

NETWORK

Summer 1998

Volume 2 Number 2

National Survey Shows Employee Involvement Increasingly Valued in Corporate Outreach Strategies

The Consulting Network (TCN) recently released the findings of a national survey of companies, which revealed that employees are becoming a driving force in corporate strategies to improve and enrich their communities.

TCN conducted the survey in the winter of 1997-1998 with 89 of America's leading companies, representing approximately 7.3 million employees.

A sample of the companies participating included Ameritech; Amoco; Chrysler; Cigna; Deere & Company; GTE; Hallmark Cards; IBM; Johnson & Johnson; Lucent Technologies; Marriott International; Mobil; Monsanto; Pfizer; Prudential Insurance; Sears, Roebuck; TRW; United Parcel Service; Whirlpool and Xerox.

BACKGROUND

Studies focusing on corporate needs regarding their employee involvement programs have been limited. TCN undertook this survey to gain more knowledge and a better understanding of effective employee involvement programs in operation. The survey's primary objectives were to:

- ◆ Document effective practices and trends in employee involvement programs.
- ◆ Identify corporate needs regarding the workplace charitable giving program.
- ◆ Identify new technology to support the workplace giving program.

The survey report covers three major program areas:

- ◆ Employee volunteerism.

- ◆ Matching gifts.

- ◆ Workplace giving.

John Coy, president of TCN, said this survey comes at a time when employee involvement is increasing—sometimes dramatically—as part of corporate citizenship strategies.

“In fact, we frequently hear in our work with CEOs and company officers that employees are as important and often more important to a company's community outreach than the contribution of dollars,” he said.

“I think that reflects directly on today's work environment. There is fierce competition for qualified workers, and companies want to be viewed as the preferred place to work. They are realizing that a successful, responsive employee involvement program offers an edge in recruiting

National Survey continued

and retaining good workers,” Coy said.

“We definitely are seeing an awakening in corporate America, and this survey simply validates that anecdotal information.”

Coy pointed to the finding that all of the companies in the survey reported having some form of employee involvement, and more than 90 percent of the companies have formal activities in at least two of the three major categories of volunteer, matching gift and workplace giving programs.

“This commitment to employee involvement is another noteworthy piece of information,” Coy said. “There is a perception that companies are interested only in profits. In our work, we have seen evidence to the contrary. This survey proves that companies deserve more credit for being connected to the well-being of their communities and their workers.”

KEY FINDINGS

TCN identified 16 major findings after analyzing all survey responses.

- ◆ All of the companies surveyed indicated they sponsor formal employee involvement activities that include at least one of the following components: volunteer, matching gift and workplace giving programs.

- ◆ More than 90 percent of the companies have formal activities in at least two of the three employee involvement programs asked about in this survey, and 58 percent have all three program components.

- ◆ Group projects are encouraged/supported in 95 percent of the companies with formal volunteer programs.

- ◆ A matching gift program is offered by 80 percent of the companies.

- ◆ Workplace giving campaigns are conducted in 96 percent of the companies.

- ◆ The majority of the companies that conduct a workplace giving campaign have a decentralized campaign that is organized at the local unit level.

- ◆ Employee surveys play an important role in defining workplace campaigns in companies with formal volunteer programs.

- ◆ Nearly 40 percent of the companies that consider their campaign a success still reported a decrease in employee participation.

- ◆ While United Way remains the primary recipient of funds from the annual campaign, more than 30 percent of the respondents now include organizations in addition to United Way.

- ◆ Responding to employee and corporate interests are the two

primary factors in selecting organizations to participate in the campaign.

- ◆ The vast majority of the companies allow employees to direct their contributions to any health and human-service agency.

- ◆ Nearly half of the companies specify their own designation policies independent of the local United Way’s policy.

- ◆ Giving and employee participation increase when a broader range of options is available to employees through the annual campaign.

- ◆ Most of the companies have an employee committee to help plan and manage the campaign.

- ◆ Increasingly, the companies are using technology to support the campaign and to reduce the cost and time involved in conducting the annual fund-raising drive.

- ◆ A significant number of the companies plan to make changes to their campaign to make them more efficient, effective and vibrant.

The full *Valuing Employee Involvement* study, which includes the survey questionnaire and responses, as well as the entire list of corporate participants, can be purchased at a cost of \$100 by calling (703) 641-0533 or by contacting TCN through E-mail at tcncoy@msn.com.

TCN Launches

CC: BenchmarkCENTERSM

By John Coy
President, The Consulting Network

Based on our years of experience in benchmarking, The Consulting Network is creating a new service for corporate clients called Corporate Citizenship: Benchmark Center, which will be known as CC: Benchmark CenterSM.

This service is intended to provide our clients with measures of comparison to their peers and a wealth of information they can use in educating management about community relations and contributions. It is clearly a growth area that complements our work in assessment, strategic planning and program development.

The employee involvement survey summarized in this issue is an example of the benchmarking we have been doing since The Consulting Network was founded in 1990. We have benchmarked more than 150 corporate citizenship programs already and have the ability to move into other areas our clients need to explore.

As part of CC: Benchmark CenterSM, The Consulting Network is offering financial benchmarking that compares contributions programs with those of *Fortune's* top companies.

To launch this new service, The Consulting Network will provide you with a complimentary comparison of your company with

Fortune's most admired companies. Just fill out the form on the following page, and we will send you a report comparing your financials with the 1997 *Fortune* most admired companies. An example of this data, using the 1996 *Fortune* most admired, is provided below.

CC: Benchmark CenterSM will make financial comparisons by industry group, *Fortune* ranking and other selected comparisons available at a modest cost.

Our clients report increasingly that management is interested in such key financial comparisons. We believe this service is a cost-effective way for you to collect, analyze and share valuable information with your management team. Feel free to call with questions or for more information about this service.

EXAMPLE BENCHMARK CHART—1996 *FORTUNE* MOST ADMIRABLE COMPANIES
 1996 *FORTUNE* RANK/1996 FINANCIAL INFORMATION

Company	1996 Fortune Rank	1996 Total Contribution \$(MIL)	1996 Cash Contributions \$ (MIL)	1996 Cash Contributions % of Sales	1996 Cash Contributions % of PTNI	1996 Cash Contributions % of Income	1996 Cash Contributions Per Employee
Berkshire Hathaway	132	10.0	10.0	0.10	0.27	0.40	289.86
Coca-Cola	58	20.0	20.0	0.11	0.46	0.57	769.23
Intel	43	34.0	16.0	0.08	0.30	0.31	329.90
Johnson & Johnson	39	88.5	39.5	0.18	1.19	1.37	442.33
Merck	48	148.0	23.0	0.12	0.42	0.59	468.43
Microsoft	172	73.3	11.1	0.13	0.33	0.51	539.86
Mirage Resorts	796	0.6	0.6	0.04	0.19	0.29	35.50
Pfizer	118	85.5	21.5	0.19	0.94	1.12	462.34
Procter & Gamble	18	52.6	41.0	0.12	1.23	1.35	398.06
United Parcel Service	37	18.8	18.8	0.08	0.99	1.64	56.04
AVERAGE		\$53.2	\$ 20.2	0.11%	0.63%	0.81%	\$379.15

CC: BenchmarkCENTERSM

Send the following information to The Consulting Network via fax—(703)641-0534—
for your complimentary financial comparison with *Fortune's* 1997 most admired.

1997 Giving Summary for: _____
(Name of Company)

1997 Cash Grants	U.S.	International	Total
From Foundation	_____	_____	_____
From Company	_____	_____	_____
Total Cash	_____	_____	_____
1997 In-Kind (products, etc.)	_____	_____	_____
1997 Total	_____	_____	_____

So we can accurately present your figures, please indicate specifically what you are reporting.

Do the cash grants reported above include dollars other than contributions? YES _____ NO _____

If yes, please indicate what other dollars are included in your total.

Sponsorships _____

Community relations expenses _____

Cause and related marketing expenses _____

Other _____

If you reported product donations, is the reported amount based on:

Cost? _____ or Market Value? _____

Contact Name _____

Title _____

Telephone _____ **Fax** _____

E-mail _____