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OF LIGHT



Business4Better

The Community Partnership Movement
May 1-2, 2013 | Anaheim

Seven Practices of Effective Employee Volunteer Programs





Seven Practices of Effective Employee Volunteer Programs



Employee volunteerism is not a new concept. More and more companies are recognizing the value that providing service opportunities to employees brings to the company, the employees themselves and, of course, communities across the globe.

As the economy starts to rebound and employees have a choice in employers, there is all the more reason to highlight innovative ways in which companies recruit, retain, and develop their employees. Employers will be increasingly challenged to attract and retain their best talent while facing pressure to keep costs neutral. Employee engagement is crucial to succeeding in this and there's no better way to engage employees than through volunteerism.

What is an Employee Volunteer Program (EVP)?

An Employee Volunteer Program (EVP) is defined as a planned, managed effort that seeks to motivate and enable employees to effectively serve community needs through the leadership of the employer. EVPs, also called workplace volunteer programs or employer-supported volunteer programs, are typically one component of a company's corporate social responsibility (CSR) program, community engagement program (CEP), or other program that addresses the company's involvement in societal causes.

Why are EVP programs important?

Gone are the days when employee volunteerism was thought of as fluff, an afterthought, or a nice gesture. Research shows that employee volunteerism has many advantages including:

- Improves corporate image and relations with stakeholders through positioning as a leader in giving back at the local and national level.
- Develops and enhances employees' professional and leadership skills.
- Supports specific business functions, most often in the areas of human resources and external relations.

ABOUT POINTS OF LIGHT



Points of Light is the largest organization in the world dedicated to volunteer service. We bring the power of people to bear where it matters most. After 20 years of developing, enhancing and rewarding Employee Volunteer Programs, we understand what makes them successful.



Seven Practices of Effective Employee Volunteer Programs

Research indicates that EVPs that achieve high impact for both the community and business follow seven practices.

- Boosts employee morale, team building, loyalty, productivity, motivation and reduces absenteeism.
- Attracts new hires, especially millennials.
- Reaches more clients and increases sales and therefore has a positive impact on profitability.
- Builds stronger communities by addressing social issues.
- Illustrates organizational values in action.
- Demonstrates corporate support for activities that allow employees to:
 - Spend quality time with their family
 - Be a positive role model and provide learning opportunities for children
 - Educate their families about their workplace, co-workers and the importance of good corporate citizenship
- Leverages contribution dollars and therefore enhances the impact of financial contributions.

What Makes an Effective EVP?

Effective EVPs provide a measurable benefit to the community, are employee-driven, and bring added strategic value to the business. Research indicates that EVPs that achieve high impact for both the community and business follow the seven practices presented below.

For each practice, this paper highlights the activities of one company, and also references the actions of other organizations, to provide perspective on different approaches taken by mid-size and large organizations. Most of the organizations provide extensive detail online about their EVPs—if a program is of particular interest, following up on an organization's website can spark exciting ideas about how to strengthen your own EVP.

1. THE PLAN

Effective EVPs have specific societal, employee and business goals with clear strategies, focused efforts and tactics to achieve them.

In practice:

Toyota Financial Services (TFS) pursues a strategic approach to its iCARE Volunteer Program that encourages engagement in youth education from its 3,300 employees. Every year, TFS conducts an engaging three-day retreat for the entire EVP team to craft an updated annual plan that includes a vision (often expressed in inspiring ways, such as a collage), strategies, goals, operational improvement, and priority programs.

Toyota Financial Services has surpassed its 3-year target of 20% employee participation.



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OTHER EVPS IN PRACTICE – THE PLAN:

- Toy company Hasbro helps children facing challenges that would overwhelm most adults. All of its formal programs, from release time to grants that support individual volunteering, focus on helping children.
- Gap Inc. posts its EVP's goals with planned completion dates on its public website.
- QVC convened a steering committee of managers representing key departments for six months to design a signature EVP initiative that leveraged the company's capacities and supported its primary business interests.

The iCARE program takes a four-pronged approach to employee engagement and CSR:

- Dollars for Doers Grants—after 50 hours of service, associates earn a \$250 grant for their charity of choice, \$500 for youth organizations.
- Board Service Grants—associates serving on a nonprofit board earn a \$2,500 grant for their charity, \$5,000 for youth organizations.
- “Making Life Easier” Month of Service in April—paid time for associates to attend volunteer and learning events with executives, nonprofit partners and community leaders and celebrity figures. It includes volunteer appreciation, film and discussion series, service events at Toyota and in the community with key partners.
- Diplomas To Degrees Mentoring Signature Program—associates mentor 13- to 18-year-olds from underserved areas to help them pursue high school and college graduation; TFS associates teach students four hours per month at Boys & Girls Clubs.

This year, the annual planning process led to development of a new scorecard, based on prior experience with EVP work that is successfully “on mission.” The scorecard will improve measurement of programs’ outcomes and create a broader success metric and measurement tool for all of TFS’ youth programs. For instance, now that TFS has surpassed its three-year target of 20% employee participation, the organization will re-evaluate that measure, and in fact will ask if that is the best, or truest, measure of success with its EVP. Other changes this year include the addition of a “Community Ambassador” Program for all locations. The Ambassadors will serve for two years in a voluntary capacity to help execute associate engagement strategy in local offices, increasing the reach of charitable programs.

Most crucially, planning has allowed TFS employees to address the “other 20%” of their work. “This is the work that’s non-strategic and often somewhat painful for our team due to lack of process, inefficiency, etc.,” explains Elena Sacca Smith, community relations manager.



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The team's discussions have yielded a fruitful discovery process that identified key "stretch" goals and efforts to address issues and set the EVP up for success in the new fiscal year. These changes included clearer and better-aligned guidelines about what qualifies as volunteer service for the grants program, to eliminate wasted time spent reviewing individual requests that didn't fall neatly within existing guidelines. While the process is continuing to evolve, TFS is on track to continue growing its EVP with its "future state" strategy and scorecard draft for the coming year.

2. MEASUREMENT

High-performing EVPs measure the degree to which they are accomplishing their plan, including the processes that are performed effectively and the level to which the EVP achieves outputs, accomplishments, and business and social impact. These results are shared internally and externally.

In practice:

HP has built a Social Impact Scorecard that measures how its 300,000 employees in 170+ countries embrace the organization's "local knows best" philosophy of corporate social responsibility. The survey's quantitative and qualitative sections even measure how participation in the EVP increases employee morale, one of the outcome goals contained in the EVP's annual plan.

HP takes a wide view of sustainability and social innovation, with people and technology coming together to create social good, specifically in the areas of health, education, and the environment. To effectively measure volunteer hours, participation, and impact, HP takes several tacks.

Every HP employee can use four hours per month of paid work time to volunteer. Employees

SPOTLIGHT

OTHER EVPS IN PRACTICE – MEASUREMENT:

- **Caesars Entertainment has found increased engagement and favorability among employees for the company's sustainability strategy, CodeGreen, and its HERO-sponsored events. The company currently works with more than 600 organizations through its HERO program where employees donate thousands of hours of service that total an estimated \$2.75 million in volunteer hours a year. A recent study of its EVP found that for every \$10 million in revenue, Caesars Entertainment gives more than twice the estimated average of U.S. corporations based on estimated monetized value of societal contributions. Additionally, guest surveys have revealed an increased sense of loyalty and likeability of the property and company brands year-over-year. Helping community is not only the right thing to do, Caesars has found, but it also makes the best business sense.**
- **UL added a few standard HR questions to its annual employee feedback survey on giving and volunteering and was able to demonstrate that employees who participate in its signature volunteer initiatives have higher levels of employee engagement.**

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A lot of companies measure hours—and that’s one measure, but it’s more an output than an outcome. We want to push back from measuring hours to measuring the impact of the social value and business value we’re making on the world. It’s harder and takes longer, but that’s why we are doing what we do.

— Caroline Barlerin, Director, Global Employee Community Engagement, HP

Examples of EVP Measurement From HP

Business Impact

Increased employee morale²

- 👤 Employees who did not volunteer through HP
- 👤 Employees who volunteered in HP hands-on volunteering only
- 👤 Employees who volunteered in HP board-service, pro-bono or skills-based volunteering

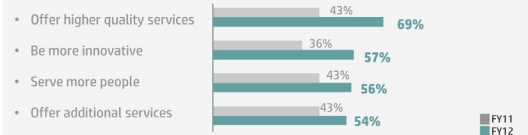


2. Percentage of respondents who selected "strongly agree" in the Employee Survey on Volunteering, 20,002 respondents globally, October 2012.

Social Impact

Increased nonprofit capacity³

89% of surveyed nonprofits reported that HP employee volunteer contributions "very significantly" helped them build their capacity in one or more of the following ways:



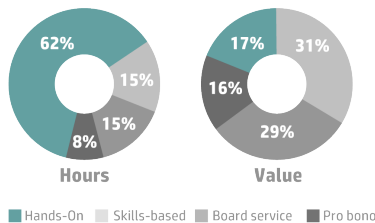
3. Nonprofit Partner Feedback Survey, 102 (FY12) and 15 (FY11) respondents.

have incentivized ways to log hours, including earning a small grant for their nonprofit by logging their hours. Last year, when HP launched its first Global Volunteer Challenge with the goal of raising awareness and engagement, employees pledged their volunteer hours in offices and regions around the world. Employees committed 1.4 million hours of volunteer time in 91 participating countries.

Employee Volunteering

1,441,279 Hours / 403,071 Hours (FY11)
 1,014,536 Hours including Retirees / 744,289 Hours (FY11)

US\$ 85,189,030 / US\$ 25,868,130 (FY11)
 Value of Volunteer Hours Donated¹



1. Hourly rate based on type of volunteering: \$150/hour for Board, Service Corp, Pro Bono and Skills-based; \$20/hour for Hands-on and undetermined, adjusted using International Monetary Fund (IMF) data for purchasing power differences across countries.

Education & Literacy	40.7%
Health	23.2%
Children & Youth	13.8%
Environment	10.3%
Community	6.9%
Homeless & Housing	1.7%
Disabilities	1.2%
Computer & Technology	0.8%
Disaster Relief	0.8%
Mentoring	0.6%
Race/Gender Issues	0.1%

HP also collects feedback from nonprofits regarding the impact of HP’s volunteering, particularly in terms of increasing their capacity. HP asks, were they able to serve more people, offer higher quality services, or stay open more hours?

When evaluating hours and impact, HP monetizes the social benefits of volunteering, which added up to \$85 million US last fiscal year. This measurement is based on an awareness that volunteer hours aren’t created equal. HP’s measurement takes a shared-value approach with nonprofit organizations, valuing hands-on work at \$20 US per hour and skills-based, pro-bono work at \$150 US per hour. HP’s Caroline Barlerin explains leveraged value this way: Hands-on work might mean an employee walks dogs for a shelter for a few hours; skills-based work might mean an employee spends a few hours creating a financial plan that allows the shelter to purchase a second building.

Finally, and significantly, HP measures the relationship between employees’ morale and their participation in volunteering. One goal of the EVP program is to make the employee experience more positive and richer—to “put a bounce in their step.” Measurement has



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In 2011, 40% of volunteers at Timberland-sponsored service events worldwide were business partners and customers.



From a project director to the marketing team to the copywriters, every UBM employee supporting one of these societal-cause conferences is a pro bono volunteer.

shown that employees who participate in HP-organized volunteer events have higher morale, to a statistically significant degree, than employees who do not participate. Further, the type of volunteering matters. All volunteering in HP-organized events is associated with an uptick in morale—but if the volunteering is skills-based, the effect is even stronger.

3. DESIGN

Effective EVPs integrate into the business by leveraging employee skills and corporate assets (such as philanthropic dollars, in-kind donations, equipment, real estate, and other physical assets), aligning with core competencies and enhancing corporate operations.

In practice:

For 20 years, Timberland has given employees 40 paid hours to volunteer per year.

Timberland views volunteering as a collaboration between giving back to the community and bonding employees, customers, business partners, retailers, and consumers together. This approach works: in 2011, 40% of the volunteers at Timberland-sponsored service events worldwide were business partners and customers. These groups work side by side at all Timberland PRO annual Retailer Summits, as well as at sales meetings, where Timberland includes a service event as a key component.

In 2005, to extend its commitment to corporate social responsibility worldwide without increasing employee headcount, Timberland launched the Global Stewards Program. Global Stewards volunteer above and beyond their regular job responsibilities to serve as ambassadors of CSR to their local countries and offices.

While most of its volunteerism is tied to “community greening,” a cause aligned with the brand, Timberland maintains flexibility with its EVP. For example, its most recent Retailer Summit was held during the winter in New Hampshire—not prime time for outdoor

SPOTLIGHT

OTHER EVPs IN PRACTICE – DESIGN:

- **UBM, a global media company that organizes conferences and trade shows, designed a program that makes it easy for employees to contribute their workplace skills to societal causes. It essentially “donates” entire conferences. Interested employees volunteer to participate in this unique signature EVP event. From the project director to the marketing team to the copywriters, every UBM employee supporting one of these societal-cause conferences is a pro-bono volunteer.**
- **Flatiron, a transportation and infrastructure contractor, focuses its EVP on building bridges over impassable, life-threatening river crossings worldwide that give impoverished families access to medical care, schools, and other services.**



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volunteerism—and so the group volunteered with a local organization, IMEC, that sends medical equipment and supplies to developing countries.

Timberland also hosts a dedicated service project every year on the anniversary of 9/11. “We happened to be doing a service event on 9/11, and in the midst of that project, the towers were hit. With a sense of helplessness, our volunteers kept serving all day, and it was a very powerful experience,” said Atlanta McIlwraith, Timberland’s senior manager of community engagement. “We commemorate that experience by going back every year to serve on 9/11 with our key business partners.”

4. LEADERSHIP

Effective EVPs benefit from vocal and continual support from company leadership that specifically promotes and furthers the EVP’s mission, goals, and plan.

In practice:

At Janus Capital Group, a small group of SVP-level leaders meet regularly to help form the employee engagement strategy. The Janus Foundation also can tap into the Operating Committee, which comprises the entire SVP level, to help improve engagement. For example, if attendance is low for an upcoming event, Operating Committee members send personal notes to their full organizations to encourage participation. Having this level of senior leadership support has been invaluable in imbedding community efforts more naturally in Janus’s culture. One good indicator of success: Several SVPs have proactively requested presentations about the Community Relations Strategy to their departments. These casual road shows help keep CSR/EVP efforts front and center.

Now that the Janus Community Champions program is fully running, the Janus Foundation is working to bring these road shows to every Janus department.

In another example of leadership, Toyota Financial Service’s Corporate Social Responsibility (CSR) Executive Committee acts as a governing and advisory committee relative to strategy and funding—and models volunteer leadership. Each member serves as a champion of a key



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OTHER EVPS IN PRACTICE – LEADERSHIP:

- **KPMG Chairman and CEO John Veihmeyer flies the winners of the Chairman’s Award for High Performance in Community Engagement and a guest to a weekend event that includes a recognition award ceremony and dinner with senior management to personally congratulate them.**
- **Monsanto CEO Hugh Grant joins Monsanto employees in signature volunteer events, such as sorting and packaging food at a local food bank.**

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Engaging line-level employees is a priority at Caesars, and Clean the World provides the unique opportunity to engage housekeepers in meaningful ways. Simply by doing their job, they save lives and affect many of the populations and countries of origin for many of these employees.

— Gwen Migita, Vice President
Sustainability & Community Affairs,
Caesars Entertainment

initiative, e.g., Champion of Youth/Education, Champion of Volunteerism, etc., and attends, speaks, or volunteers at events throughout the year. They also serve on national and local nonprofit boards. CSR Executive Committee members personally recognize associates for their service through thank-you notes or by simply forwarding an email to the CEO. And even when executives shift, commitment doesn't waver.

5. PARTNERSHIPS

High-performing EVPs understand the importance of strategic partnerships and collaboration with government, private, and nonprofit partners.

In practice:

Caesars Entertainment considers nonprofit partners so critical to the success of its EVP that it is willing to help partners develop their capacity, even building a facility for one of its nonprofit partners.

While Caesars properties partner with more than 600 organizations, and properties work with local nonprofit organizations, all of Caesars' North American properties participate in programs of the Clean the World Foundation. Clean the World's recycling operations centers collect lightly used soap and bottled amenities, sterilize them, and send the hygiene items to needy individuals around the world.

However, Clean the World lacked a facility in the western United States, where many Caesars properties are based. Executive leadership championed the cause, requesting grant support from Caesars' charitable arm, Caesars Foundation. The Foundation provided \$400,000 in funding to help build and operate Clean the World's Las Vegas Recycling Operations Center that serves hundreds of partner hotels.

For Caesars employees in Las Vegas, the partnership provides the opportunity to coordinate service activities with departments. First, housekeepers are diligent in collecting gently used hygiene items. Employees aid in the recycle process that preps the soap for the sterilization process, and they have the opportunity to develop hygiene kits that accompany the soap products to more than 40 countries and communities in need around the world. Some of the soap is recycled and redistributed to local U.S. homeless shelters, which creates a direct-line impact between the company and its operating communities.

This strong partnership stems from Caesars' Code of Commitment, its public pledge to employees, guests, and communities to honor the trust they have placed in Caesars and operate sustainably. Originating with three commitments—to treat employees with respect and provide satisfying career opportunities, to promote responsible gaming, and to help make communities healthy and vibrant places to live and work—in 2010, Caesars added a fourth commitment, to be responsible stewards of the environment.

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Integrating employee community involvement tasks into daily job responsibilities is one way Caesars amplifies its efforts and social impacts. The approach has resulted in not only responsible practices, but also a more engaged, loyal, and happy staff. In 2012, the company collected more than 50 tons of soap and bottled amenities for Clean the World.

6. EMPLOYEE ENGAGEMENT

Effective EVPs generate broad-based employee enthusiasm, support and stewardship for the EVP and enrich the employee work-related experience as demonstrated by increased morale, productivity, retention, workplace skills and/or other indicators of engaged employment.

In practice:

McKesson puts its money where its mouth is when it comes to employee engagement. The company offers several grant programs to encourage volunteer activities that draw on employee skills and company competencies.

McKesson focuses much of its EVP commitment on one signature volunteer effort called Giving Comfort, which creates kits that provide comfort and ease to low-income patients undergoing cancer treatment. Employees and their families come together at an annual event to create these comfort kits.

But McKesson staff wanted to acknowledge that employees have other interests as well. Therefore, its “Dollars for Doers” program allows employees to log their volunteer hours and receive grants for their organizations. Grants are available after just 25 hours of service. MVP Board of Directors Grants of \$500 are available to organizations where employees serve on the board of directors. And the McKesson Foundation matches employee gifts to eligible nonprofit organizations up to \$2,500.

Other goals translated into other opportunities to give. To encourage team-building, McKesson launched Departmental Team Building Service Grants of up to \$2,500 to organizations that host team-building service projects of five or more employees. Then, to extend that commitment and help make service part of its organizational culture, McKesson initiated Conference Team Building Service Grants of up to \$10,000 for organizations that host team-building service projects involving 500 or more employees at a McKesson conference.



SPOTLIGHT

OTHER EVPS IN PRACTICE – EMPLOYEE ENGAGEMENT:

- With its emphasis on measurement (see above), HP has gained information to help graduate the conversation from hands-on volunteering to more of a skills-based, pro-bono approach. HP’s philosophy is that employee volunteers should “give skills, make an impact, and get skills.” This refined focus enables HP employees to leverage specialized skills and knowledge to give back to society at a high level of effectiveness—simultaneously building even greater employee morale.
- Aetna hosts its EVP on an internal portal where employees can post stories of their team volunteer events, and local volunteer councils can post and manage their own internal websites.



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When an EVP's focus is broad, it can be hard to measure the societal impact. McKesson has found a simple, scalable niche, and we hope to become good at it, become a leader, and support other companies to join us. As more companies align their EVP with their core competencies, it really becomes possible to maximize resources.

— Christine Lopez, Director,
Community Engagement,
McKesson

As the work of McKesson's EVP grew, so did the need for support internally. A small, nine-person staff supports the EVP for McKesson's 37,000 employees. To bring programs to life at the local level, McKesson called on employees to stand up as part of the EVP by becoming Regional Volunteer Chairs (RVCs) in McKesson offices around the world. These RVCs motivate employee volunteers and organize employee volunteer activities, not only fostering a stronger culture of volunteerism within McKesson, but also helping employees feel more connected to McKesson as an organization. RVCs, who take on this role as a volunteer position above and beyond their daily workload, range from administrative assistants to vice presidents. At larger sites, RVCs are supported by a volunteer council.

Since McKesson expanded its RVC program and rolled out the signature Giving Comfort volunteer activity, employee participation in the EVP has increased from 200 employees to more than half the company in the span of five years. Last year, as a result of corporate contributions and volunteer efforts, McKesson created about 20,000 comfort kits for patients in need.

7. SUCCESS AND GROWTH

High-performing EVPs recognize, communicate and celebrate success internally and externally while continuously learning from peers, volunteers and partners and reflecting on potential program improvements.

In practice:

Janus Capital Group's EVP ensures continuous learning from the field via its Community Champions, who are department representatives charged with advocating and recruiting for company-sponsored community events and programs to inspire use of Community Investment Time (eight hours of paid time off each year for volunteering) and to help plan team-based volunteer initiatives.

While the Janus Foundation has been building an EVP for some time, last year the organization realized it needed to improve awareness and participation for its key community initiatives. Janus developed the idea of building peer-to-peer, word-of-mouth communication to advance knowledge and excitement about their programs. The organization structured its new internal advocate group around the concept of "Champions"—both internally to champion events, but also in the community to champion the causes employees care about and support the efforts of some very worthwhile nonprofit organizations.



SPOTLIGHT

OTHER EVPS IN PRACTICE – SUCCESS AND GROWTH:

- **Holcim celebrated the success of its Canadian EVP through a series of special photo exhibitions documenting the yearlong initiative. Throughout the year, employees captured images of their volunteer acts, the engaging results of which formed the content of the photo exhibitions, culminating in a celebration event that coincided with International Volunteer Day.**
- **Apollo Group ensured that it was learning from experience by contracting an external expert to assess its existing EVP and recommend improvements that would increase its impact.**



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Janus Champions are volunteers who either requested the role or were recruited by their department head. The group of 25 Champions, representing 17 high-level departments across the organization, meets in person once a month at Janus's Denver headquarters. Meetings are held at the beginning of the day, to allow the London office to call in, which supports activating employees globally. Based on feedback from Champions, meetings occasionally feature inspiring guest speakers.

This past year, Janus took the step of feedback and learning one step further. Historically, employees have voted on the three organizations Janus would support for its Holiday Giving Drive. But participation had been dropping, and the community relations team was struggling with how to keep the drive relevant. The team proposed to the Champions the concept of abandoning the official drive and instead giving employees a robust suite of ideas to pursue together as teams. The Champions supported the idea, and the resulting campaign had huge response, with multiple teams of employees serving many different nonprofits.

Every other year, Janus surveys employees about which causes and/or nonprofits they are most interested in serving. Janus uses this data to help inform the development of its programs to be sure the EVP adequately reflects the interests of employees.

ABOUT BUSINESS4BETTER:

Business4Better's mission is to help create successful corporate and nonprofit partnerships that have a positive impact on our communities and expand the meaning of being a better business. It is the platform that enables both businesses and nonprofits to thrive, share, inspire, educate, and form partnerships that prove Business4Better is truly better for us all.

UBM has a successful track record of bringing together world business leaders and communities to discuss important professional, transactional, and topical issues—running 500+ events in 30+ countries. Business4Better is part of a global series of non-commercial, non-money making, responsible business-focused events including NGO India, ONG Brasil, and Responsible Business UK.