

## What works in workplace giving

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Has your boss ever asked you to donate to the United Way? Has a co-worker approached you about giving to the Red Cross? Does your employer encourage giving to nonprofits, or does it match your charitable donations?

Whether they're responding to emergency requests for disaster relief or making contributions to the local food bank, millions of Americans make charitable contributions through workplace campaigns every year. Despite being commonplace, little is known about these arrangements, and some information suggests that this philanthropic tradition is on the decline.

As scholars who study workplace giving, we wanted to know whether matching programs, employer endorsements and other strategies inspire more employees to support particular causes and what might increase giving overall.

### Raising less

Americans give an estimated US\$4 billion annually through workplace fundraising drives, according to America's Charities, a nonprofit that collects these donations and distributes them to its member nonprofits.

Although no one comprehensively tracks workplace giving, some available data suggest it's losing ground.

The Chronicle of Philanthropy estimated in 2015 that 82 percent of the \$3.87 billion the United Way raised the prior year had flowed through workplace campaigns. And the United Way, an international nonprofit that redistributes donations to other organizations, was raising about one-third less money today, adjusted for inflation, than 25 years earlier, according to the Chronicle.

The United Way's fundraising has dipped further since then, to \$3.26 billion in 2017.

Likewise, the Combined Federal Campaign, which helps federal employees based in the U.S. and overseas donate to charity, is experiencing a long-term decline. It raised \$101 million in 2017. That was down sharply from \$167 million a year earlier as the share of federal employees taking part plummeted to 4 percent from 25 percent in 2009.

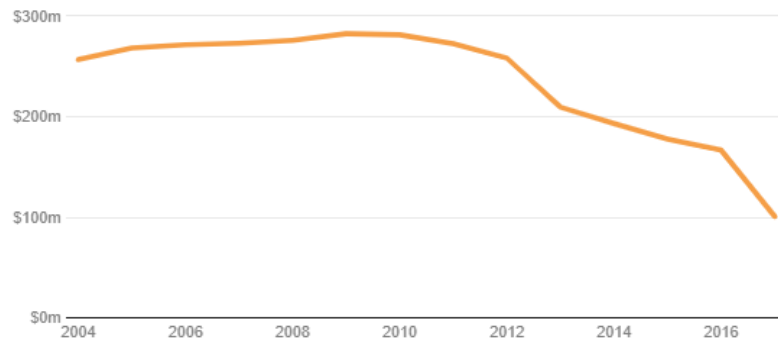
To be sure, this downturn isn't happening across the board.

Some local United Way campaigns and regional Combined Federal Campaign efforts, such as those in Atlanta and St. Louis, are still growing.



## Combined Federal Campaign

The total amount of money raised by federal workers through the CFC declined from a high of \$282.6 million in 2009 to \$101 million in 2017 as workplace-based charitable giving waned in the U.S.



Totals from 2016 and 2017 drawn from media coverage.

Chart: The Conversation, CC-BY-ND • Source: [Combined Federal Campaign](#)

### Still a priority

Despite the overall decline in workplace giving, companies like Microsoft say employee philanthropy is a high priority for them and corporate giving is on the rise.

Some 86 percent of the 120 companies America's Charities surveyed said their employees expect them to offer ways to get involved in the community, such as workplace giving.

Companies increasingly say they see workplace volunteerism and giving programs as a valuable way to strengthen their relationships with their own employees and local communities.

### What employees say

To learn about the dynamics of giving on the job, such as which fundraising strategies work best, we studied and compared employee donation behaviors and perceptions about workplace campaigns.

Our statistical analysis drew from survey data regarding 6,000 people who were asked about their giving at and outside of work. Approximately 1,850 of them told Knowledge Networks, which conducted the nationally representative survey in 2008 on behalf of the United Way, that their employers had organized drives featuring the fundraising strategies we were interested in.

Nearly two out of three of those surveyed whose employers encouraged giving made donations through workplace charitable campaigns. As we explained in *Nonprofit Management & Leadership*, an academic publication, they reported channeling an average of \$227 of the \$1,340 they gave overall through their workplaces.

We found that people who earned more said they gave more. Those with more education reported making larger donations. Workplace donors tended to be between 48 and 66 years old. People this age also gave more than others. Men and women said they gave at similar rates and in similar amounts.

These patterns are consistent with what we know about giving generally; for example, older adults are more likely to give. Unlike general giving, however, where women are more likely to give, we found no gender effects in the workplace.

## **Which strategies work**

We also determined that some employer campaign strategies appear more successful than others.

Employees said they were more likely to participate when employers encouraged it. But employer asks didn't lead employees to give more money through their workplaces than they would have donated otherwise.

Employees said they were not motivated to give when they heard about their co-workers' support for the campaigns. In fact, they felt less inclined to give.

Whether employers announced the names of in-house donors didn't make a difference in terms of persuading co-workers to give at all or to give more.

When employers matched donations, workers appeared more likely to give and to give more money to a cause. About 8 percent more people said they donated when they worked for companies that offered this benefit, compared to employees of companies that didn't.

In addition, when employees could choose which nonprofit to support, they said they gave more. Workplace donors with choices reported giving \$58 more than those without that flexibility.

Donor choice, in fact, overshadowed the importance of matching programs and requests from co-workers, making them both less relevant in terms of the amounts given.

## **Guidance for employers**

Based on our research and other scholarship, we believe employers that encourage workplace giving should consider these five guidelines:

1. Make a big deal out of the campaign, and make sure people know it is an institutional priority.
2. Ensure that employees know about matching programs and find them user-friendly.
3. Let employees choose from a range of charities.
4. Don't make a fuss over the people who give on the job. They don't do it for the attention.
5. Know that counting on co-workers ask to ask each other for donations could be a mistake.

And as end-of-year workplace giving campaigns gear up, employers should know that when they do more to encourage philanthropy, it can make a big difference.

*IUPUI doctoral student and Lilly Family School of Philanthropy staff member Jon Bergdoll analyzed survey data for this research. This article has been updated with results from the 2017 CFC campaign.*

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