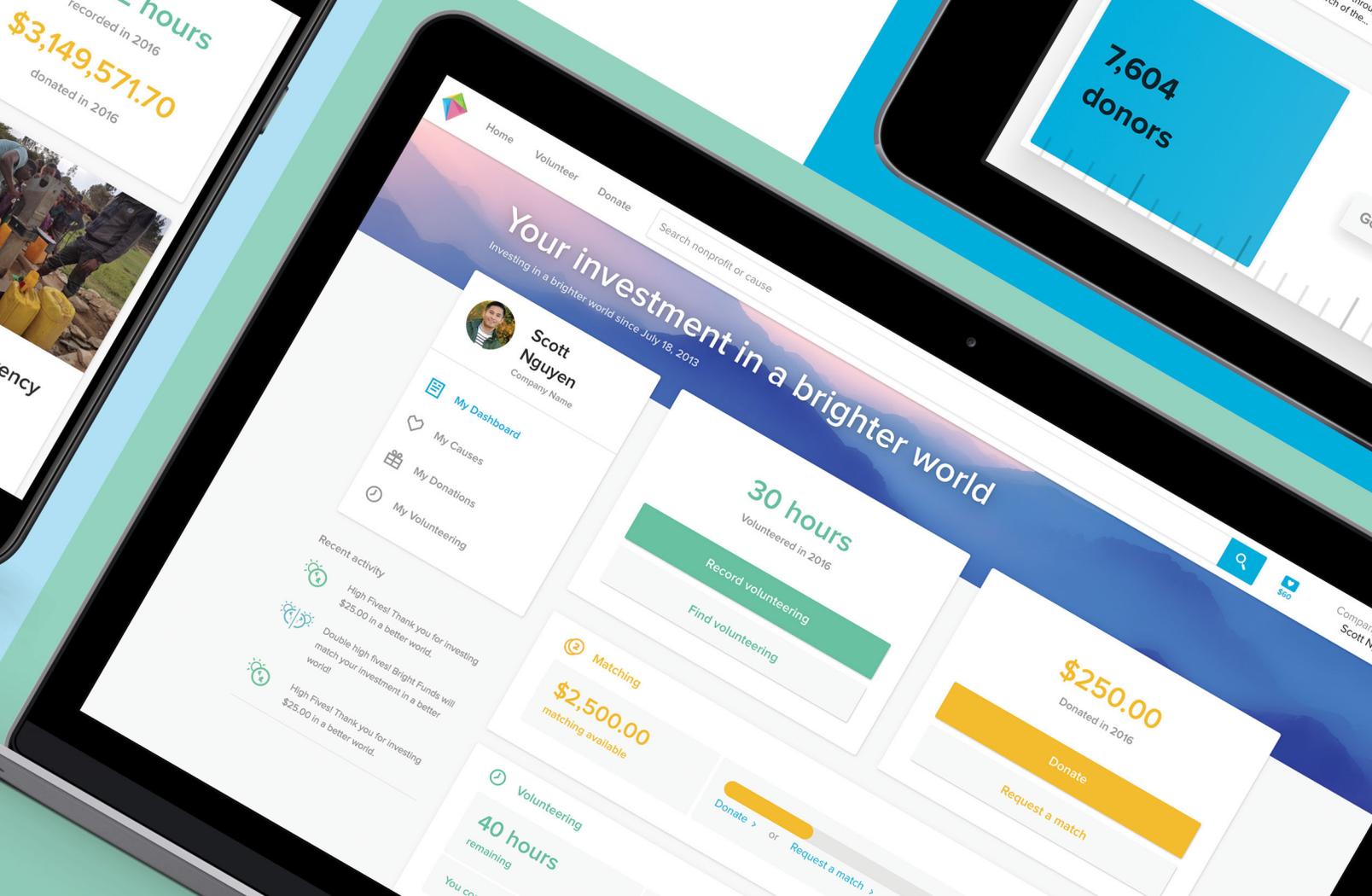
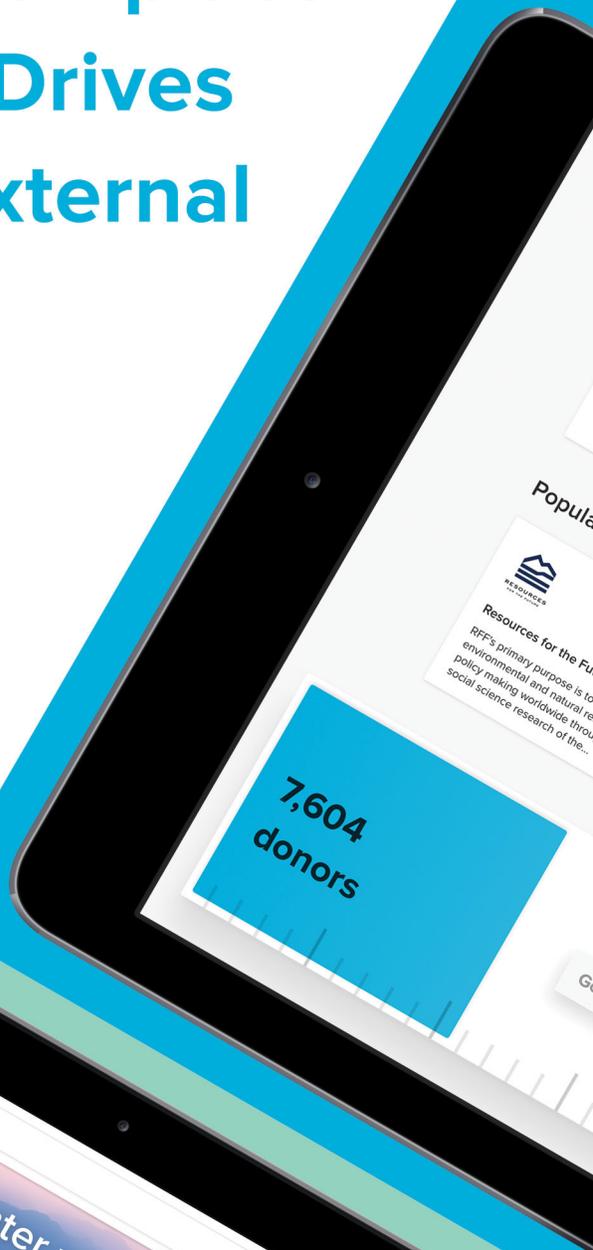
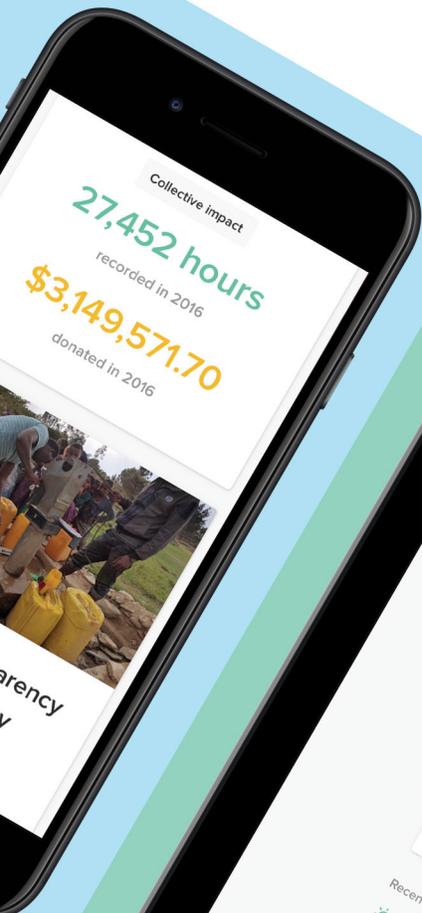


How a Robust Workplace Giving Program Drives Employee and External Engagement



Executive Summary

A powerful, but sometimes underutilized tool available to a company's management team is a robust workplace giving and volunteerism program. Historically, many companies' employee giving and volunteerism platforms have been utilized to drive Community Relations. Today, the right giving platform can go beyond community engagement to drive employee engagement – leading to a greater ability to attract, inspire, and retain an empowered workforce. What's more, these same platforms can help management teams engage more effectively in discussions with external stakeholders, such as institutional investors, activists, customers, and governments, who are expanding their focus on a corporation's ESG (Environmental, Social, and Governance) efforts.

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The Evolution of Workplace Giving

Phase I - Community Engagement

Workplace giving programs have existed for years to help companies manage relations with the communities in which they were based. As a result, many workplace giving platforms were designed to enable company-led initiatives, encourage employees to donate to and volunteer with a select group of the company's local nonprofit partners, and create a focused and manageable vehicle to satisfy the inevitable stream of funding requests from worthy local causes.

Groups like the United Way and other charity federations offered platforms to run annual campaigns, organize local volunteer events (i.e. Days of Caring), and facilitate payroll deduction. These partners and platforms were valuable for companies because they facilitated programs that channeled company support (company and employee money and time) towards the greater community.

As a new generation of millennial employees entered the workplace, they brought with them an entirely new set of expectations around workplace culture – presenting both the opportunity and the challenge for companies to leverage their workplace giving programs in ways that addressed the evolving demands of the emerging workforce.

Phase II - Employee Engagement

While a community focus still exists in today's programs, a new brand of workplace giving platforms are focused on driving employee engagement. According to Steve Delphin, former President and CEO of America's Charities, ***"We are experiencing a paradigm shift in workplace giving with a new model emerging that empowers employees to participate in the giving experience inside and outside the walls of the workplace."*** This new model has created a sense of employee empowerment which – combined with greater information on a variety of causes and powered by cutting-edge technology – produces a new and dynamic platform that drives greater giving opportunities and volunteerism choice for employees. This yields stronger employee engagement within companies. According to Joe Ruocco, former Chief Human Resource Officer of Goodyear, ***"The combination of engagement and empowerment, linked with a positive feeling about being part of a socially responsible company, greatly improves a company's ability to attract, retain, and motivate their employees and top talent everywhere."***

Studies show that millennials seek both jobs and companies that create value beyond profit: 89% of millennials believe business' success should be measured beyond its financial performance².



One survey even found that a whopping 88% of respondents sought employers with social responsibility and values that aligned with their own and 86% of respondents said they would leave a company that lacked sufficient social values³.

Beyond fulfilling employees' desire for purpose, workplace giving programs can also meet employees' desire for job development and personal growth. Impactful corporate giving programs include volunteer opportunities for employees, which allow them to hone their professional, leadership, and technical skills for good. Not only can employees bring back these skills to their company, they can also leverage these skills for their personal development.

Studies also show that workplace giving programs – as part of broader corporate social responsibility strategies – can move the needle on a company's key business metrics. Project ROI conducted an in-depth research initiative sponsored by leading Fortune 500 companies that examined over 300 studies to evaluate the business value of ESG programs. ***The study concluded that a robust ESG program has the potential to increase employee engagement by up to 7.5%⁵, employee productivity by up to 13%⁶, and to reduce employee turnover by 25-50%⁷.***

Ty Walrod, Bright Funds Founder and CEO has witnessed this massive shift in workplace giving needs firsthand. "Bright Funds' client companies that track employee engagement and employee attitudes have reported an increase in such scores after implementing the right platform for workplace giving," said Walrod.

"Our client companies recognize that today's recruits and employees, especially millennials, want to feel good about the company that they work for and are demanding programs that yield impactful outcomes."

PHASE III - External Engagement

Emerging workplace giving platforms are now beginning to provide benefits beyond employee engagement. Specifically, management teams are now using these programs to drive engagement with external constituents, such as institutional investors, activists, customers, and governments. The emerging concept of "Shared Value," the idea that aligning a company's purpose with social good can positively impact its bottom line, is giving executives a way to connect their business with philanthropy, which resonates tremendously with stakeholders.

Today's management teams find themselves engaging with external stakeholders more than ever. For example, nearly all institutional investors are interested in and are making investment decisions based



on a publicly traded company's Corporate Social Responsibility efforts, which are measured by ESG performance.

Chad Spitler, CamberView Partners' Head of Sustainability Advisory Services provides independent, investor-led advice for management and boards of publicly traded companies on how to succeed with investors.

“Institutional investor governance teams are increasingly responsible for assessing environmental and social considerations as they pertain to long-term financial value creation, or sustainability (ESG integration),” said Spitler. “Investors, such as BlackRock and CalPERS, are expanding their teams, and institutions, such as State Street and Goldman Sachs, are publishing thought pieces on how to integrate ESG considerations into the investment process.”

Accordingly, external stakeholders are now asking more questions about the “S,” or “Social” dimension, of ESG. This includes elements such as Employee Culture, Diversity, and Philanthropy/Volunteerism. For example, on March 13, 2017, BlackRock released its engagement priorities for 2017-2018. These priorities encompass more than just traditional areas of investor engagement, such as governance, strategy, and compensation, but also focus on “Human Capital Management” to obtain a window into a company's culture.

Essentially, ESG programs are now seen as a proxy for a well-managed company that is positioned for future success. External stakeholders can use a company's social program as an indicator of employee satisfaction and culture, as well as the health of a company's Human Capital Management. As such, management teams can utilize results from robust workplace giving and volunteerism programs to effectively discuss their companies' social initiative efforts with all external influencers, as well as institutional investors.

5 Critical Elements of a Workplace Giving Program

We contend that world-class workplace giving programs and platforms contain five common critical elements and characteristics.

1. Employee empowerment and choice

Employees want to feel that their company genuinely supports them – which includes genuinely



supporting the causes that matter most to those employees. While it's important to create a sense of community around company-wide initiatives, companies must empower every employee to support what he or she personally cares about most. Organizations like United Way have adapted to allow employees limited ability to direct contributions where they choose, but employees often feel constricted with these platforms.

Great programs go beyond allowing employees to donate and request matching gifts to a nonprofit or nonprofits of their choice. They deepen the connection between employees and their cause by helping employees discover the most impactful ways to support the issues that matter most. Supporting employees with authenticity will organically generate motivation to be engaged, which will yield powerful culture building internally and externally.

2. Simplified process and resources to help employees to find right way to give back

A workplace giving program is only valuable if employees derive actual value from it. The challenge is that many programs simply offer a database for employees to seek and find nonprofits or volunteerism opportunities. This can leave most employees overwhelmed by choice and discouraged by having limited visibility into how their support is actually making a difference.

The best employee giving platforms help employees simplify the process of connecting with giving opportunities that align with their interests and skills, as well as helping employees gain visibility into the work – and ultimate impact – of the organizations they support.

Partnering with independent foundations that serve as experts in assuring charitable giving is reaching the right places offers employees an added layer of confidence, which in turn can result in extended brand reach and growing positive sentiment in the market.

3. World-class and user-friendly technology

In today's modern workplace, agile and efficient technology is paramount to powering employee giving and volunteering programs. This technology also must offer value beyond basic administration and compliance components.

Millennials have higher expectations with any technology with which they interface. Having grown up in a world where best-in-class technology is integrated into everyday life, it's no surprise that the quality of a company's technology can be make or break when it comes to adoption, retention, and recruitment. A recent study shows over half of millennials cite state-of-the-art technology offered by a company as an important factor in deciding on an employer.

When evaluating technology partners, the right technology partner should provide an "all-in-one" solution for workplace giving and volunteerism programs. They should be dynamic and robust enough



for companies to achieve and measure all aspects of a workplace giving program, whether it be community, employee, or investor engagement strategies. The ease and convenience of having one platform to manage all programs and prove ROI cannot be understated.

4. Rich metrics and robust feedback and reporting mechanisms

The most effective reporting for workplace giving programs should equip management teams with useful information to drive and evolve a best-in-class engagement game plan. Since the performance of a workplace giving and volunteerism program can serve as a leading indicator for management teams when it comes to improvement in employee attitudes, reporting should offer insights into how workplace giving program participation is impacting everything from employee satisfaction (i.e. net engagement scores), to engagement, recruitment, and retention.

Ultimately, reporting should not just showcase what has occurred; it should arm management teams with data to forecast the future, and provide a roadmap for a successful engagement strategy.

5. Compelling company-wide initiatives promoted, offered, and aligned with the company's mission

While employees want to be empowered and supported by their company for personal causes, they also want to be part of something bigger than themselves. Therefore, an organization's giving program must be completely aligned with the company's purpose and culture. Also, employees want to share this larger vision outside of the office walls. Adopting the Shared Value model, identifying which issues are aligned with the company's DNA, and developing the story through a workplace giving strategy will not only touch the hearts of employees and encourage them to spread the news of the great work to their personal network, it will also amplify the story to the rest of the professional world. Successful company strategies and narratives will easily answer the question for all key stakeholders.

Conclusion

World-class employee giving programs share five common characteristics which collectively make them highly effective. Additionally, workplace giving programs are no longer a nice-to-have benefit, but a powerful tool for any company's management team to drive successful outcomes. According to a recent America's Charities Giving Trends report, "employers no longer ask, 'Should we have an employee giving program?'...The question they now ask is 'How can we maximize our efforts through employee giving?'".



“Companies with robust workplace giving and volunteerism programs use the platforms to drive their community, employee, and investor engagement game plans,” said Ruocco. “Management teams that can effectively utilize this powerful tool will reap significant benefits, and drive a game-changing impact on their business.”

It’s no coincidence that the companies adopting and integrating these workplace giving programs are some of the leading businesses in the world. And as a result they’re the ones that are and will continue to win-over individuals internally and externally.



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