.
  - Leverage matching gift program.
  - Enhance foundation/corporate giving priorities.
  - Connect the employee donor more directly to the charity and its mission.
Expanded Giving Options

- Expansion is being driven by four factors:
  - Employee desire for more choice.
  - Response to declining employee participation.
  - Incorporation of technology.
  - Ability of nonprofit partners to fulfill corporate philanthropic objectives.

- Estimated that nearly 75 percent of companies now include additional organizations in the campaign.
Selecting Campaign Partners

Who determines the nonprofit organizations selected to participate in your program? (check all that apply)

- Our employees recommend organizations to participate: 60%
- The senior management team makes recommendations: 40%
- Community relations has decision making authority to select charity partners: 20%
Why Are Partners Chosen

Why did you pick the specific nonprofit organizations selected to be featured in your employee giving program? (check all that apply)

- The chosen charities reflect our employee's philanthropic interests: 80.0%
- The chosen charities have a strategic fit with our company mission: 56.0%
- We already have a relationship with the charity and decided to expand: 32.0%
Engaging Younger Donors

- Younger donors (age 18-29) better educated, more affluent, more diverse than any previous generation.
- Generation of educated donors. They will spend time researching charities and rely heavily on Web sites such as Charity Navigator, BBB, Guidestar, etc.
- Have positive feelings towards charitable giving and volunteering.
- Claim less interest in local charities and causes, as opposed to national and international purposes.
- Donate to causes and campaigns.
- The group is more likely to make small financial gifts so charities need to demonstrate how a small gift can make a difference.
Engaging Younger Donors

- The traditional employee campaign is not as effective with younger donors.
  - More than 70 percent indicate they want additional charitable choices.
  - They want to designate their charitable contributions.
  - They want to give to what impacts them.
  - Not as loyal as previous generations.
  - Peer endorsement is important.
  - More likely to contribute online.
  - A company match acts as an incentive for giving.
Key Workplace Implications

- Values teams and relationships
- Prefers direction and instruction
- Expects and respects communication
- Proficient with technology
- Wants to contribute to the greater good
- Dislikes ambiguity
- Wants regular feedback
Best Practices for Success

- Build the case that employee giving is an important part of workplace culture.
- Brand the campaign and integrate employee involvement.
- Include more strategic partnerships with nonprofit organizations.
- Build leadership and an effective organization.
- Document results, provide feedback, educate employees.
- Utilize online/electronic giving tools.
- Match employee contributions with a corporate gift.
- Offer multiple ways for employees to give.
Future of Employee Giving

- Allowing giving year round.
- Offering multiple ways to give – tie with matching gifts and incentives and volunteerism.
- Establishing individual giving accounts.
- Ensuring higher standards of accountability.
- Providing greater choices consistent with employee diversity/interests.
- Utilizing technology to facilitate giving and provide more information about charity partners.