



## Our new world: a turning point for corporate volunteerism

### Remarks by Sharon Allen

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## An urgent need to do more

Mark, I appreciate your gracious introduction. And thanks to all of you for your warm welcome.

Let's imagine the future. The near future — actually, the next day you return to your office. Imagine that you've just put your steaming cup of Starbucks down on your desk (at least that's what I would do!). You sit down, boot up your computer, and you're just about to wade through the emails that have piled up, when — suddenly — you hear a knock. Your boss walks in, asks if you have a minute — and, then, softly closes the door.

In our new world, you might imagine the conversation you're about to have will be challenging — perhaps, even employment-related. And that's exactly what it turns out to be. But what she has to say is not what you expected. Instead, the challenge that your boss has in mind is for you to head up a critical project. One that will have

a huge impact on the organization and its people — one that does not have nearly the financial support needed to ensure its success — but must succeed nonetheless. What would you do? I'm sure that most of you would dive in and find a way. You'd pull together resources — to help your organization rise to the occasion, meet the challenge, and you'd be building your brand in the process.

Can you imagine that? Good. Because, today, all of us involved in corporate volunteerism should expect that knock on the door. And, in our new world, the knock you'll hear — if you haven't already — is that of vast human need reaching out for help wherever it can.

For decades, the focus in meeting that need has been to increase dollars given through corporate philanthropy. And make no mistake — dollars are important. There will always be a need for financial contributions. Charitable giving is vital to sustaining the efforts of not-for-profits everywhere. In fact, contributing to the community is a source of great pride at Deloitte. Last year, for the sixth consecutive year, we had more individuals give at the de Tocqueville level of at least \$10,000 to the United Way campaign than any other business organization in the country.

Today, however, we've reached a crucial turning point in corporate volunteerism. In 2008, U.S. charitable giving exceeded \$300 billion for the second consecutive year. But such generosity is tempered by the fact that last year's giving also fell by 2 percent — the largest decline ever and the first in 21 years. With a deteriorating economy, the financial support for community involvement has been greatly reduced at precisely the time when people need services the most.

Sadly, the knock at the door is getting louder and more insistent. But I can't think of a better qualified and more enthusiastic group of people to answer that call than you. The future of corporate volunteerism is in your hands. Working through you, it's a time for the strength, will, and creativity of your businesses to summon everything within and beyond their grasp to make a difference.

That's why volunteerism needs to be considered at the highest levels of an organization. In our new world, volunteerism should be regarded as an issue of corporate governance — for companies and not-for-profits alike. I say that not just because I'm a chairman of the board! But because today's corporate volunteerism isn't just about an allocation of resources. It also represents a very visible expression of corporate identity brought to life.

Our new world is testing us. How companies choose, therefore, to support volunteerism can tell the world much about what they value and who they really are — and, who each of us really are, too.

Volunteering is and always has been a rewarding part of my own career. From my earliest days as an auditor at our office in Boise, Idaho, I've volunteered. Yet my efforts really didn't start to become most productive until a few years later. That's when a client I served — at a large, publicly-held company — asked me to do more. He challenged me to use my talents to make a difference in the quality of life for the people of Boise.

No one had ever counseled me quite like that. I took his challenge, and it has resulted in many years of volunteering and rewarding involvement in the communities that we have lived and worked — from Boise to L.A. and New York! By the way, that same executive might have wondered about the encouragement he had given me, when some years later I challenged him back and convinced him to chair the largest fund-raising campaign our community had ever undertaken. After all, I pointed out to him, it was his idea that I get involved!

Today, all of us share the challenge of community involvement. And while the values and intentions of volunteers are a great place to start, there's an urgent need to do more. Today, our volunteer efforts must maximize impact and outcomes if we are to make the greatest difference.

It won't be easy. But I'm convinced that companies can help bridge the gap by making the most of their approach to community involvement.

In leading my board, I've always believed that the best directors are those who ask the right questions. When it comes to the allocation of resources for volunteerism, I believe that the right question for boards to ask is not "Will we?" but "How will we?" Specifically, how will we do more?

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Perhaps the answer lies in considering an array of resources that goes beyond financial. To me, asking the right questions will take us to the right outcome — an approach to volunteerism worthy of the commitment that businesses so often profess. Especially when stakeholders are watching to see if our actions are as good as our word.

### Helping not-for-profits help others

Those stakeholders include customers and clients, employees, our communities — and the not-for-profits that serve our communities.

For many years, I've seen up close how extraordinarily talented and resourceful not-for-profits are in meeting social needs. But I've also seen that to scale and sustain those efforts requires a broad range of skills. In a recent survey we conducted, not-for-profit executives told us that they would greatly value assistance from corporate

America in helping them with their business operations.

How our organizations respond can make a world of difference. Of course, every organization is different. But every business exists to meet a need. And in meeting that need, every business has something to offer.

My organization decided to put our value proposition to work in the community. In the marketplace, clients recognize Deloitte as a premier source of audit, tax, consulting, and

financial advisory services (at least I hope they do!). When engaged on their behalf, we marshal the best thinking of our people from across our organization — and, once gathered, apply it rigorously to solve our clients' most difficult issues.

We opted to put that same value proposition to work in the community by helping not-for-profits solve their most difficult business issues. To bring together the best thinking of our people, we chose to pursue a strategy that would integrate volunteerism across our culture rather than isolating it in a silo. In doing so, we consciously moved away from the mindset of volunteerism as just an employee “feel good” benefit where the primary focus is on the volunteer.

We recognized that we can no longer answer the knock at our door with dollars alone. Now, our primary focus is on how we can solve issues through our “community capital” — which we define as not just our money but also our people, their talents, and their time. We felt that

leveraging our “community capital” — by finding a way for it to grow and compound over time — was the best way to drive lasting change.

All of these decisions have led us to an exciting new emphasis in our community efforts: skills-based volunteerism. And with good reason.

### Skills-based volunteerism for every generation

Skills-based volunteerism takes on those not-for-profit business issues that financial contributions alone cannot meet and individual, hands-on volunteering cannot address.

Perhaps by improving a budget process — so more dollars can be freed for service needs. Or by untangling a patchwork of technology solutions — so they can be harmonized and made much more productive. Or by creating a more effective workflow process — so less time can be spent on paperwork and more time spent on people. Such outcomes drive the kind of lasting change that not-for-profits want.

Furthermore, they are precisely the kind of outcomes that Generation Y, the newest members of the workforce, want to be a part of. Born after 1980, the members of Generation Y have been referred to as the most civic-minded generation since World War II. Connected to each other, they have also been connected to dramatic events — often in real time — that have stirred their spirit to serve as volunteers.

Over the past few years, research from the field has confirmed the strength of Generation Y's commitment to volunteerism. But we wanted to find out for ourselves.

A few months ago, we asked a cross-section of our people what they thought about their opportunities to volunteer:

- Of the 1,300 colleagues we polled, one-third felt that our community involvement positively influenced their decision to join our organization.
- Overall, more than 80 percent felt that volunteering helps develop both networks and leadership skills.

One respondent from Gen Y told us, “I did have other great job offers ... the one thing Deloitte had over the others was its strong commitment to the community. This allows me to combine my personal passion for community service with my career ... which is perfect.”

That's encouraging. Particularly when 10,000 Baby Boomers will reach the current median retirement age of 62 — every day this year. With Generation Y far smaller in numbers than preceding generations, the competition for their talents will be fierce when this recession ends.

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Without a doubt, providing opportunities for people to exercise social responsibility can be a differentiator in attracting and retaining top talent.

The members of Generation Y want to have access to opportunities where they can make a difference. In explaining how we've set about to make the greatest difference, let's move from the board room ... to the laboratory.

### Volunteerism with laser-like intensity

Have you ever considered how a laser works? When beams of light are highly concentrated and tightly focused, they can unleash enormous energy — energy that can be controlled to meet needs large and small. From slicing through dense beams of steel with the greatest of power to performing delicate surgery with the greatest of precision.

Similarly, one of Deloitte's most visible volunteerism activities — IMPACT Day — provides the same kind of tightly focused energy. National in scope, IMPACT Day is a special day that we set aside to recommit to our communities for the upcoming year. We ask all 42,000 of our people in the U.S., rather than to show up at their offices or their client's offices, to show up at selected not-for-profit agencies throughout the country.

Earlier this month, our 10th annual IMPACT Day saw 76 percent of our U.S. employees — more than 32,000 people — take the day with full pay to participate in more than 800 community projects and unleash the

tremendous energy needed to make a real difference for not-for-profits.

Those of you from the Bay Area may remember one of our IMPACT Days a few years ago here in San Francisco. More than 1,000 of our colleagues gathered to support a not-for-profit called Project Homeless Connect. That day, our colleagues took to the streets of the city, interviewing the people they encountered to create a database of the homeless. Others helped people obtain food stamps and medical attention. It was a very productive day for Project Homeless Connect. As for our people, many perceptions were changed about those who inhabit the streets. And for the people they met, it was a day to regain a measure of dignity. A homeless woman told one of our colleagues, "It was a chance to be talked to like a human being again."

Since that day four years ago, IMPACT Day has continued to evolve. This year, almost 40 percent of our projects

were skills-based. In nearly two dozen cities, we invited executives and board members from not-for-profits in to discuss common business challenges.

In fact, that's how I spent my IMPACT Day, participating in a workshop entitled "Managing through Difficult Times" with 20 not-for-profit executive directors. In coming years, IMPACT Day will continue to grow in its ability to gather, focus, and deliver the skills of our people to not-for-profits. It's all about realizing greater possibilities through greater commitment.

### For the public good — the next step

In that spirit, Deloitte announced last June that it would contribute \$50 million in pro bono services over the next three years. These pro bono service projects are conducted with the same level of service as we provide on commercial client engagements. That's important when 40 percent of not-for-profits we surveyed in February told us that they expect to spend between \$50,000 to \$250,000 this year for outside professional services.

Anyone in our organization can submit a project for approval. It's easy. The application form can be downloaded from our intranet. In reviewing the applications, we consider various criteria. We consider the track record of the not-for-profit to deliver outcomes that support its mission. The effort also has to be scalable — that is, the work can be replicated elsewhere. We also consider how and how long our people will be deployed. Since the program's inception, more than 100 projects have been approved. Many more are in the pipeline.

One of the pro bono efforts that we're proud of involves our relationship with College Summit. College Summit is a national not-for-profit with operations in 10 cities. Its mission is to increase college enrollment rates in low-income communities. College Summit provides detailed information to high school principals that's essential to getting young students into college. They ask students questions like:

- Have you taken your SAT?
- Have you set up any college visits?
- Have you applied for financial assistance?

Then the organization partners up with a legion of volunteers — another place we come in to assist these students in completing their college applications.

When College Summit experienced rapid growth two years ago, it knew it did not have adequate resources to analyze, convert, and deliver data on a timely basis. Enter Deloitte and one of our directors, Humbelina Sanchez. She led a team of 15 consulting professionals. Working together with College Summit, her team spent a year developing the College Enrollment Data Warehouse.

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The result — greater productivity. A report that once took 15 hours to generate manually can now be generated in a couple of hours. College Summit high schools have, on average, been able to increase college enrollment by 15 percent. And, best of all, College Summit plans to extend its data warehouse solution to other cities.

To focus even more energy on pro bono services, Deloitte participates in a consortium led by the Taproot Foundation based here in San Francisco. The consortium is called the Pro Bono Action Tank. Working with companies such as CapitalOne, Gap, and Target, we're encouraging all companies to consider pro bono

services as their next step in skills-based volunteerism. In a time of reduced financial resources, pro bono services can be a new and valuable form of currency that can help not-for-profits serve better — and serve more.

### A call to action

Our new world has given businesses a unique opportunity to look inward. Examining our priorities and values can help us arrive at new destinations, particularly when they encourage us to do more than provide our customary goods and services.

Successful companies always aspire to be the best — the best in the world. But successful, community-minded companies can also aspire to be the best for the world. To me, these are not competing, but *complementary* priorities. They have to be. Our new world demands nothing less. To achieve them will require bold thinking. But if we free ourselves to imagine the unimaginable, we can tap into the power that's necessary to find a new way and make it happen. With inspiration and a lot of hard work, we can achieve a double bottom line of business value and greater social impact.

In closing, I'd like to challenge everyone here to take the journey that is needed for your company to become the best in the world — and, the best for the world. May the first step of your journey be one of introspection. Consider your company's value proposition and how it can be a springboard to helping not-for-profits. Once you do, I urge you to move forward with great purpose.

Find those organizations whose causes you're passionate about. Through an emotional connection comes the intellectual commitment to do everything possible to help. And think of the impact that's possible when you and your people help to sustain others — through efforts that are both meaningful and rewarding. Skills-based volunteerism is that kind of experience — one that can make real change possible.

Thank you for inviting me to join you at the beginning of your journey. And please accept my best wishes for your continued success along the way.

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