

Volunteerism ROI Tracker

2nd Annual Benchmark Findings

May 2012

draft

Please direct feedback and analysis requests to ROI@trueimpact.com.

Join us!

For more information or to participate (participants receive confidential custom reports detailing the social/business impacts of their individual volunteer activities, along with benchmark rankings), visit www.trueimpact.com/measuring-volunteerism.

Overview

The Volunteerism ROI Tracker is a sector-leading measurement initiative for quantifying and benchmarking the social and business value of corporate employee volunteer programs.

Sponsored by the Points of Light Institute and delivered by True Impact, the purpose of this initiative is to promote more – and more effective – volunteerism by helping program managers to answer the following questions:

- **Proving value.** How much social and business value is our volunteer program generating? And how do we compare to our peers?
- **Promoting improvement.** Which of our activities are most successful in achieving our social and business objectives and which need improvement?
- **Maximizing ROI.** What best practices exist to help us increase social and business returns?

This summary report contains benchmark data and findings derived from an analysis of over 28,000 volunteer events in 2011 – more than triple the number of volunteer activities in 2010 (the inaugural year of the ROI Tracker). Members of this benchmarking group include:

Altria	CIGNA	Franklin Templeton	KPMG
Apollo Group	Cisco	Hasbro	Microsoft
AT&T	Coca-Cola	HP	Nationwide
Boeing	Delta Airlines	ING Group	Standard Chartered
BCLC	Disney	Intel	Starbucks
Capital One	The Estée Lauder Co.	JA Worldwide	Timberland
Cbeyond	Fidelity	Kaiser Permanente	UPS

The results of this year's analysis supports and builds upon the findings from last year, including a more detailed dataset and several new statistically significant findings. These results are presented, as appropriate, in the following sections: social value, satisfaction, skill development, sales, recruiting, stakeholder relations, and brand effects.

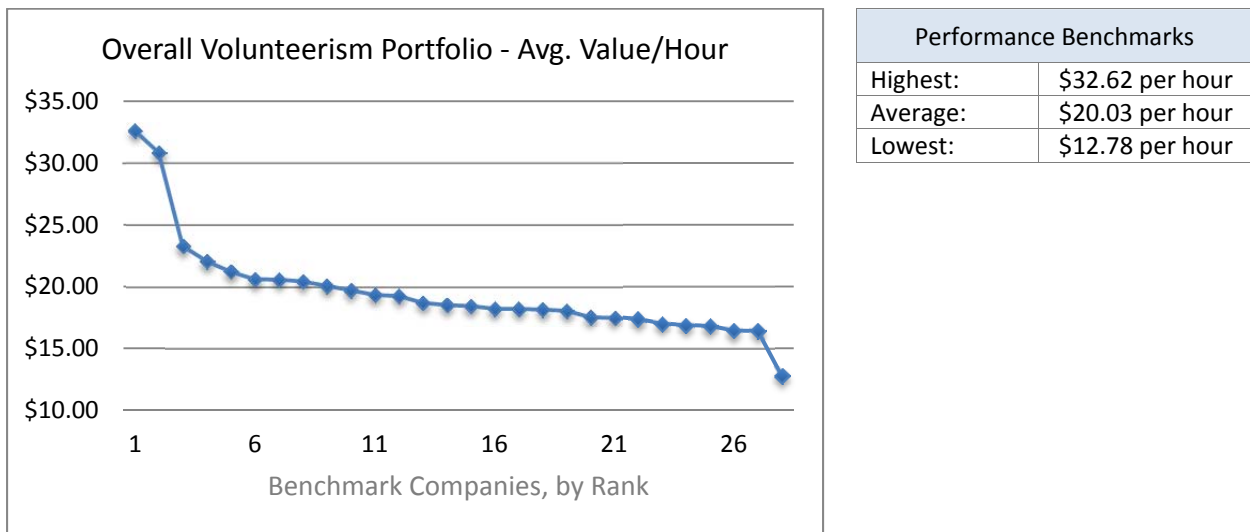


Social Value

The social value of volunteerism can be measured in terms of two distinct impacts on nonprofit beneficiaries: avoided cost and increased capacity:

Avoided cost. Volunteers help nonprofits save money by providing services for free that the nonprofits would otherwise have to pay for. The ROI Tracker monetizes the total value of these services by multiplying the total number of reported service hours for each volunteer activity by the hourly rate¹ associated with each activity type (e.g., Food preparation and sorting at \$11.28/hr., Computer networking support at \$27.90/hr., etc.).

The following benchmarking data includes the *overall* average value per hour of each participating organization’s volunteerism portfolio. So, companies with a higher percentage of their volunteerism dedicated to high-value activities do better in the ranking than those companies with smaller percentages of high-value activities.



The graphic below illustrates the distribution of volunteer activities performed across all of the participating companies. The majority of these activities (by hours served) included traditional, or “hands on” volunteerism, with relatively low value per hour. Skilled-based volunteerism, which on average had three times the average value per hour of traditional volunteerism, made up only 15.7% of all volunteer activities analyzed:

¹ Based on US Bureau of Labor Statistics May 2011 National Occupational Employment and Wage Estimates, plus 12% for fringe benefits.

Volunteerism Overview: Activities, Hours, Rates		
Activity Performed	Total Hours	Value / Hour
Food preparation, sorting, serving	23%	\$11.28
Teaching assistant activities	21%	\$22.10
Painting, construction, handiwork	9%	\$20.91
Social service support activities	9%	\$16.54
Recreation support	8%	\$13.64
Landscaping and groundskeeping	8%	\$13.37
Arts & crafts activities	5%	\$17.37
Education, vocation counseling	4%	\$30.44
Office support, clerking duties	3%	\$15.57
Janitorial and cleaning	2%	\$13.37
Management consultation	2%	\$47.38
General operations support	2%	\$61.64
Computer, networking support	2%	\$27.90
Construction related (expert level)	1%	\$23.87
Accounting	1%	\$37.77
Software systems development	0%	\$54.07
Market research support	0%	\$36.14

This table illustrates heavy weighting of participants' portfolios towards traditional volunteerism, as compared to higher-value skilled-based volunteerism:

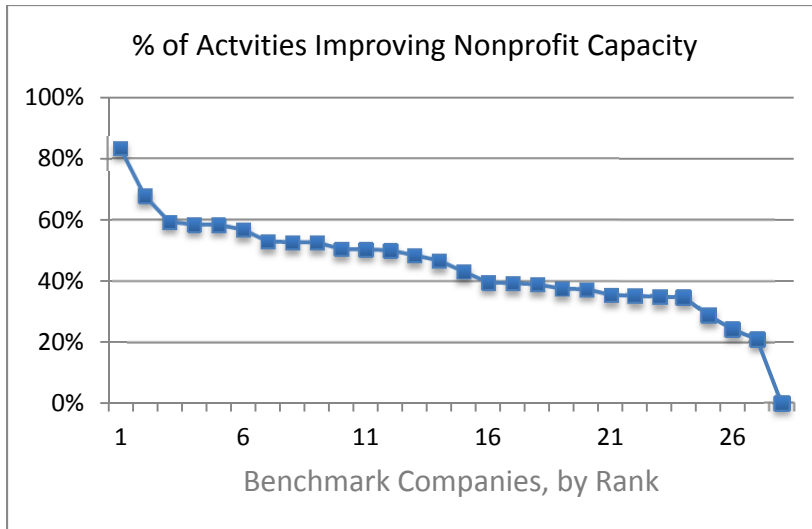
- Column 1: the range of activities recorded by volunteers
- Column 2: the total hours performed of each activity
- Column 3: the value per hour of each activity

** Excludes activities classified as "other"*

Increased capacity. Volunteers help improve nonprofit capacity in three ways:

- Increasing efficiency (i.e., enabling the nonprofit to use fewer resources in performing its operations or delivering services)
- Increasing effectiveness (i.e., improving the success rate of the nonprofit's services)
- Increasing reach (i.e., enabling the nonprofit to serve a greater number of beneficiaries)

The following illustrates how frequently volunteers reported capacity gains across the benchmarking group:



Performance Benchmarks	
Highest:	83%
Average:	44%
Lowest:	0%

Select Findings/Best Practices.

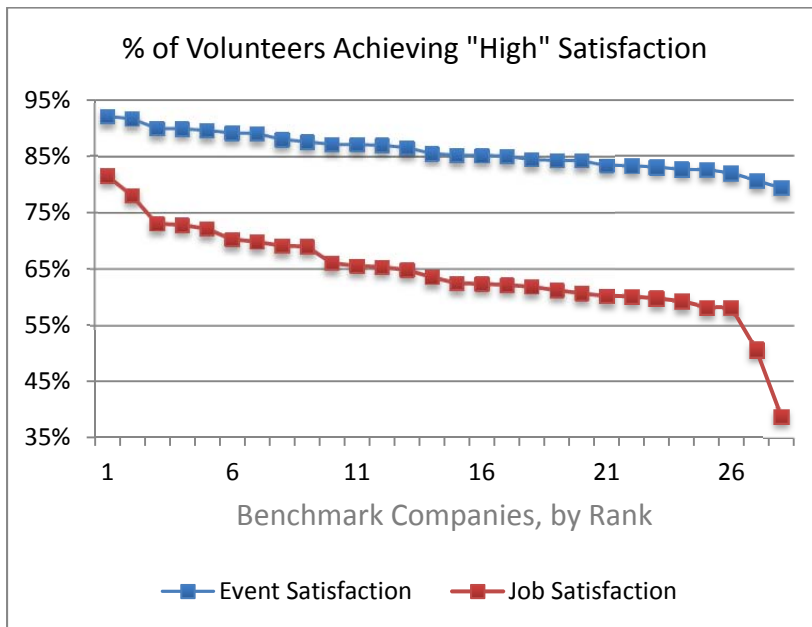
- Increase the social value of your volunteerism portfolio by encouraging more skills-based volunteerism (i.e., where volunteers apply professional-level skills).
 - Avoided cost. The same number of hours devoted to skills-based volunteerism can generate over 500% the value of traditional volunteerism (i.e., where volunteers serve as “an extra pair of hands”).
 - Increased capacity. Skilled volunteers were more likely to report instances of helping nonprofits to increase their efficiency, effectiveness, or reach. This relationship between skills-based volunteerism and reported capacity change was statistically significant. ($\chi^2=764.026$, $df=1$, $p<0.001$).

Satisfaction

Volunteering can be a profoundly satisfying and fulfilling experience for the volunteer, which can in turn help increase job satisfaction and engagement – a driver of productivity and retention.

The ROI Tracker captured data on both, summarized in the benchmarking illustrations below, including:

- Event satisfaction. How satisfying volunteers found the volunteer events they reported on.
 - The “high satisfaction” level used for benchmarking (below) includes volunteers that cited their events as either “extremely satisfying” or “very satisfying.”
- Job satisfaction. How important the type of volunteer activity reported on is to the volunteers’ overall job satisfaction.
 - The “high satisfaction” level used for benchmarking (below) includes volunteers that reported their volunteer activity was either “one of the most positive components” or “a positive, core component” of their overall job satisfaction.



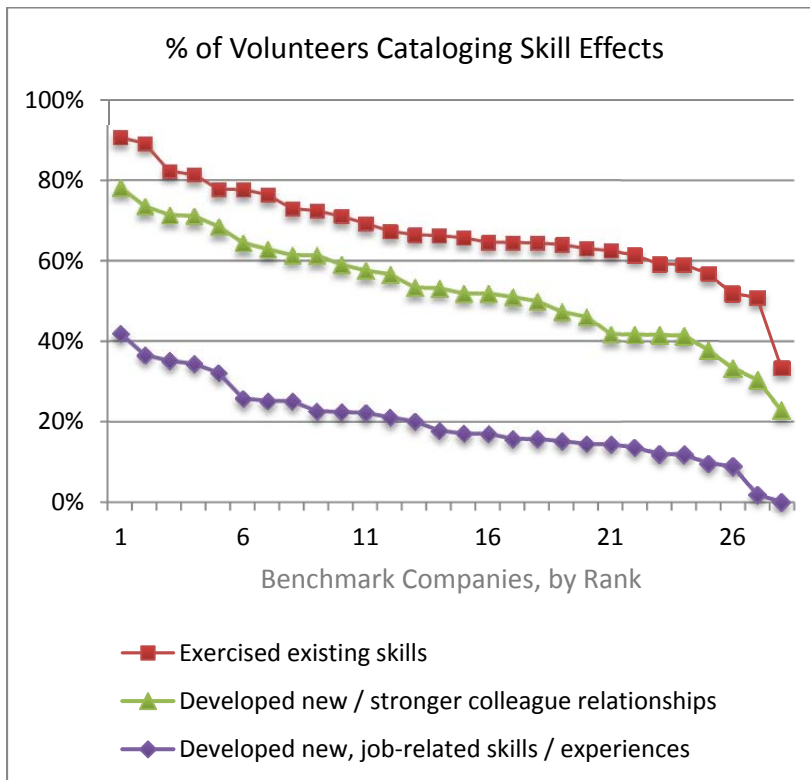
Performance Benchmarks	
Event Satisfaction	
Highest:	92%
Average:	86%
Lowest:	79%
Job Satisfaction	
Highest:	82%
Average:	64%
Lowest:	39%

Select Findings.

- Increase your satisfaction rates by designing activities to match volunteers’ interests. For example, when volunteers’ social causes or activities performed achieve top satisfaction scores 20% more frequently than those that were not match; matching volunteers with their networking, socializing, or skill development interests each achieved top satisfaction scores 6-8% more frequently.

Skill Development

Volunteerism can present significant opportunities for professional development, including developing new professional skills or experiences, strengthening or building new relationships with colleagues, or exercising existing skills. The illustrations below summarize the frequency of these findings:



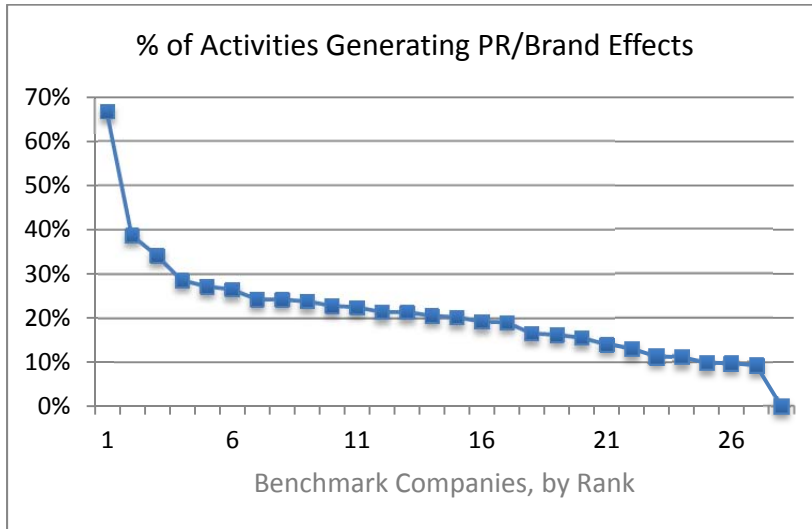
Performance Benchmarks	
Exercised Existing Skills	
Highest:	91%
Average:	67%
Lowest:	33%
New, Stronger Relationships	
Highest:	78%
Average:	53%
Lowest:	23%
New, Job-Related Skills	
Highest:	42%
Average:	20%
Lowest:	0%

Select Findings.

- Increase skill development rates by matching volunteers with activities relevant to their jobs and growth paths, or in circumstances where they will have an opportunity to develop or strengthen relationships with relevant colleagues.
- Volunteering more hours doesn't increase skills – skills-based volunteerism does. Results indicate that skill gain was not associated with the number of hours volunteered, but a statistically significant relationship does exist between skills-based volunteerism and employee skill gain ($\chi^2=603.697$, $df=24$ $p<0.01$).

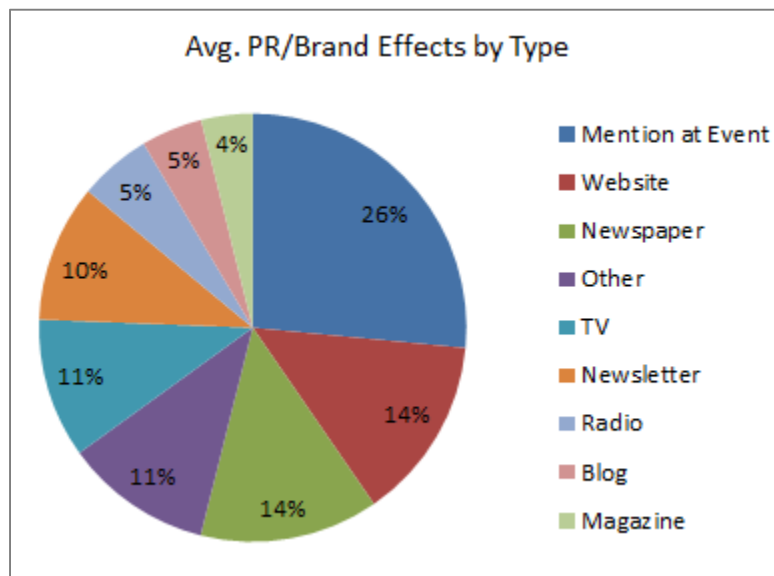
Brand

Volunteerism can generate exposure that enhances a company's brand and promote its sales, recruiting, or other interests. The following illustrations summarize the frequency of such effects:



Performance Benchmarks	
PR/Brand Effects	
Highest:	67%
Average:	21%
Lowest:	0%

Of the PR/brand effects generated, the type (or medium) was distributed as follows:

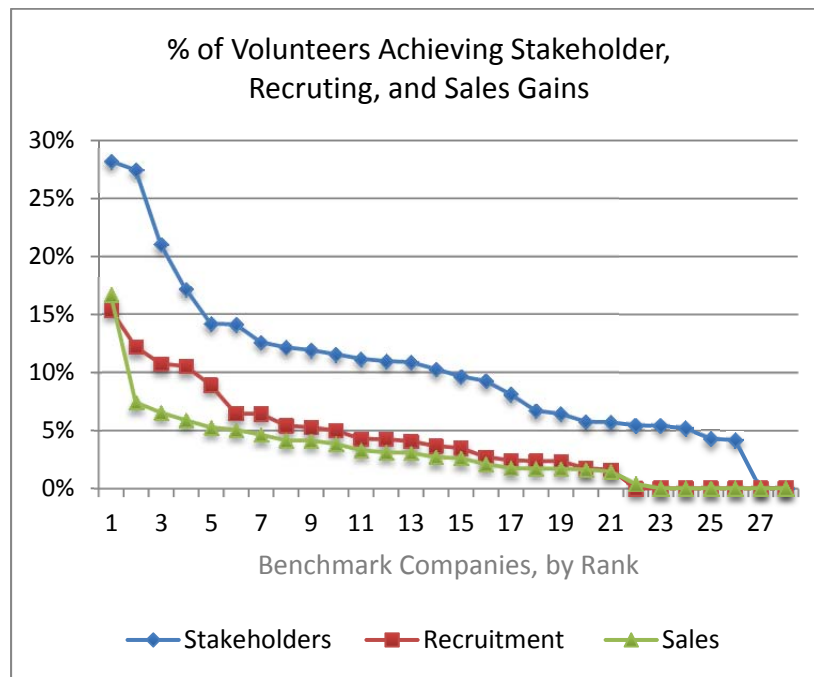


Select Findings.

- The nature of volunteer activity may influence the likelihood of brand gains: 32% percent of skills-based volunteers reported brand effects, where only 20% of traditional volunteers did so.

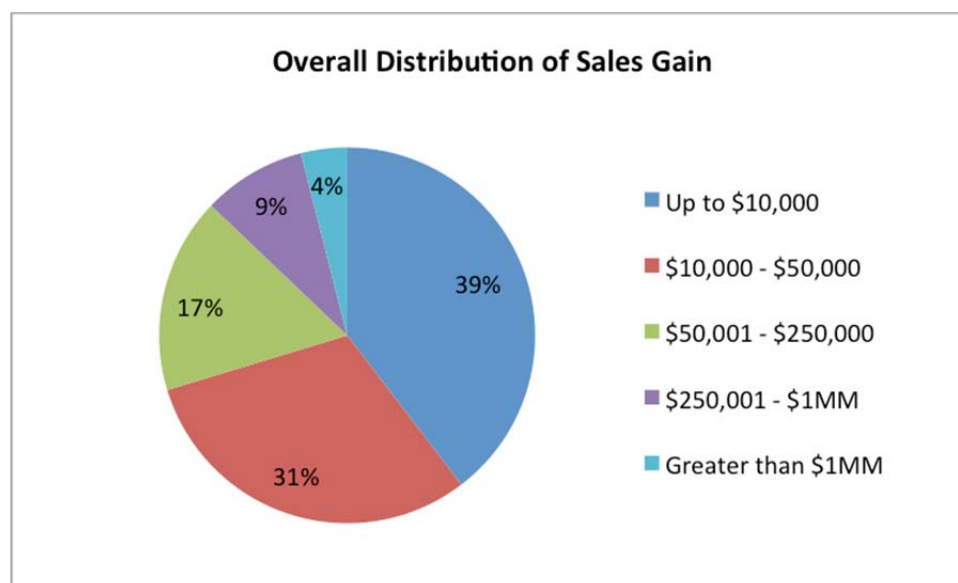
Other Business Effects: Sales, Recruitment, and Risk

Volunteerism can present opportunities for volunteers to develop new relationships – or strengthen existing ones – that can lead to new sales opportunities, recruiting prospects, or regulatory or risk mitigation (via engagement with stakeholders such as regulators, legislators, or advocacy or community groups). The following illustrations summarize the frequency of those effects across the ROI Tracker benchmarking group.

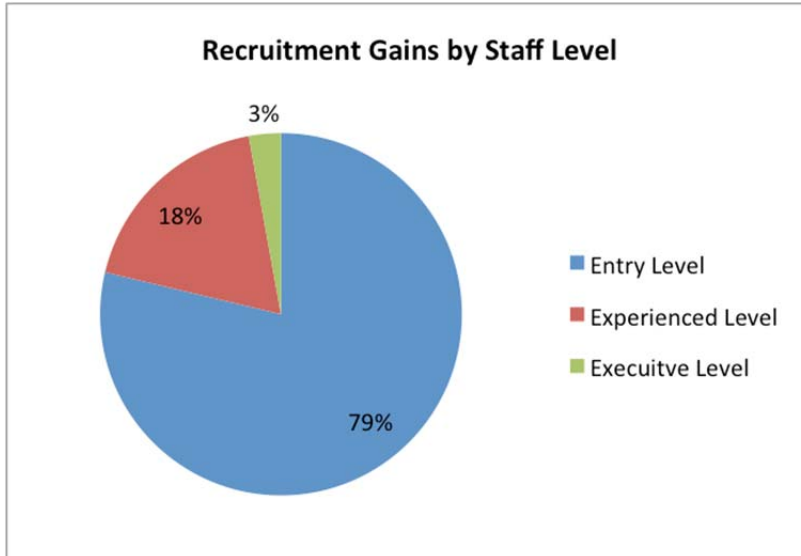


Performance Benchmarks	
Stakeholder Gains	
Highest:	26%
Average:	11%
Lowest:	0%
Recruitment Gains	
Highest:	24%
Average:	10%
Lowest:	0%
Sales Gains	
Highest:	47%
Average:	4%
Lowest:	0%

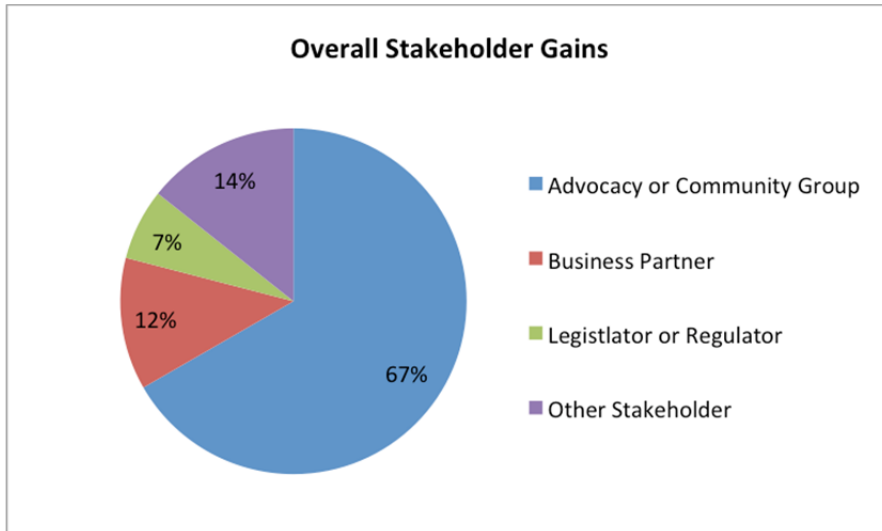
Of those activities that recorded sales gains, the magnitude of gains were distributed as follows:



Of those activities that recorded recruiting gains, the levels of recruiting prospects were distributed as follows:



Of those activities that recorded stakeholder gains, the categories of stakeholders engaged were distributed as follows:



Select Findings.

- Maximize your other business gains by designing events to facilitate interaction with sales, recruiting, or other stakeholder audiences. Strategically designed EVPs were more than an order of magnitude higher than the lagging performers

Appendix

Methodology

The Volunteerism ROI Tracker initiative collected data directly from volunteers via web-based surveys, delivered via direct email, newsletter, or intranet/website link posting. Respondents reported on the impacts related to their most recent volunteer activity.

The ROI Tracker team used descriptive and bivariate analysis to understand the relationship between variables. Variables analyzed include the type of volunteerism performed, skill gain, and reported nonprofit capacity change caused by volunteerism. The Pearson's chi-squared test were used to determine whether the distribution of independent and dependent variables vary from a normal distribution, indicating that the variation is not due to chance.

An independent sample t-test was used to compare the means of a normally distributed interval dependent variable for two independent groups. Like the chi-squared test, the t-test is a bivariate analysis used to test associations between variables by comparing the normal distribution (means) of two populations – for example, the difference in distribution of satisfaction rates between volunteers who reported gaining new job skills compared to those who reported no gain in job skills.

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.