



2009 Executive Summary:
Deloitte Volunteer
IMPACT Survey

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It's no secret that nonprofits are struggling to fill the gap between increasing community needs and decreasing cash donations. But corporate donors have another worthy asset to offer: the skills of its workforce.

Think about it this way. If the conversations between corporate grant makers and nonprofits are limited only to financial support, both parties will leave value on the table. On the other hand, if corporate philanthropy is expanded to include the prized commodity of workplace talent, that will reap considerably more value – and do far more good – for nonprofits and communities in need.

The 2009 Deloitte Volunteer IMPACT Survey was commissioned to better identify and understand the barriers that are preventing corporations from contributing, and nonprofits from seeking, more skilled volunteer and pro bono support. At a time when the need for nonprofit services is on the rise and giving is on the decline, the ultimate goal of the research is to spark an informed dialogue about the ways nonprofits and corporations can better leverage the full array of valuable corporate assets, and to ultimately maximize their impact on society.

This study is the latest installment in the Deloitte Volunteer IMPACT Research Series. Since 2004, this research series has been a key component of Deloitte's commitment to building the business case for, and promoting the dialogue about, corporate community involvement. It is just one way Deloitte shares its best thinking to spark advances in supporting communities and skills-based volunteerism through advocacy, awareness, influence and example.

The following is a summary and analysis of key research findings:

Cash is Priority Focus

The 2009 Deloitte Volunteer IMPACT Survey reveals that most corporate grant makers and nonprofits remain focused on giving and getting cash, even amidst the certain decline in financial giving. Despite a belief in its value, **few are thinking about using pro bono or skilled volunteerism as an actual form of currency that could help offset the decline in corporate giving.**

- 80 percent of corporations polled provide financial contributions to nonprofits, yet only half contribute the business skills/knowledge of their workforce (i.e., pro bono, technical skills).
- When asked to rank order the effectiveness of financial donations, traditional "hands-on" volunteerism and skilled volunteer support (assuming equal market value of each), corporate grant makers ranked financial contributions first and skilled volunteer support last.
- 81 percent of nonprofits rated monetary donations as extremely important to the success of their organization, while less than half (46 %) ranked skilled volunteers as extremely important.
- Nonprofits and corporations are better equipped and more culturally aligned to solicit and manage cash gifts than volunteers. While 61 percent of nonprofit employees with primary responsibility for fundraising have at least eight years of experience, just 25 percent of nonprofit employees with primary responsibility for volunteer management have the same level of experience. Further, while only 5 percent of nonprofits have no one specifically in charge of fundraising, nearly a quarter (24%) of nonprofits have no one in charge of managing volunteers.

"The current economic crisis and the new administration's national call for service underscore the need for corporations and nonprofits alike to broaden their definition of corporate giving. Nonprofits and corporations are encouraged to think of pro bono and skill-based volunteerism as a valuable form of currency. It is an opportunity to more fully maximize corporate assets, especially when demand for nonprofit services are on the rise and corporate giving is on the decline."

— Barry Salzberg
Chief Executive Officer, Deloitte LLP

Corporate survey

There is pressure to create the same social impact with less money.

Strongly agree	39%
Somewhat agree	40%
Neither agree nor disagree	14%
Somewhat disagree	3%
Strongly disagree	4%

Our giving strategy will need to change to adapt to the economic landscape.

Strongly agree	40%
Somewhat agree	36%
Neither agree nor disagree	16%
Somewhat disagree	6%
Strongly disagree	2%

"Deloitte's research substantiates how significant a role the business community can play in the service movement, but many nonprofits are ill-prepared to take advantage of all that corporate America has to offer because they lack the infrastructure to manage non-cash contributions effectively. Ironically, if deployed appropriately, skilled volunteers could apply their business expertise to these organizational challenges and play a vital role in helping nonprofits accommodate more help."

— Michelle Nunn
Chief Executive Officer, Points of Light & Hands On Network

“The value of corporate involvement lies as much in expertise as it does in monetary support.”

— Bill Gates

From an essay published in the *Wall Street Journal Asia*, May 8, 2009

Contradictions Revealed

Overwhelmingly, corporate grant makers and nonprofits place a **high value** on the skills of the American workforce and the worth of pro bono service. Further, nonprofits state a **greater need** for such skills and believe they would increase their social impact if they could secure more pro bono support. However, these statements are inconsistent with grant makers' efforts to contribute skilled volunteer support and nonprofits' efforts to seek it, revealing a contradiction between theory and practice.

- Nonprofits face real business issues; nearly 40 percent of respondents say they will spend between \$50,000 and \$250,000+ of their hard-won cash on outside consultants.
- Although more than 9-in-10 nonprofits surveyed say they need more pro bono support, one-fourth (24 percent) have no plans to use skills-based volunteers or pro bono support in any capacity in 2009.
- Even though the majority of corporate grant makers believe a pro bono contribution valued at \$10,000 is worth equal or more than a \$10,000 cash contribution, they rank skilled volunteerism as least effective in helping nonprofits achieve their goals.
- Although 78 percent of corporate grant makers think their employees' skills would be valuable to nonprofits, only 50 percent offer skilled volunteer support.

Nonprofit survey

To what extent do you agree that you could increase your organizations's social impact if you could get contract and consulting resources on a pro bono basis?

Strongly agree	72%
Somewhat agree	25%
Somewhat disagree	2%
Strongly disagree	1%

“At a time when cash is tighter for everyone, it's critical for both companies and nonprofits to think creatively about how to capitalize on the growing market for pro bono services. We've found this type of skilled volunteerism must be managed on both ends in order to maximize its effectiveness for the nonprofits as well as the donor.”

— Evan Hochberg

National Director of Community Involvement
Deloitte Services LP

Significant Barriers Cited

The slow adoption of skilled volunteer and pro bono service could be due to the fact that both donors and nonprofits cite significant barriers to giving and receiving these services. Two-thirds of corporate grant makers (66%) surveyed report at least one barrier, and the barriers exist across all industries, regardless of whether there is someone who oversees the volunteer program. Barriers include a lack of infrastructure to manage volunteers and a perception that there is no demand for their employees' skills.

The survey also revealed a startling lack of knowledge among nonprofits when it comes to securing pro bono projects. Nearly all nonprofits surveyed (97%) do not know whom within a company to approach with pro bono requests. Likewise, 95 percent do not know to which companies they should appeal with requests. This lack of familiarity on how to secure pro bono services could also be driven by the fact that half the corporations reportedly do not offer skilled volunteer support, despite a belief in its value.

“It has taken decades for nonprofits to learn how to successfully approach companies for financial support, but today they know both which institutions to approach for funding, and the right person within those companies to contact. Hopefully, we can use the evolution of financial grant making as a model to professionalize the market for pro bono, so that nonprofits can better access this valuable corporate asset more easily.”

— Aaron Hurst

President and Founder, Taproot Foundation

National Call to Service is an Important Driver

Survey findings indicate that the Administration's national call to service could be an important driver of increased corporate volunteerism, prompting an influx of volunteers in 2009. Yet, for many nonprofits, the lack of infrastructure to effectively manage and deploy those resources may put a damper on this good news.

- More than half the companies surveyed (52%) say there has been discussion within their companies about how their organization will respond to the national call for service.
- 44 percent of corporate grant makers say their company will increase resources for volunteerism in response to the national call for service.
- More than a third (34%) of nonprofits say they do not have the infrastructure in place today to effectively deploy volunteers.
- More than half (57%) of nonprofits say they do not have the infrastructure in place to effectively deploy an influx of volunteers.

Next Steps to Consider

Although the corporations and nonprofits surveyed cited several barriers to either seeking or contributing skilled volunteer and pro bono support, there are steps that can be taken to help overcome them.

- Suggestions for corporate donors include:
 - **Offer a signed commitment**, as 88 percent of nonprofits see the lack of one as problematic.
 - **Be transparent.** Let nonprofits know what type of pro bono and skilled volunteer support is available, as 95 percent said they didn't know which companies to approach.
 - **Advise nonprofit partners** who at your company can help them secure pro bono support, as 97 percent said they didn't know whom to contact.
- Suggestions for nonprofits include:
 - **Be ready and available to accept skilled support.** Pro bono is a generally more sophisticated contribution than traditional volunteerism, so assign staff or board members to solicit and oversee pro bono engagements in their area of expertise.
 - Meet with corporate funders to **discuss the top three business issues** outlined in your strategic plan; ask your funders if they can identify expertise within their organizations to help address these needs.
 - When negotiating sponsorship contracts, **think beyond the cash mentality** and recognize pro bono as a currency that can garner recognition and benefits. This will underscore its value and encourage more of it.

Conclusion

Nonprofits and corporations cannot control today's economic crisis, only how they react to it. These challenging times offer a tremendous opportunity to deepen relationships between the nonprofit and business communities. With philanthropic dollars becoming more scarce, the need to hasten the adoption of pro bono as a complementary giving strategy has never been more urgent. It is a creative and cost-effective way for businesses and nonprofits to offset a decline in corporate giving in order to maintain, or even increase, their impact on the community. "Pro bono as currency" is a win-win approach. Those who seize the opportunity to expand their definition of corporate giving could emerge in a stronger position, better able to weather the times ahead.

Learn More About Skills-based Volunteerism & Pro Bono

To learn more about skills-based volunteerism and pro bono trends, best practices, and ways to get started, corporations and nonprofits are encouraged to reach out to the Taproot Foundation, the Hands On Network and Deloitte Community Involvement. The following web sites are robust resources of information:

- Deloitte: www.deloitte.com/us/community
- Taproot Foundation: www.taprootfoundation.org
- Hands On Network: www.handsonnetwork.org

About Deloitte Community Involvement

Community Involvement at Deloitte is focused on helping people and communities thrive by using our best thinking to build stronger nonprofits. We do this in three ways.

- *Think.* We leverage our best thinking to strengthen nonprofit capacity by helping with strategic, operational and financial challenges, so nonprofits can help more people and communities faster and better.
- *Invest.* We complement our best thinking with financial resources through large-scale grants and regional donations.
- *Advance.* We create and share new research, content and insights on ways corporations can leverage skills-based volunteerism.

2009 Volunteer IMPACT Methodology

Results of the corporate survey are based on online interviews of 300 executives involved in the decision-making process pertaining to their company's charitable cash giving. Those who work exclusively for a corporate foundation (a funding organization legally separate from the donor company) were excluded. Interviews were conducted by Opinion Research Corp., February 12-20, 2009. The corporate sample size of 300 at a 95 percent confidence level would equate to + or - 5.8 percent margin of error for a random sample.

Results of the nonprofit survey are based on an online survey of 360 respondents from Taproot Foundation's database of nonprofit executives who have previously applied for pro bono support from the Foundation. Nonprofit interviews were conducted February 5-17, 2009.

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