



Demonstrating the social and business impact of your employee volunteering

A webcast for the Corporate Volunteer Council of Greater Boston

by

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Session objectives

- Learn the steps and the best practices for measuring the social value of your employee volunteer program
- Learn the steps and the best practices for measuring the business value of your employee volunteer program
- Leave with a actionable feasible next steps to improving your current measurement efforts



Agenda

- Intro
- Options for measuring social impact of employee volunteering
- Steps to measuring business impact of employee volunteering
- Closure

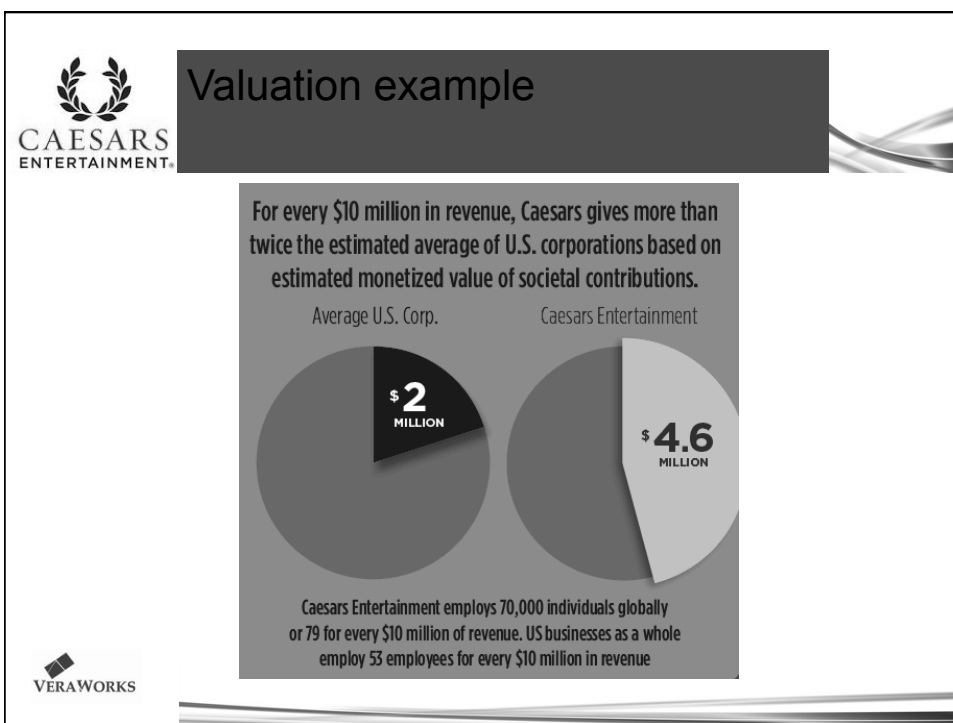
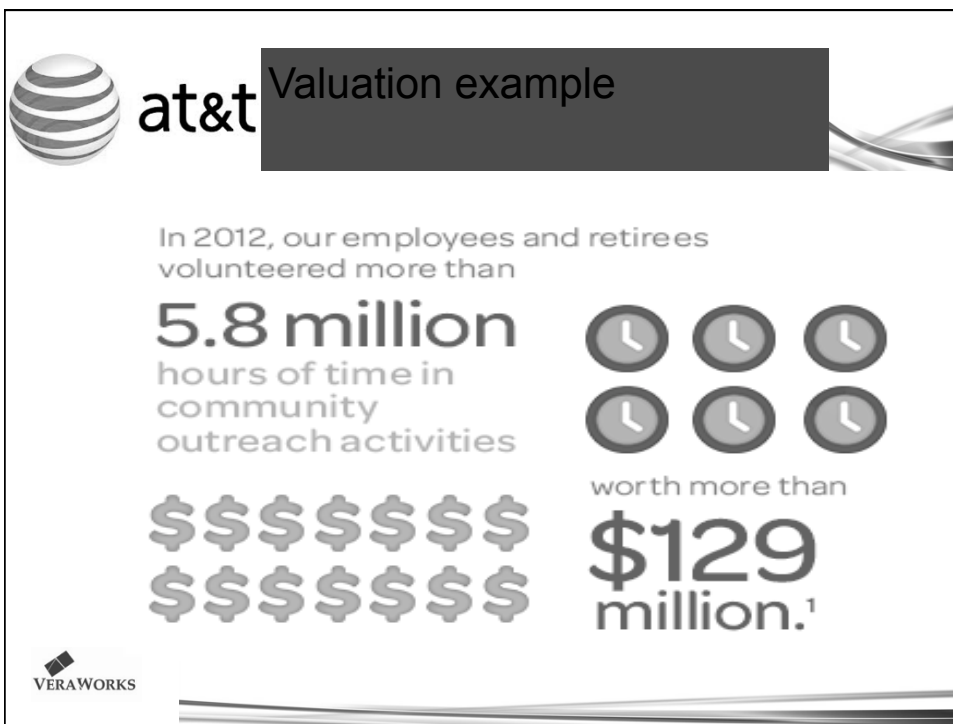


Options for measuring societal benefits

Option 1: Monetary valuation based on hours

Next





Options for measuring societal benefits

Option 1: Monetary valuation based on hours

Option 2: Organizational impact reported by nonprofits

Next



Organizational impact reported by nonprofits

Volunteering increases nonprofit capacity

percent of key nonprofit partners reporting capacity increases from HP Partnership

16%
significant
capacity
increases



76%
very significant
capacity
increases

Increased capacity is defined as being able to offer higher quality services, offer more innovative services, serve more people, offer additional services or having more effective/ productive staff.
Source: Key Nonprofit Partner Survey, 37 respondents.





It's simple: Include one question in a nonprofit partner survey

12. To what extent have the collaborative efforts you have had with HP since November 1, 2012, helped your organization... *

	(1) Not at all	(2) Hardly at all	(3) Somewhat	(4) Significantly	(5) Very significantly	(9) Not applicable/not sure
a) Serve more people?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) Offer additional services?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) Offer higher quality services?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d) Be more effective?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e) Be more innovative?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
f) Develop staff	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
g) Improve its technology?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

HP is sharing
the entire
survey



Options for measuring societal benefits

Option 1: Monetary valuation based on hours

Option 2: Organizational impact reported by nonprofits

Option 3: Ultimate beneficiary impact collected and reported by nonprofits

Next



Options for measuring societal benefits

Option 1: Monetary valuation based on hours

Option 2: Organizational impact reported by nonprofits

Option 3: Ultimate beneficiary impact collected and reported by nonprofits

Option 4: Ultimate beneficiary impact collected and reported by a third party evaluator

Next



Ultimate beneficiary impact collected by third party

FINDINGS

Greater postsecondary enrollment

9% more

Linked Learning students attended four-year postsecondary education, compared to their peers.

Reduced barriers to success

72% of Linked Learning students agree:

"I know a lot about college and career planning."

Increased income after high school
Male students participating in programs combining academics and career preparations earned

\$10,000 MORE

in the four years following high school.



Higher high school graduation rates
of 12th-grade students in California Partnership Academies graduated

95%

compared to 85% of 12th-grade students statewide.



Source: James Irvine Foundation

Agenda

- Intro
- Measuring social impact
- Measuring business impact
- Closure

Next



Poll

In six months, will you be able to give the business return on investment (ROI) for your employee volunteer program?

- ☐ Definitely not
- ☐ Probably not
- ☐ Probably
- ☐ Definitely



Steps to measuring business benefits of your employee volunteer program

Step 1: Select business outcome(s) to measure

Step 2: Distinguish participants from non-participants

Step 3a: Get the business unit that measures that outcome to help
OR
Step 3b: measure it yourself

Step 4: Look at the difference in outcome measured between the two groups

Step 5: Monetize the difference and get ROI

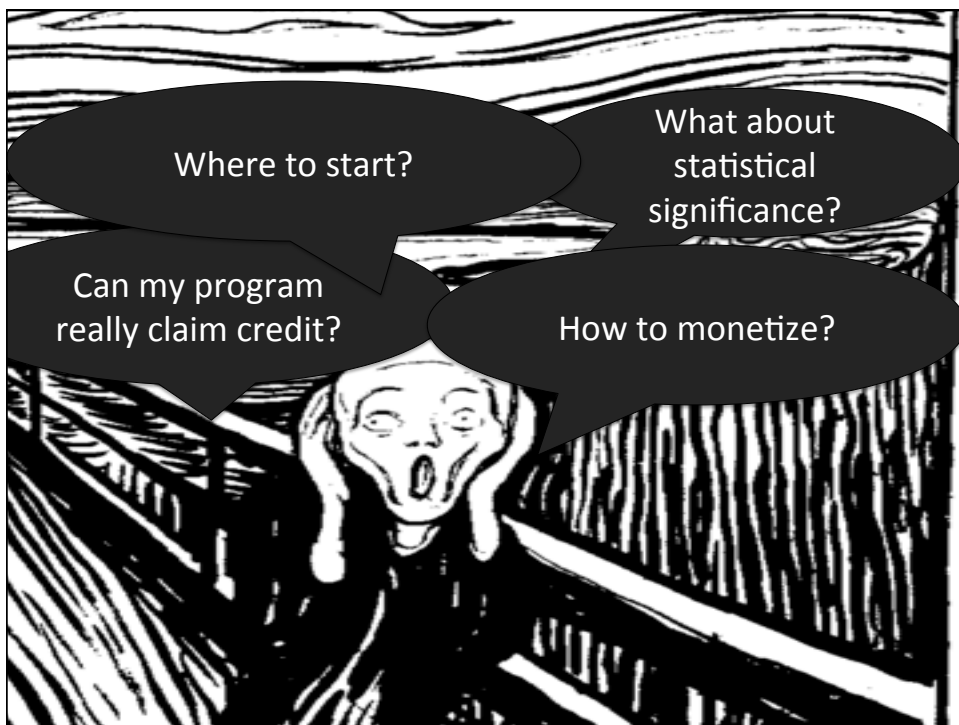


Definition: ROI ratio

- ROI ratio is a monetary comparison of the value of the results and the value of the investment
- Formula:

$$\text{ROI ratio} = \frac{\text{Business impact, monetized}}{\text{Monetary investment}}$$







Can you...?

- ☐ Make educated guesses
- ☐ Cut and paste
- ☐ Send Bea an email
- ☐ Add, subtract, multiply and divide (with help from an electronic gadget)
- ☐ Subtotal in Excel



Step 1: Select business outcome(s) you will measure

Consider 1st:

- Employee engagement, morale, pride

Consider 2nd:

- Employee retention
- Employee teamwork

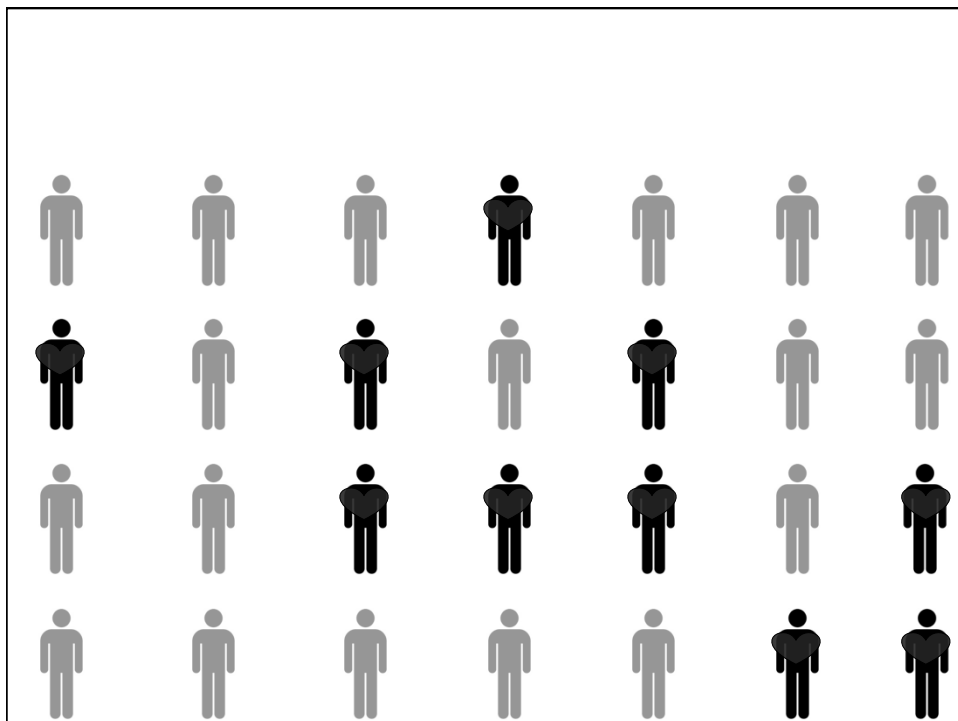
Consider 3rd:

- Reputation, brand, sales, customer loyalty

Consider 4th:

- Other business impact your company cares about and your program can reasonably be expected to deliver on it.

Step 2: Find a way to distinguish participants from non-participants

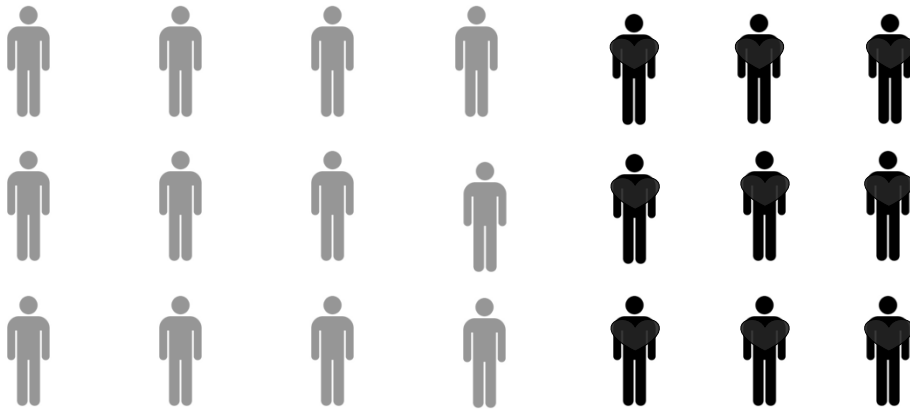


What is the level of employee engagement employees who don't participate in the signature program ?

As compared to those who do?

What is the level of customer loyalty in those un aware of our signature program?

As compared to those are aware?



Step 2: Find a way to distinguish participants from non-participants

- Come up with two groups: those who are touched by the community involvement ("participants") and those who aren't ("non-participants").
- Most common and easy way: Question in a survey asking them to select their level of involvement.
- Other ways: Location that has a program versus one that doesn't, data collected by the company

Separating “participants” from “non” in employees

This question will do the trick for employee community engagement / volunteering (modify for other programs):

What was your level of involvement with employee volunteering organized by [company name] or [company name] employees in the last 12 months?

- ☐ I was not aware of any employee volunteer events
- ☐ I was aware of employee volunteer events but did not participate in any
- ☐ I participated in one employee volunteer event but did not organize it
- ☐ I participated in two or more employee volunteer events but did not organize any
- ☐ I organized or helped organize one or more employee volunteer events



Separating “participants” from “non” in external stakeholders

This question will do the trick:

What is your level of awareness of [brief description of your employee volunteer program] prior to this survey?

- ☐ I was not aware of it
- ☐ I was vaguely aware of it
- ☐ I was very aware of it
- ☐ I have witnessed it first-hand

[adjust categories as necessary]

Note: This question should be asked *after* the brand, reputation and other outcome questions.



Steps to measuring business benefits of your employee volunteer program

Step 1: Select business outcome(s) to measure ✓

Step 2: Distinguish participants from non-participants ✓

Step 3a: Get the business unit that measures that outcome to help

OR

Step 3b: measure it yourself

Step 4: Look at the difference in outcome measured between the two groups


Step 5: Monetize the difference and get ROI

Next

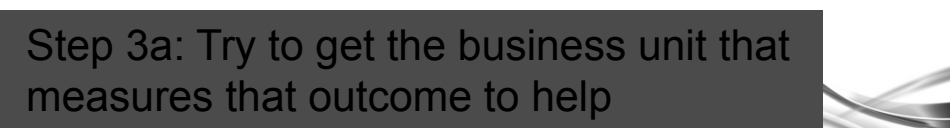



If the outcome you selected is important
to the company...






If the outcome you selected is important
to the company, then your company
most likely already measures it!!!!



Step 3a: Try to get the business unit that
measures that outcome to help



Step 3a: Invite involvement of the appropriate business unit

Academic research and leading company measurement find that employee volunteering is associated with higher employee engagement:

- Harvard Business School research found that companies with more corporate social responsibility practices significantly outperform their counterparts over the long-term, both in terms of stock market and accounting performance.
- Several companies have found statistically significant correlations between employee community engagement participation/awareness and employee engagement and morale including Aetna, Bank of America, HP and UL (Underwriters Laboratories)...



Step 3a: Invite involvement of the appropriate business unit - continued

... We would like hold the employee volunteer program accountable to business benefits. We can distinguish individuals who participated in this program from those who didn't with a question similar to one used by HP and other companies (attached). Would you help us proceed in measuring the level of employee engagement in participants versus non-participants?



Step 3a: Invite involvement of the appropriate business unit – the template

Academic research and leading company measurement find that employee volunteering is associated with higher [insert selected business outcome(s) from step 1].

For example:

- [insert relevant bullets from BusinessCaseEmployee Volunteer Program document – footnotes and all!]

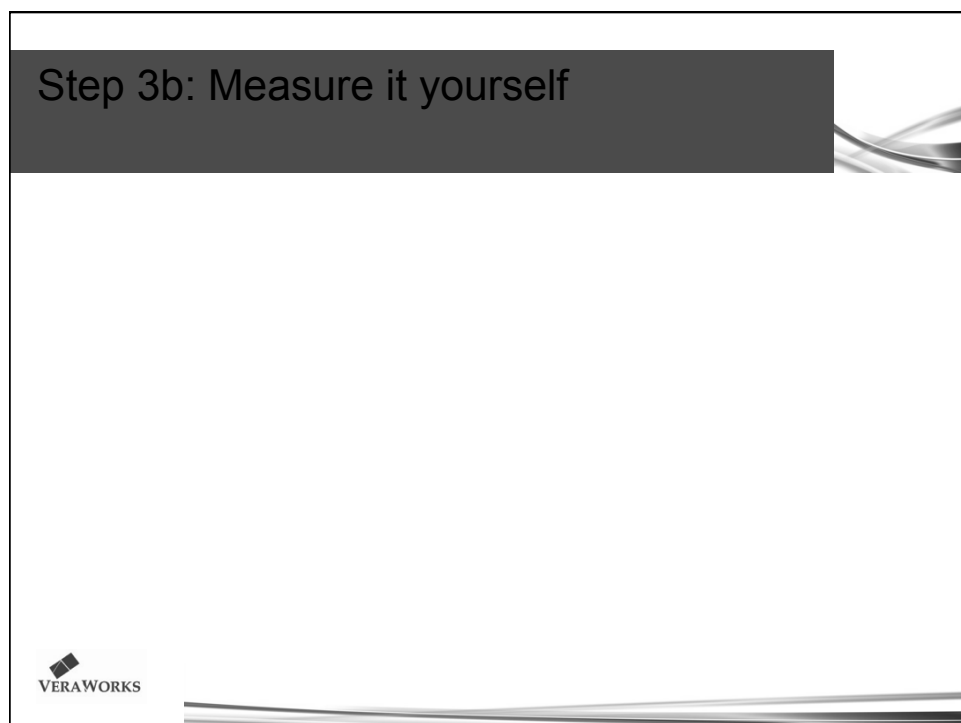
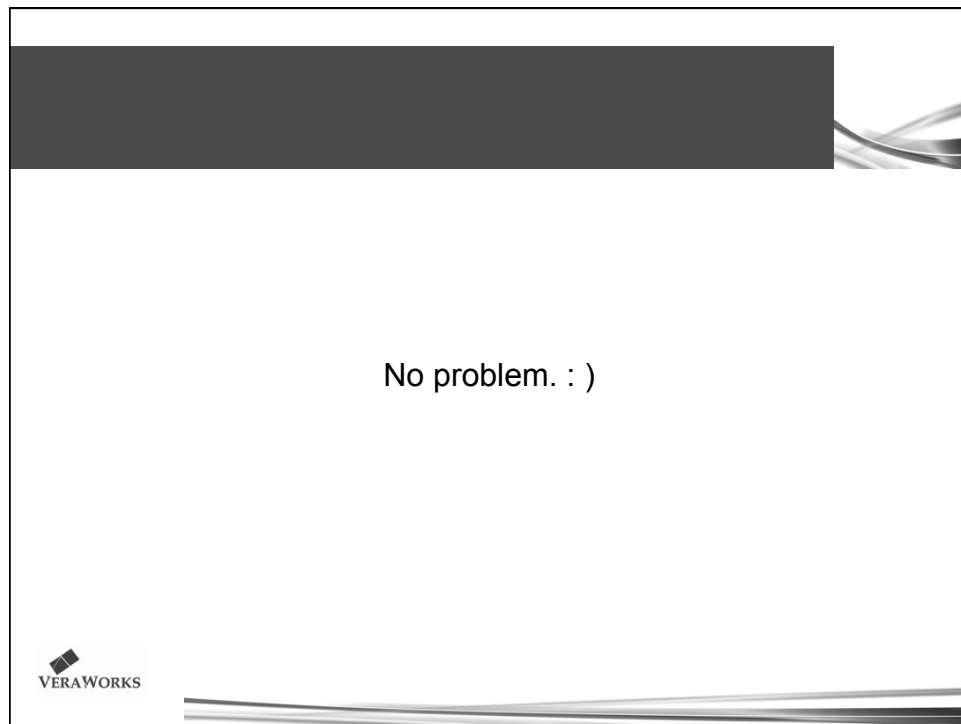
We would like hold our program accountable to business benefits. We can identify individuals who participated in this program and those who didn't by [description of step 2]. Would you help us proceed in measuring the level of [insert outcome] in participants versus non-participants?

We gave you the business case bullets



What if I get the big null response????





Step 3b: Measure it yourself - example

Survey both groups and include:

- Question to distinguish participants from non-participants: "What was your level of involvement with employee volunteer events organized by Corp X or Corp X employees in the last 12 months?" [response categories]
- Question on the employee engagement: "I am motivated to go above and beyond what my job requires to help this company succeed." (1-5 scale: 1=strongly disagree, 2=disagree, 3=somewhat agree, 4=agree, 5=strongly agree)



Step 3b: Measure it yourself - template

Survey both groups and include:

- Question to distinguish participants from non-participants provided earlier
- Question on your outcome of interest from "Common Indicators for Measuring the Business Impact of employee volunteering" document

HP is sharing
the entire
survey

"Common
Indicators"
are provided



Steps to measuring business benefits of your employee volunteer program

Step 1: Select business outcome(s) to measure ✓

Step 2: Distinguish participants from non-participants ✓

Step 3a: Get the business unit that measures that outcome to help
OR

Step 3b: measure it yourself ✓

Step 4: Look at the difference in outcome measured between the two groups

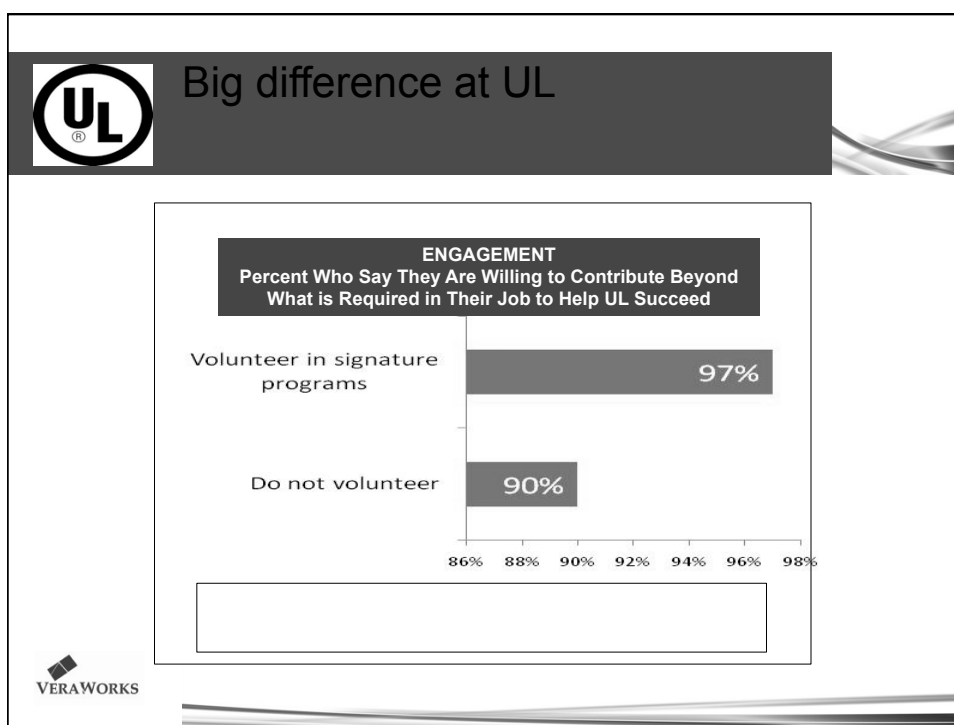
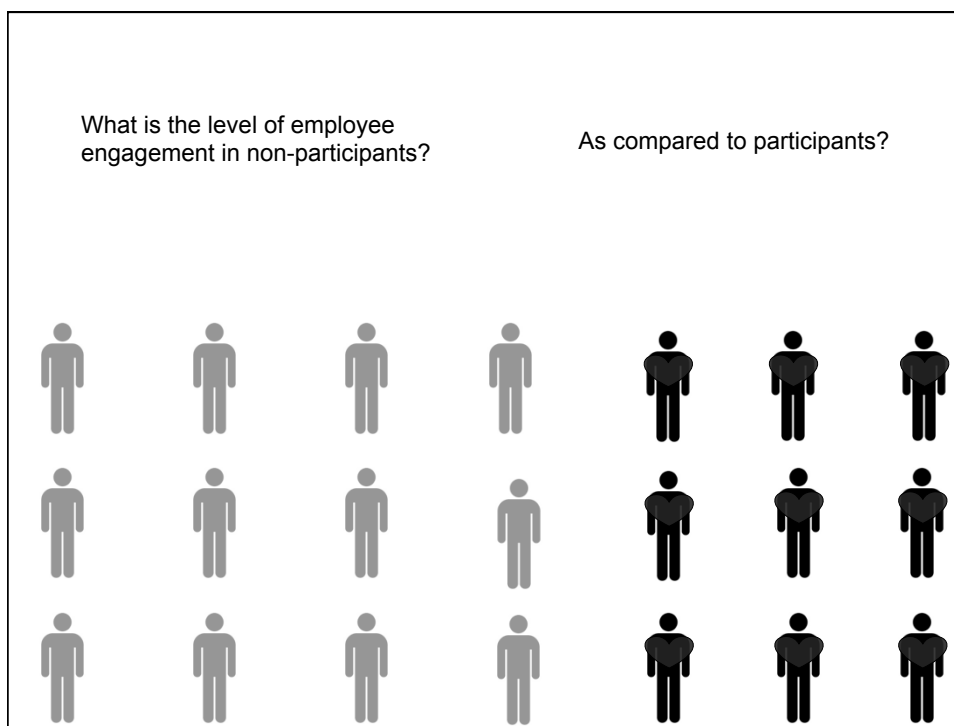
Step 5: Monetize the difference and get ROI

Next

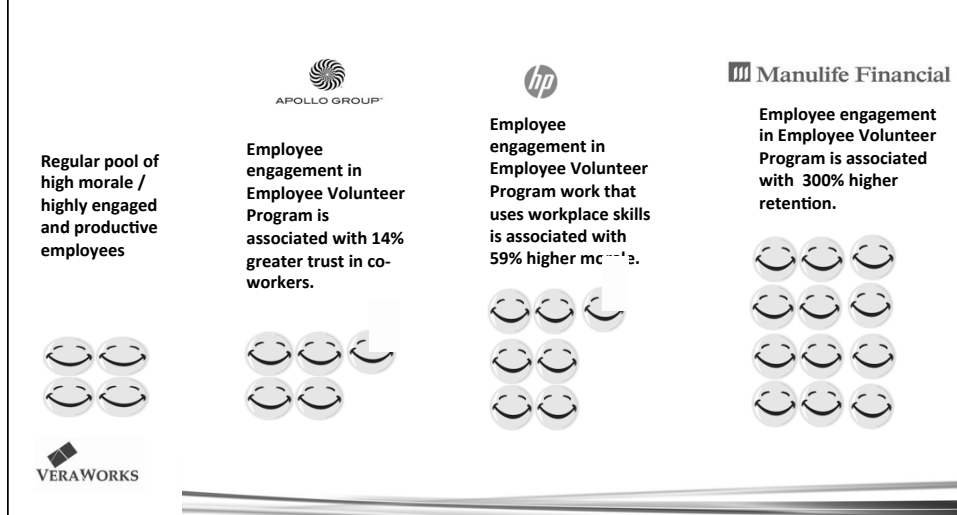


Step 4: Look at the difference in outcome measured between the two groups





A sampling of results – virtually always positive!



Statistical significance

- Believe it or not, it's possible for the difference between your two groups to not be "a real difference." This is less more likely if you collected data from few individuals and if the difference between the two groups is small.
- There is a procedure statisticians use to determine whether a difference is real or not. It's called a significance test.



Your lifetime statistical significance solution

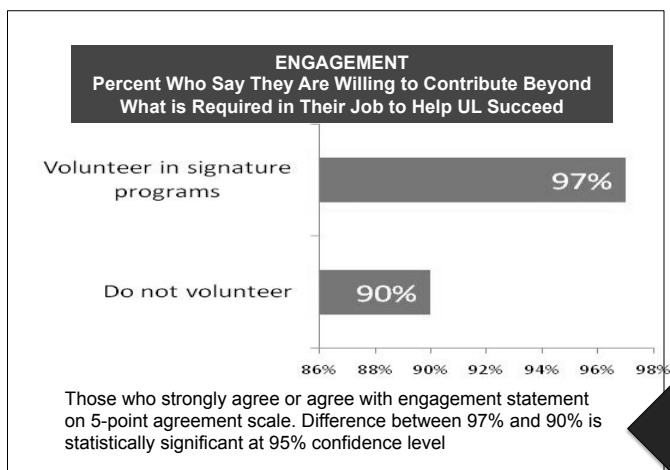


- Statistical significance hot line: Contact Bea at 717-414-2885 or bea@veraworks.com anytime. She will conduct the statistical significance calculation for you and get you the statement you can legitimately claim.





Big difference at UL



I will get you this

VERAWORKS



Business Impact

Increased employee morale²



41%

Employees who participate in **HP hands-on volunteering** are 41% more likely to "strongly agree" with "I would recommend HP as a great place to work" than employees who do not participate in HP volunteer activities



59%

Employees who participate in **HP skills-based volunteering** are 59% more likely to "strongly agree" with "I would recommend HP as a great place to work" than employees who do not participate in HP volunteer activities.

2. Employee Survey on Volunteering, 20,002 respondents globally, October 2012.

Steps to measuring business benefits of your employee volunteer program

Step 1: Select business outcome(s) to measure ✓

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Next



Step 5: Monetize the outcome



Steps to monetizing

- Monetizing a business outcome that the business cares about is rarely necessary – they already know how valuable it is!
- Nevertheless, the corporate sector has measured the bottom-line impact of practically everything – loyal customers, employee morale, retention... This means that you can convert your business outcome into a monetary figure using this information – see “Conversion Factors to Estimate the Bottom-Line Monetary Value of a Business Impact” (Don’t see the one you need? Contact Bea!)



Monetization factors are provided for key outcomes

Review: Steps to measuring business benefits of your employee volunteering

Program

Step 1: Select business outcome(s) to measure ✓
Step 2: Distinguish participants from non-participants ✓
Step 3a: Get the business unit that measures that outcome to help OR Step 3b: measure it yourself ✓
Step 4: Look at the difference in outcome measured between the two groups ✓
Step 5: Monetize the difference and get ROI ✓

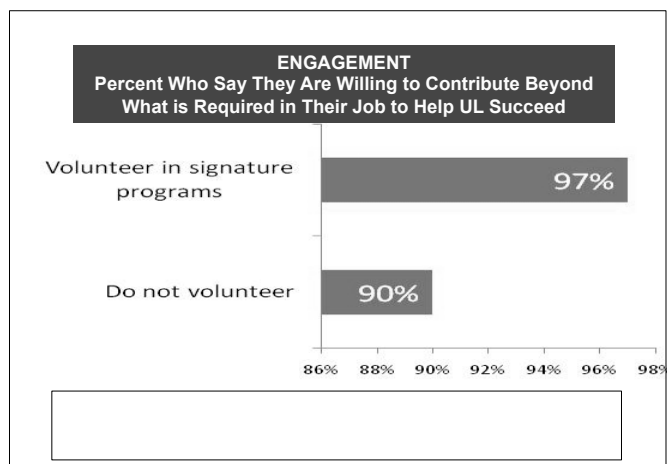


How UL measured impact on engagement

Step 1: Select business outcome(s) to measure	Employee engagement
Step 2: Distinguish participants from non-participants	Self-selection survey
Step 3a: Get business unit that measures that outcome to measure it (in both groups) OR Step 3b: measure outcome yourself	Did 3b – Did their own survey and used a version of question in “Common Indicators” document
Step 4: Look at the difference in outcome measured between the two groups	Difference was there
Step 5: Monetize the difference and get ROI	Used monetization conversion factor in “Monetizing Impact”



Big difference at UL




VERAWORKS




How Manulife Financial measured impact on retention


Step 1: Select business outcome(s) to measure	Retention
Step 2: Distinguish participants from non-participants	Self-selection survey
Step 3a: Get business unit that measures that outcome to measure it (in both groups) OR Step 3b: measure outcome yourself	Did 3b – did their own survey and used a version of question in “Common Indicators” document
Step 4: Look at the difference in outcome measured between the two groups	Difference was there
Step 5: Monetize the difference and get ROI	Used monetization conversion factor in “Monetizing Impact”





What Manulife Financial is able to say

Employees who participate in company employee volunteering are over 300% more likely to stay with the company




<div>  <h2>How New Balance measured impact on sales</h2> </div>	
Step 1: Select business outcome(s) to measure	Sales
Step 2: Distinguish participants from non-participants	Running events where New Balance is present as a sponsor/partner versus those where it is not
Step 3a: Get business unit that measures that outcome to measure it (in both groups) OR Step 3b: Measure outcome yourself	Did 3a - Marketing helped
Step 4: Look at the difference in outcome measured between the two groups	Significantly more sales for events with New Balances' Employee Volunteer Program (participants) versus not
Step 5: Monetize the difference and get ROI	A matter of plugging numbers in

 How HP measured impact on reputation	
Step 1: Select business outcome(s) to measure	Reputation
Step 2: Distinguish participants from non-participants	Survey respondents identified themselves as aware of HP's Employee Volunteer Program or not
Step 3a: Get business unit that measures that outcome to measure it (in both groups) OR Step 3b: Measure outcome yourself	Did 3a – Outside firm
Step 4: Look at the difference in outcome measured between the two groups	5% higher company reputation for participants versus non-participants
Step 5: Monetize the difference and get ROI	No need


What HP is able to say

We have empirical data showing that HP's community engagement improved reputation to a statistically significant degree



Review: Steps to measuring business benefits of your employee volunteering Program

- | |
|---|
| Step 1: Select business outcome(s) to measure ✓ |
| Step 2: Distinguish participants from non-participants ✓ |
| Step 3a: Get the business unit that measures that outcome to help
OR
Step 3b: measure it yourself ✓ |
| Step 4: Look at the difference in outcome measured between the two groups ✓ |
| Step 5: Monetize the difference and get ROI ✓ |



How do I know the outcomes are attributable to my program?

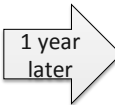
- You don't (with this methodology), but you likely don't need to. Causal proof is rarely necessary the business context. Typically a compelling case (use the business case document to build yours) backed with some empirical evidence is enough to inform decision makers.
- Nevertheless, it's *not* complex for someone with research skills to answer the causality question. They just need to:
 - Follow the steps for two years (to get pre and post data in addition to participant and non participant data) by employee and you likely have experimental design
 - OR
 - Do regression analysis



How HP captured evidence of causality



Group of low-morale employees

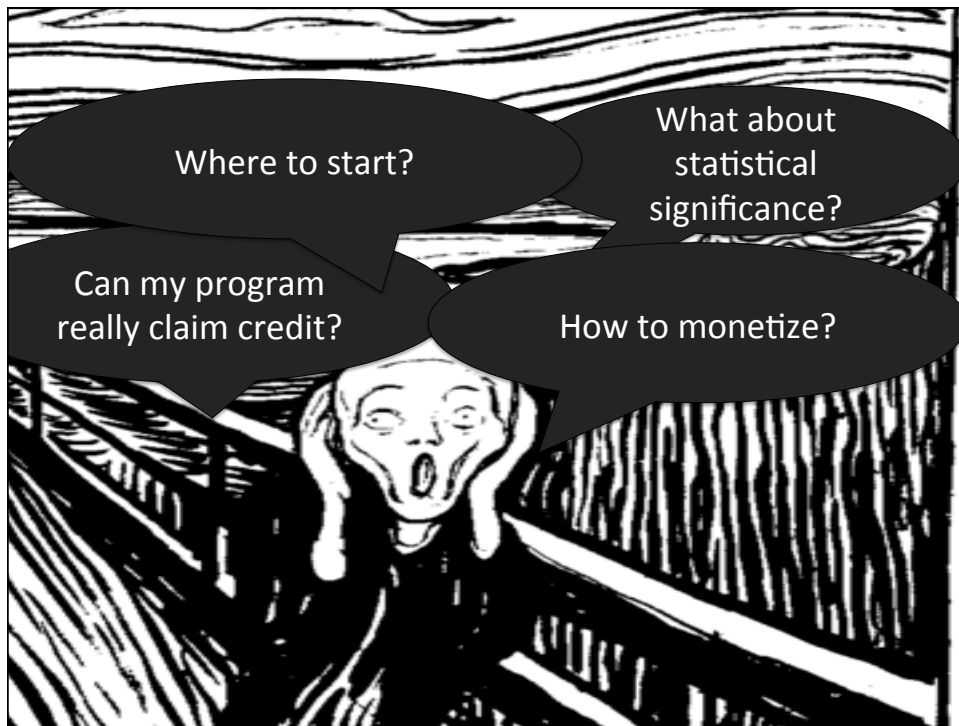


Volunteered at company event:
29% increase in morale score

Do not volunteer at company event:
19% increase in morale score

Source: Global Volunteer Survey, pre (FY12) and post (FY13) responses to "I would recommend HP as great place to work" per a 1-5 agreement scale where responses of 1-3 were considered low morale. Difference is statistically significant at 95% confidence level. 1,443 respondents.





Poll

In six months, will you be able to give the business return on investment (ROI) for your employee volunteer program?

- ☐ Definitely not
- ☐ Probably not
- ☐ Probably
- ☐ Definitely

