American companies face a business environment characterized by increasing competition from a variety of sources, the need to function more efficiently while adapting to a global economy, and the threat of a shrinking pool of skilled, qualified workers. The Points of Light Foundation, whose mission includes fostering and supporting strong, strategic, corporate-based volunteer programs, helps American businesses develop, implement, and maintain volunteer programs that contribute to their strategic goals under these challenging conditions.

In March 1999 the Points of Light Foundation conducted a survey of U.S. corporations to update a 1992 survey examining employee volunteer programs. The 1992 study established benchmark data, and the 1999 survey provided a follow-up to monitor changes and identify trends.

The survey was mailed to 2,772 U.S. companies and 248 companies, or 9 percent, responded. The responding companies represented a wide variety of businesses by geographic location, industry sector, geographic region, years in business, and size (as measured by number of employees and annual revenue).

FINDINGS

A Stronger Link to Strategic Business Goals: A major metamorphosis has occurred in the seven years since the 1992 survey was conducted. At that time, only 31 percent of companies reported using their employee volunteer programs (EVPs) to support core business functions. By 1999, that had increased to 81 percent of all respondents focusing employee volunteer programs on core business functions. Moreover, the survey found a significant increase in companies who incorporate the volunteer program into the company’s overall business plan, increasing from 19 percent in 1992 to 48 percent in 1999 (see chart 1). Another way companies reinforce the strategic impact of volunteering is to incorporate a commitment to community service in the corporate mission statement, a practice of 52 percent of the companies surveyed. Notably, the exception is among small companies with fewer than 500 employees, in which only 30 percent address community service in the corporate mission statement.

Corporations and their corporate volunteer managers are working “smarter” to ensure that the employee volunteer effort contributes to fulfilling the company’s business goals. They do this by using the program to address core business issues (see chart 2), such as:

- public relations (83 percent of programs)
- marketing and communications (64 percent)
- developing employee skills (60 percent)
- recruiting and retention (58 percent)
- valuing diversity (56 percent)

Some corporations are also strengthening the impact of their philanthropic giving and their volunteer efforts in their communi-
ties by planning them in concert with one another. Of the most common topics for corporate giving, almost all are also addressed by employee volunteer programs.

Additional issues addressed by employee volunteer programs include hunger programs (57 percent of programs), elderly needs (49 percent), diversity (44 percent), welfare to work assistance (28 percent), and racism (13 percent). Arts and culture are receiving a smaller portion of corporate philanthropy (12 percent of companies provide funding in this category) (see chart 3).

All business sectors focused strongly on education, health and human services, and youth. Other emphases on issues varied by business sector; however, with health care companies focusing more on health and human services, the elderly, diversity, and arts and culture than other business sectors. In another departure, utility companies place more emphasis on environmental issues than other sectors.

**Increasing Professionalism:** The survey results revealed that in the seven years since the original survey, employee volunteer managers have become more rigorous in the techniques they use to manage, evaluate, and communicate about the program. This increasing rigor includes using a full range of tools to facilitate volunteering, whether through a formal or informal program. These tools include offering volunteer events on company premises (57 percent of companies use this approach), providing community organizations with a directory of available, skill-specific company volunteers (32 percent), providing release time from work for volunteering (21 percent), and offering a retiree volunteer program (21 percent) (see chart 4).

To ensure recognition of volunteers, 85 percent showcase volunteers in company publications, 78 percent provide awards and certificates, 71 percent host volunteer recognition events, and 64 percent send letters of commendation to volunteers (see chart 5).

<table>
<thead>
<tr>
<th>Issue</th>
<th>Addressed by Corporate Philanthropy</th>
<th>Addressed by Employee Volunteer Program</th>
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</thead>
<tbody>
<tr>
<td>Education</td>
<td>81%</td>
<td>91%</td>
</tr>
<tr>
<td>Health and Human Services</td>
<td>66%</td>
<td>82%</td>
</tr>
<tr>
<td>Youth</td>
<td>60%</td>
<td>85%</td>
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<td>Economic Development</td>
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<tr>
<td>Environment</td>
<td>39%</td>
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</tr>
<tr>
<td>Homelessness</td>
<td>22%</td>
<td>52%</td>
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</tbody>
</table>

**Chart 2: Relationship of Corporate Philanthropy and Volunteer Programs**

**Chart 3: Tools Used to Facilitate Volunteering**

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Emphasis on Planning and Evaluation: Another aspect of this growing professionalism is that half of all companies have business plans in place for their employee volunteer programs. For larger companies, where the corporate volunteer manager spends a larger portion of time on the program than in smaller companies, 69 percent have a business plan for the employee volunteer program. In addition, there is a widespread commitment to, or interest in, developing more formal evaluation of employee volunteer programs, with 70 percent of respondents conducting both internal and external impact assessments. More specifically, they assess benefits to the company (84 percent), to the community (83 percent), to the employee (81 percent), and to the company’s partnership with the community (67 percent) (see chart 6). A significant exception is the smaller companies, with fewer than 500 employees or revenues under $6 million, who are more likely not to evaluate volunteer efforts.

The types of data collected fill two broad needs: to provide feedback to improve the program itself, and to provide insights on how the program can best contribute to meeting strategic business goals. Companies are devising ways to measure the level of benefit to the company, to the community, to the employee, and to the company’s key partnerships with community agencies and organizations. In addition, they are collecting rich data on a variety of factors, ranging from the “head counting” function of number of volunteers and number of volunteer hours to obtaining feedback from agencies and communities served. Some companies are conducting evaluations of greater complexity, with 26 percent measuring the impact of company volunteering on employee morale, and 25 percent measuring the effect on team building. Small percentages (6 percent of companies) are investigating the effect on employee turnover/absenteeism and productivity, yet this select few set an example for others to emulate.

Corporations are using a variety of methods to collect data. The most common are:

- E-mail (63 percent)
- Surveys (62 percent)
- Post-event evaluation forms (44 percent)
- Testimonials (35 percent)

Good Corporate Citizenship and Volunteerism: A vast majority of companies rely upon their employee volunteer activity to put on a good face in the community. Eighty-three percent of companies use the EVP directly in public relations activity, 64 percent make use of their program in marketing and communications activity, 58 percent in recruiting or retaining employees, and 56 percent to demonstrate that they value diversity. Furthermore, the survey found that companies also use employee volunteerism to illustrate a commitment to the community in the following ways:
- loaning executives to nonprofit organizations
- employee participation on nonprofit boards of directors
- adding "Dollars for Doers" to nonprofit organizations for which employees volunteer

Additionally, many companies, especially larger ones, embrace the entire family and retirees in the employee volunteer program, extending their reach into the community.

Looking to the Future – Challenges and Opportunities:
As the American business environment is increasingly influenced by global forces and competition gets tougher for employees, customers, and investors, employee volunteer programs are perfectly placed to help position companies favorably among all constituencies. Volunteer programs can be—and are—used effectively to address core business functions such as employee recruiting, training, and retention; marketing, communications, and public relations; productivity; and regulatory and government affairs. Yet the survey reveals several challenges to overcome:

- **Common negative perceptions** among companies that do not have programs in place, that they will experience lack of CEO support, lack of middle management support, lack of employee interest, lack of employee time, and concerns over the administrative cost.

- **Lack of stability in the volunteer management function**, with 31 percent of current EVP managers being in their jobs one year or less.

- **The need to develop and implement more sophisticated measurement techniques** that produce a clear correlation that EVPs pay off at the bottom line in employee recruiting, retention, productivity, and direct profitability.

- **Small companies are less likely to feel an ability to undertake employee volunteer programs.** Because small companies represent the bulk of new jobs in the U.S. economy, it is critical to find ways to ease the burden and facilitate volunteering within their ranks.

- **The need to realize further alignment of employee volunteer programs and business goals.** Many companies are planning their EVPs strategically, but all EVP managers must learn to place their programs on this solid footing.

Volunteer managers must continue to strive for more resources and more support, yet they must also continue to provide more accountability, more visibility for the company, and higher return on investment. They must continue the upward path toward more professionalism in their EVP responsibilities, and in so doing create a more fertile ground for future expansion of volunteer programs.