

Mentors, Managers, and Painters:

How employee volunteerism creates value
for society and for your business

3rd Annual Volunteerism ROI Tracker Report
March 2013

For more information, contact us at ROI@trueimpact.com.



Overview

Employee volunteering can be a powerful force for improving the lives of those in need, promoting community wellbeing, and supporting important social initiatives. At the same time, such programs can support your core business interests, like employee engagement and development, sales, recruiting, and stakeholder relations.

This report summarizes the latest aggregate findings from True Impact's *Volunteerism ROI Tracker* and provides **performance indicators and benchmarks that you can use to help prove and improve the value of your own employee volunteer program**. Sections include:

- Activities & Hours
- Social Value (cost savings and capacity gains)
- Employee Value (satisfaction, skill development, team development)
- Other Business Value (sales, recruiting, stakeholder relations)

For more information on measuring employee volunteerism or other community investments, please explore our previous white papers and analyses at www.trueimpact.com/blog.

Methodology

The analysis summarizes aggregate data reported by a cohort of 29 companies participating in True Impact Volunteerism ROI Tracker data collection and analysis service. This data set includes information reported by more than 44,000 volunteers from 2011 to 2012, from the following companies: Altria, Apollo Group, AT&T, BCLC, Boeing, Capital One, Cbeyond, CIGNA, Cisco, Coca-Cola, Delta Airlines, Disney, Estee Lauder, Fidelity, Franklin Templeton, Hasbro, Hewlett-Packard, ING Group, Intel, Kaiser Permanente, KPMG, Microsoft, Nationwide, Pfizer, PricewaterhouseCoopers, Standard Chartered, Starbucks, Timberland, and UPS. Respondents reported via web-based surveys on the impacts related to their most recent volunteer activity.



Activities & Hours

The most common metrics tracked for employee volunteer programs are inputs (i.e., hours invested) and outputs (i.e., types of services delivered and to whom). These metrics define the level of investment you're making via your volunteer program.

Across our cohort, the average volunteer spent 16 hours per quarter volunteering. Further, we identified the following benchmarks:

- **Employee volunteers were 4 times more likely to engage in traditional, hand-on volunteerism** 80% of respondents provided general service and 20% who provided skills-based service.
- **Skills-based volunteers reported 2.3 times more hours spent on their specific volunteer activity**, serving an average of 28 hours per quarter (the previous three month period) compared to traditional volunteers' 12-hour average. For example, volunteers performing market research served an average of 41 hours per quarter, 34 more hours than those who prepared, sorted, and served food.

The following chart illustrates the breakdown of these volunteer activities, including the frequency each activity was performed and the number of hours volunteered during the most recent quarter.

Activity Type	Frequency	Avg. Hours Invested
Other	21%	23
Food preparation, sorting, serving	15%	7
Social service support activities	11%	13
Painting, construction, handywork	8%	9
Recreation support	8%	24
Landscaping and groundskeeping	7%	6
Tutoring, teaching assistance	6%	18
Arts & crafts activities	5%	9
Education, vocation counseling	5%	19
Management of general operations	3%	38
Office support, clerking duties	3%	13
Management consultation	2%	26
Janitorial and cleaning	2%	6
Computer, networking support	2%	21
Accounting	1%	24
Construction related (expert level)	1%	25
Software systems development	0%	29
Market research support	0%	41

Tracking individual activities can provide valuable insights when coupled with the tracking of social and business outcomes, to illuminate which activities are successful and which are not, to help guide continuous improvement.

Social Value

The social value of volunteerism can be measured in terms of two impacts on nonprofits: avoided cost and increased capacity. The following sections detail how to calculate these values, and provide benchmarking findings from our dataset.

Cost Savings. Volunteers can help nonprofits save money by providing services for free that the nonprofits would otherwise have to pay for. To calculate this avoided cost, we use the Bureau of Labor Statistics (BLS) mean wage data¹ to create an average hourly rate for volunteer activities. As illustrated below, you can multiply a volunteer activity's wage rate (Column A) with the hours volunteered (Column C) to monetize the amount saved by a nonprofit from a volunteer's efforts (Column D).

Activity Performed	A. Wage Rate	B. Leverage	C. Hrs Volunteered	D. Costs Saved
Management of general operations	\$61.64	154%	47,087	\$ 2,902,430
Software systems development	\$54.07	123%	2,610	\$ 141,123
Management consultation	\$47.38	95%	20,814	\$ 986,167
Accounting	\$37.77	56%	8,210	\$ 310,073
Market research support	\$36.14	49%	1,792	\$ 64,745
Education, vocation counseling	\$30.44	25%	34,729	\$ 1,057,157
Computer, networking support	\$27.90	15%	13,306	\$ 371,223
Other (average value/hour)	\$24.28	0%		\$ -
Construction (expert level)	\$23.87	-2%	7,066	\$ 168,653
Tutoring, teaching assistance	\$22.10	-9%	42,010	\$ 928,428
Painting, construction, handy work	\$20.91	-14%	28,035	\$ 586,221
Arts & crafts activities	\$17.37	-28%	16,806	\$ 291,926
Social service support activities	\$16.54	-32%	55,345	\$ 915,399
Office support, clerking duties	\$15.57	-36%	14,097	\$ 219,494
Recreation support	\$13.64	-44%	71,949	\$ 981,384
Landscaping and groundskeeping	\$13.37	-45%	15,807	\$ 211,333
Janitorial and cleaning	\$13.37	-45%	4,777	\$ 63,866
Food preparation, sorting, serving	\$11.28	-54%	40,679	\$ 458,863

One of the main benefits of tracking and calculating the value of individual volunteer activities (as compared to using a composite average²) is that it enables volunteer managers to see what activities offer them the greatest leverage (Column B) for generating cost savings.

As illustrated above, you can calculate this leverage value by comparing it to the overall average wage rate for your own portfolio. For our cohort, that value was \$24.28. So, steering volunteers towards activities that, for example, involve Software Systems Development (at \$54.07 per hour) would generate 123% more cost savings than average; while volunteers engaging in Landscaping and Grounds keeping (at \$13.37 per hour) would generate 45% less cost savings than average.

¹ For more information on the strengths and weaknesses of the BLS dataset, visit:

<http://www.trueimpact.com/blog/bid/77758/Quantifying-volunteer-activities-BLS-occupational-wage-data>

² For more information on the Independent Sector "average value" approach, visit:

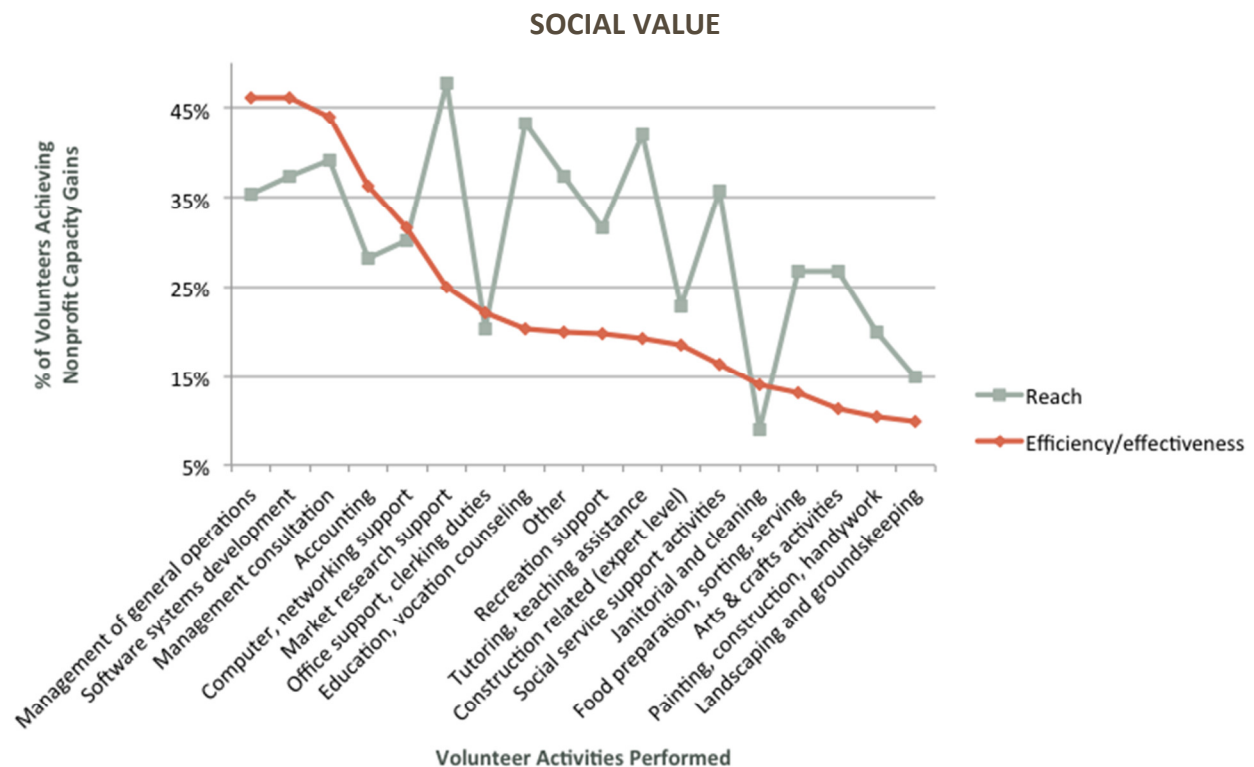
<http://www.trueimpact.com/blog/bid/77672/Quantifying-volunteer-activities-the-Independent-Sector-Approach>

Capacity Gains. Volunteers can also generate social value by helping nonprofits to improve the quantity or quality of services they provide. The three categories of capacity gains include:

- Increasing efficiency: helping the nonprofit to use fewer resources to deliver services
- Increasing effectiveness: helping the nonprofit to improve the success rate of its services
- Increasing reach: helping the nonprofit to serve more beneficiaries

Translating these effects to an increase in successful outcomes is often a matter of simple arithmetic; however, it does require the cooperation of the nonprofit to both define what constitutes a successful outcome and provide the actual or estimated data. And for volunteer programs with large numbers of volunteers and nonprofit beneficiaries, such coordination is typically not practical.

A second-best measure can be a tracking of whether or not the volunteer activity simply resulted in one of the above capacity gains, as reported by the volunteer. The following chart provides some benchmarks on these effects.



Generally, skills-based volunteer activities tend to generate more capacity gains, in addition to greater cost savings, for nonprofits than do traditional volunteer activities.³

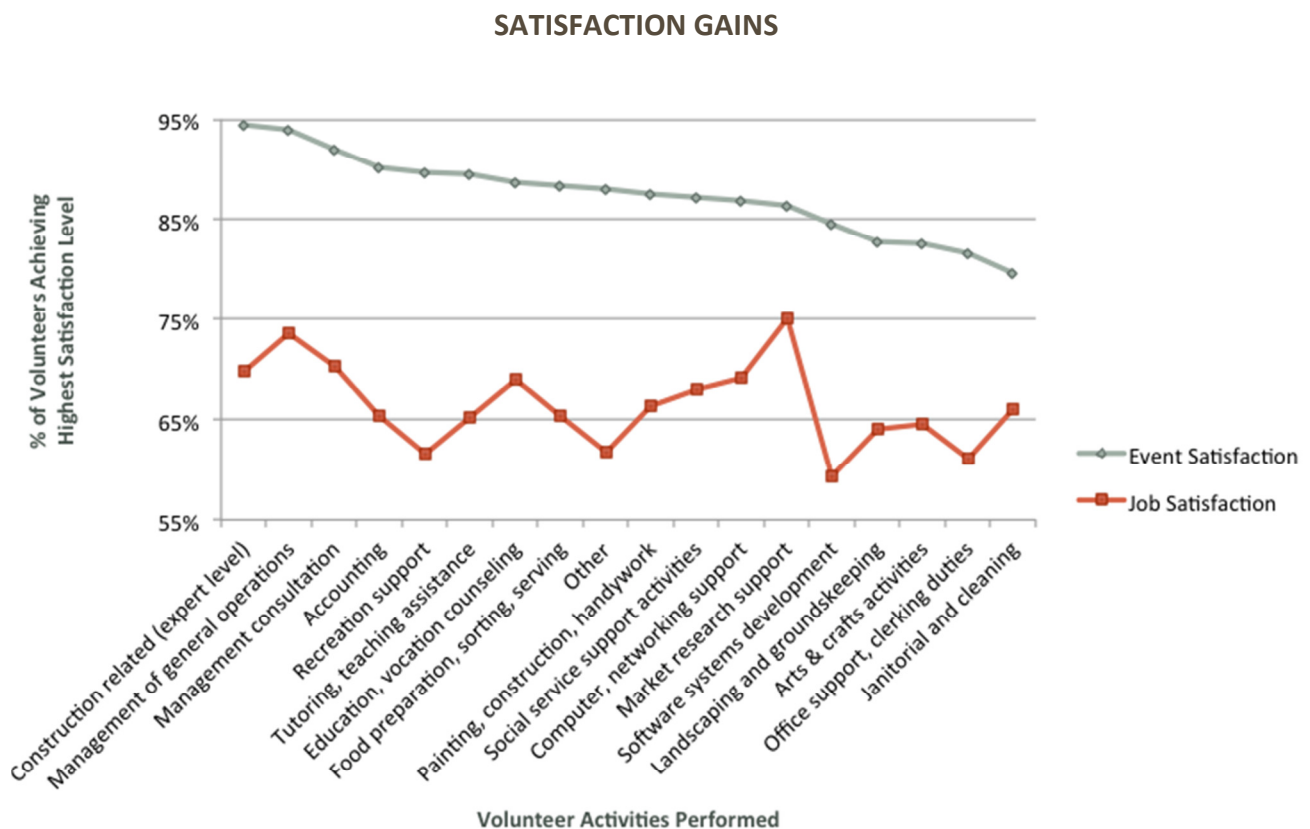
³ For a more detailed analysis of the comparative benefits of traditional and skills-based volunteerism across the full range of social and business outcomes, download our two-page summary at: <http://www.trueimpact.com/benefits-of-skills-based-volunteerism-ROI-tracker/>

Employee Value

Volunteerism can contribute to employee engagement, skill development, and team building effects. The following sections provide example performance indicators and benchmarks from our dataset.

Employee Engagement. Volunteering can be an enjoyable and fulfilling experience. In our dataset, the vast majority of volunteers – 87% of traditional volunteers and 91% of skills-based volunteers – reported being highly (i.e., “very” or “extremely”) satisfied with their experiences. But how does that translate to the work environment, as a driver of productivity or retention?

Here too a strong majority of respondents – 64% of traditional volunteers and 69% of skills-based volunteers – reported that their volunteer experience was either “one of the most positive components” or “a positive, core component” of their overall job satisfaction. This performance metric, or a similar one that matches your company’s existing engagement indicators, can be a compelling way to communicate your program’s value to internal stakeholders. The following are activity-specific benchmarks from our cohort of companies:



Skill Gains. Volunteerism can help employees learn and develop job-relevant skills. For example, traditional volunteerism can provide employees the opportunity to communicate and problem solve outside of their comfort zone; while skilled volunteerism can encourage employees to adapt business skills in novel ways, or stretch their leadership skills beyond their experience level or job description.

Team Development. Similarly, volunteerism can provide an opportunity to meet new people, network with colleagues, and strengthen team relationships outside of the office. Whereas skill-based activities show the highest rates of reported new skill gains, volunteers engaging in traditional, hands-on volunteerism report higher rates of building new and stronger relationships with colleagues (an overall average of 57% of traditional volunteers compared to 48% of skills-based volunteers).

Skill Effects

"Constantly challenges and trains my communication skills at a management level."

"Managing this activity exposed me to challenges that I would not typically encounter as a technical lead in [day to day activities]."

"As a scout leader, scouts, moms and dads are your customers. The 'sales' and customer service aspect of the job is significant."

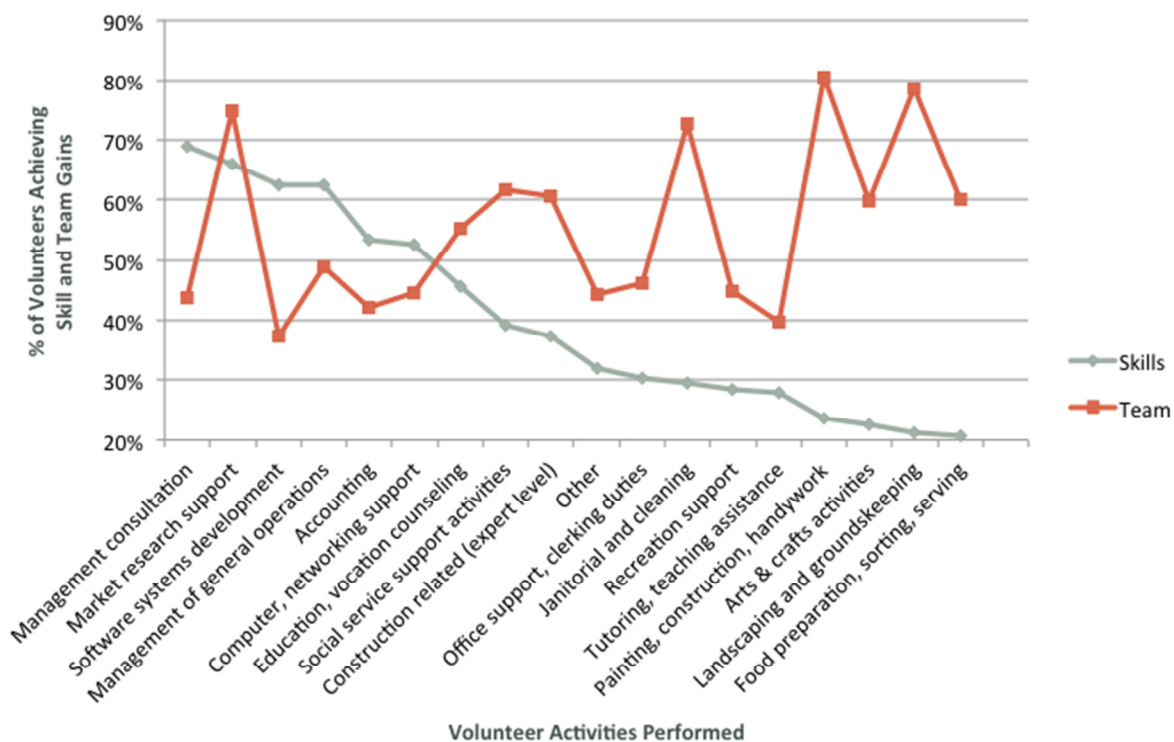
"You become more humble and customer focused."

Team Effects

"I am able to connect on a personal level with our employees in a relaxed setting. It has allowed me to develop meaningful relationships that are personal and passionate - this allows me to gain the trust and improve performance in the work groups."

These skill and team development gains were distributed as follows:

SKILL AND TEAM GAINS



Other Business Value

Volunteerism provides opportunities for networking and relationship development that lead to new sales opportunities, recruiting prospects, or stakeholder relationship gains.

Across all activities,

- 16% of volunteers reported new sales opportunities or strengthened relationships with sales leads
- 13% reported recruitment gains
- 15% reported new or stronger relationships with community, business, and legislative/regulatory stakeholders

Sales Effects

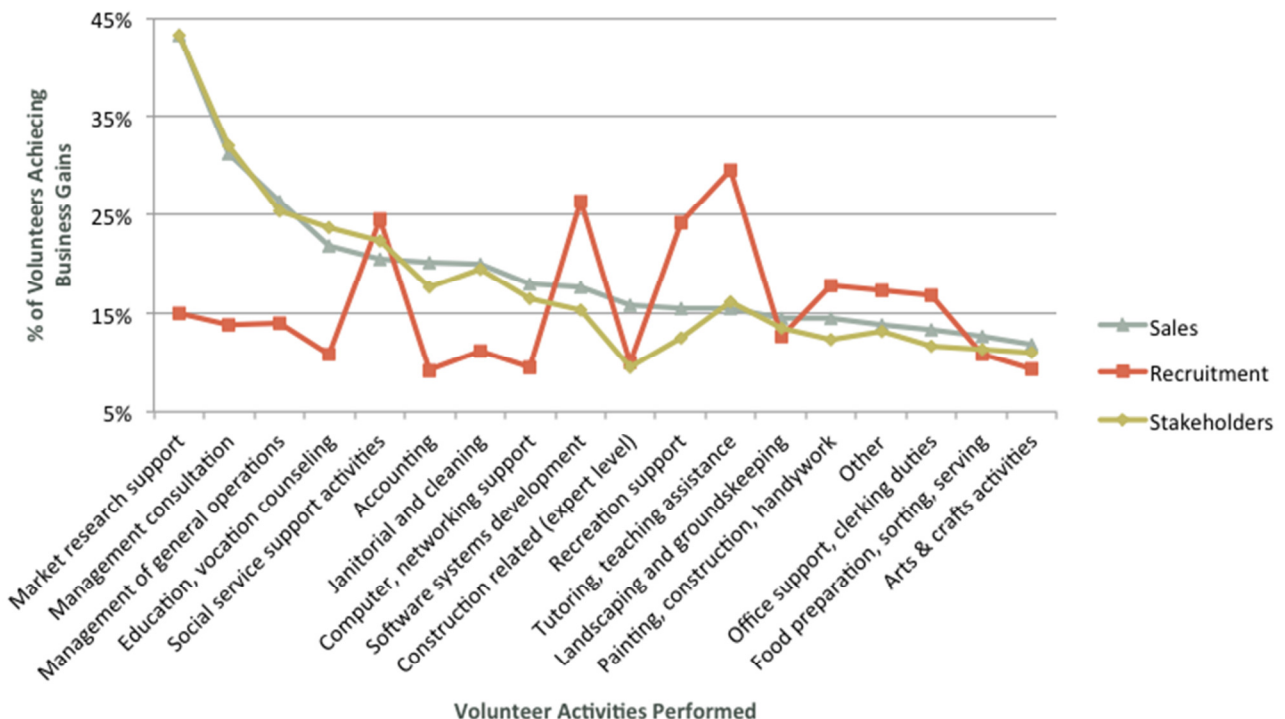
"Most of our customers', owners', and employees' kids play baseball on our teams. There are more than 1000 customers we can reach at the park. I can run into 10 different customers in one night with my family. At this level, I have to always wear my [company] hat."

Recruiting Effects

"By speaking to [High School students] about job opportunities and STEM education endeavors, we provided a positive brand image for [our company] while still enforcing the importance of the STEM subject areas. We acted as advocate for the students, [the nonprofit] organization, and [the company]."

These business gains were distributed as follows:

BUSINESS GAINS



Next Steps

This report addresses many of the concrete social and business benefits that can result from employee volunteerism programs. If you are considering establishing a new program, the benchmarking data can be useful in making the case for implementation. If you already have a program in place, consider adopting some of the indicators to help monitor your performance in those areas you care most about (the results can help you to prove and improve your social and business return on investment).

For more research on the social and business impacts of volunteerism, or to learn more about the Volunteerism ROI Tracker, please visit us at www.trueimpact.com.

Overall Summary of Volunteer Program Impacts of 2013 ROI Tracker Dataset

Volunteer Activity	Rate	Capacity Gains: Efficiency/ Effectiveness	Event Satisfaction (Highest)	Job Satisfaction (Highest)	Skill Gains	Team Gains	Sales Leads	Recruitment Gains	Stakeholder Gains
Food preparation, sorting, serving	\$11.28	13%	88%	65%	21%	60%	13%	11%	11%
Landscaping, grounds keeping	\$13.37	10%	83%	64%	21%	79%	15%	13%	13%
Janitorial and cleaning	\$13.37	14%	80%	66%	30%	73%	20%	11%	19%
Recreation support	\$13.64	20%	90%	62%	28%	45%	15%	24%	13%
Office support, clerking duties	\$15.57	22%	82%	61%	30%	46%	13%	17%	12%
Social service support activities	\$16.54	16%	87%	68%	39%	62%	21%	24%	22%
Arts & crafts activities	\$17.37	11%	83%	65%	22%	60%	12%	9%	11%
Painting, construction, handy work	\$20.91	11%	88%	66%	24%	80%	14%	18%	12%
Tutoring, teaching assistance	\$22.10	19%	89%	65%	28%	40%	15%	30%	16%
Construction (expert level)	\$23.87	19%	94%	70%	37%	61%	16%	10%	9%
Computer, networking support	\$27.90	32%	87%	69%	53%	45%	18%	9%	16%
Other Volunteerism	\$28.25	20%	88%	62%	32%	44%	14%	17%	13%
Education, vocation counseling	\$30.44	20%	89%	69%	46%	55%	22%	11%	24%
Market research support	\$36.14	25%	86%	75%	66%	75%	43%	15%	43%
Accounting	\$37.77	36%	90%	65%	53%	42%	20%	9%	18%
Management consultation	\$47.38	44%	92%	70%	69%	44%	31%	14%	32%
Software systems development	\$54.07	46%	85%	59%	63%	37%	18%	26%	15%
Management of general operations	\$61.64	46%	94%	74%	63%	49%	26%	14%	25%

About Us

True Impact (www.trueimpact.com) is a leading provider of web-based measurement tools and support services to help organizations measure the social, financial, and environmental return on investment (ROI) of their programs and activities. Typically applied to community investment, environmental, human resource, or other corporate citizenship initiatives, True Impact's web-based tools and "triple bottom line" evaluations have been adopted by a broad range of corporations and their nonprofit partners.