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2008 Executive Summary:

# Deloitte Volunteer IMPACT Survey

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#### 2008 Deloitte Volunteer IMPACT Survey

Corporations invest heavily in training and development. But as corporate America deals with a shaky economy, human resource professionals are facing intense pressure to develop more cost-effective, high impact training and development programs that quickly prepare the next generation of business leaders. New research from Deloitte suggests that corporations may find a solution in an unlikely place – their corporate volunteer program.

The 2008 Deloitte Volunteer IMPACT Survey indicates companies are overlooking the business value and talent development benefits of skills-based volunteerism (the contribution of business knowledge and experience to help nonprofits increase their capacity). Not only does skills-based volunteering provide much-needed support to local nonprofits, but it also helps foster meaningful business and leadership skills among employees.

By intentionally linking two often unconnected areas like community involvement and training, innovative companies can cost-effectively meet business goals while releasing new resources for the community. It's a powerful combination.

— Barry Salzberg Chief Executive Officer, Deloitte LLP

The following is a summary and analysis of key findings from the Deloitte 2008 Volunteer IMPACT Survey research:

HR professionals see *significant* business value in offering skills-based volunteering as part of their training and development programs, yet most corporations do not offer a comprehensive program and are missing the opportunity to boost learning in a way that offers substantial benefits.

- 91 percent of survey respondents agree that skillsbased volunteering would add value to training and development programs, particularly as it relates to fostering business and leadership skills.
- Only one out of six companies (16%) make it a regular practice to intentionally offer skills-based volunteer opportunities for employee development.
- "It's the one area we are weak in," said one respondent.
  "I really believe that if structured, it can be one of the best management training tools we could have."

Contributing business skills/expertise to a nonprofit, in a volunteer capacity, can be an effective way to develop leadership skills.

| Strongly or Somewhat Agree    | 90% |
|-------------------------------|-----|
| Neither Agree or Disagree     | 10% |
| Strongly or Somewhat Disagree | 0%  |

Contributing business skills/expertise to a nonprofit, in a volunteer capacity, can be an effective way to further develop business skills.

| Strongly or Somewhat Agree    | 91% |
|-------------------------------|-----|
| Neither Agree or Disagree     | 8%  |
| Strongly or Somewhat Disagree | 0%  |

Despite the fact that corporate HR professionals overwhelmingly agree that the incorporation of skills-based volunteering into training and development programs would provide valuable learning tools, **few companies intentionally leverage volunteerism** for this purpose.

- Among HR professionals who do offer skills-based volunteering for the purpose of cultivating leadership skills, only 13 percent offer it to all employees. The vast majority of volunteer opportunities offered for the purpose of leadership and skill development are offered to management and above.
- "We just don't have a system in place or a real program.
   Volunteering is an excellent tool that we need to make a more integral part of our T&D, " said one respondent.

| Compared to last year, my company's training and development budget |     |  |
|---|-----|--|
| Increased   | 28% |  |
| Decreased   | 12% |  |
| Remained the Same   | 57% |  |
| Don't Know  | 4%  |  |

#### "To Hear is to Forget, to See is to Remember, But to Do is to Know." confucius

Additionally, while **training and development programs are under increasing pressure to perform,** many are also working with shrinking or flat budgets, making cost-effective programs crucial.

- Nearly 70 percent of respondents indicated that their training and development budgets either decreased or remained flat over last year.
- The vast majority of HR professionals are under pressure to do more with less, and to show a return for their work.
- Only two percent of survey respondents believe that incorporating skills-based volunteering into talent development programs would cost more than traditional training and development options.
- "We just spent six figures for a program that the staff found very little value in, so bring it on," said one respondent. "I wish we had better relationships with more nonprofits."

With a focus on learning and development, a volunteer role can become a stretch assignment that develops leadership and client service skills that benefit the volunteer organization, the employee and their company.

— **Susan Burnett**National Director of Talent Development,
Deloitte Services LP

Different learning methods have varying degrees of impact. One of the most effective for adult education is "action learning," where adults develop new capabilities through challenging assignments, shared experiences, and role models. Studies show that, to be effective, adult learning experiences should be engaging, personally relevant, with real world applications. Consequently, people who volunteer their intellectual capital to a nonprofit organization are in an optimal learning environment to practice and develop skills, given the authenticity of the work.

• "We believe that it's [skill-based volunteering] the most important tool we have to teach our managers to manage. They learn more at a nonprofit than we can teach them here. It's real life," said one respondent.

Moreover, there is a **great need** in the nonprofit community for professionals to donate their business skills.

 The 2006 Deloitte Volunteer IMPACT Survey found that 77 percent of nonprofit leaders believe they could significantly benefit from volunteers who help them improve their organization's business practices. Yet, only 12 percent of nonprofits actually work with volunteers in this capacity.

Skills-based volunteer programs provide valuable experiential learning opportunities for employees that build business and leadership skills without the expense often associated with traditional corporate training programs.

— **Evan Hochberg**National Director of Community Involvement,
Deloitte Services LP

- Acknowledge that community involvement can be purposely leveraged to satisfy business needs.
- Intentionally integrate community involvement into business strategy in a way that produces a measurable return.
- **Encourage** these types of learning opportunities throughout the organization.

This fifth annual survey is the latest in the Deloitte Volunteer IMPACT research series, a key component of Deloitte's commitment to building the business case for, and advancing the dialogue about, corporate community involvement. Visit www.deloitte.com for the complete archive of research.

#### 2008 Deloitte Volunteer IMPACT Survey Methodology

This study represents the findings of a phone study conducted by Converge Marketing using a random sampling of Fortune 500 HR managers. The sample size of 250 resulted in a 95 percent confidence level with a + or - 2.2 percent margin of error. Interviewing was completed during the period of February 12 – 20, 2008.