



# Snapshot 2014

---

**Rising Tide of Expectations**  
**Corporate Giving, Employee**  
**Engagement and Impact**

---

## Advisory Group

America's Charities would like to thank the Advisory Group for providing insight, guidance and support for *Snapshot 2014*. However, opinions expressed in *Snapshot 2014* are solely those of America's Charities.

Dottie Schindlinger  
*Executive Vice President*  
BoardEffect

Perla Ni  
*CEO*  
GreatNonprofits

Barbara Harman  
*President and Editor*  
Catalogue for Philanthropy:  
Greater Washington

Debra Snider  
*Vice President Operations*  
GuideStar

Joseph Mettimano  
*Vice President, Marketing &  
Campaign Engagement*  
Global Impact

Kendall Joyner  
*Director, Programs and Practice*  
Independent Sector

Cynthia M. Adams  
*President and CEO*  
GrantStation.com

Richard Neustedter  
*Partner*  
Nonprofit Financial Specialists

## Acknowledgements

Special thanks to the following individuals and companies for their involvement and assistance in the research and publication of *Snapshot 2014*.

Stephen K. Greenhalgh  
*Senior Advisor*  
America's Charities

Design:  
Levine & Associates  
Washington DC

Kudzai Mukumbi, Ph.D.  
*Consultant*  
Net Impact Projects for Good

# **Snapshot 2014**

---

**Rising Tide of Expectations**  
**Corporate Giving, Employee**  
**Engagement and Impact**

---

## Table of Contents

Advisory Group	i
Snapshot 2014: The Big Picture	4
Rising Tide of Corporate and Individual Expectations	6
Nonprofits and Companies Live in Parallel Universes	11
Engagement is the New Standard	14
Greatest Challenges in Building and Sustaining Corporate-Nonprofit Relationships	18
Summary	20
About America's Charities	21

### Glossary of Terms

#### Workplace Giving

An employer-sponsored program giving employees an easy and efficient way to make tax-deductible donations to charities, usually via payroll contributions.

#### Unrestricted Funds

Donations made available for a nonprofit that are not designated for a particular use. These funds give charities flexibility to use them where they are needed most, such as building their capacity to fulfill their mission.

#### Overhead Myth

The common misconception that the percentage of a charity's expenses that go to administrative and fundraising costs—commonly referred to as “overhead”—is, on its own, an appropriate metric to evaluate when assessing a charity's worthiness and efficiency. (from “*The Overhead Myth, A GuideStar Initiative to Improve Donor Choice*”).

#### Federation

A 501(c)(3) charitable organization that represents multiple charities and acts on their behalf to gain access to and raise funds in public and private sector workplace giving campaigns.

Throughout this report we use the terms **nonprofit**, **nonprofits**, **nonprofit organizations** and **charities** interchangeably. For the purposes of Snapshot, they refer to the same thing—a legally recognized 501(c)(3), mission driven organization.

**“As we focus on the intersection of corporate giving, employee engagement and charitable impact, the rising tide of expectations is here.**

**Corporations, employee donors and the public expect charities to demonstrate greater accountability, transparency, and evidence that their work is making a significant, measurable impact.**

**Charities that can evolve in this age of the democratization of charitable information will be in the best position to thrive and succeed.”**

**–Steve Delfin**  
*President and CEO, America's Charities*

# Snapshot 2014: The Big Picture

---

**“We want to make sure we are executing our workplace giving strategies at a really high level.”**

—Survey Participant

The impact of employee giving campaigns on charitable organizations and the people and communities they serve cannot be understated. Workplace giving campaigns generate over \$4 billion annually—much of which is unrestricted, sustainable support that enables charitable organizations serve communities throughout the nation.

These organizations meet vital needs as they deliver programs and services ranging from arts and culture to education and mentoring, to health awareness and care, to food security and housing, to environment and sustainability, to civic and human rights, and more.

*Snapshot 2014: Rising Tide of Expectations—Corporate Giving, Employee Engagement and Impact*, surveyed charitable organizations to explore key trends shaping corporate-nonprofit partnerships today and the challenges and opportunities they face to maximize engagement in the future. The report follows the release

in February 2013 of *Snapshot 2013: Trends and Strategies to Engage Employees in Greater Giving*, a comprehensive look at companies, their views of employee engagement, and trends and best practices.

*Snapshot 2013* provided insights into how the digital culture is transforming the intersection of workplace giving and employee engagement as well as changing expectations of a new workforce. Interestingly, a subsequent dialogue surfaced the question of whether nonprofits are experiencing this same transformation.

At the same time, the “overhead myth” discussion (see page 6) was gaining traction with its central focus on moving beyond administrative and fundraising costs as a measure of a charity’s performance. America’s Charities decided to explore these issues and contribute to the ongoing dialogue around corporate giving, employee engagement, and charitable performance and impact.

About *Snapshot 2014*:

- Nearly 240 nonprofit organizations provided insights into their practices and corporate partnerships by participating in an online survey that is the basis for this report.
- Seventy two percent of respondents have revenue under \$3 million while the remaining 28% are charities with revenue greater than \$3 million.
- The respondents represent a broad range of more than 20 different types of charities. The top categories include children and youth, health, education and training, human services, arts and culture, international, and environmental and conservation.

The *Snapshot* series, published by America’s Charities, examines issues and trends at the intersection of corporate giving, employee engagement and charitable impact.

---

## 1 Charities Face a Rising Tide of Expectations from Corporate and Employee Donors

There is a growing expectation held by companies and employees that charitable organizations must demonstrate greater accountability, transparency, and impact with measurable results.

---

## 2 Digital Culture and a Networked World Are Transforming the Way Charitable Organizations Operate

As in the corporate world and society at large, technology, digital culture and interconnectedness are transforming how nonprofit organizations interact and engage with companies, employees and other stakeholders.

---

## 3 Engagement is the New Standard

Workplace giving is changing to embrace the broader aspects of employee engagement and provide greater opportunities for employees to learn about, interact, and connect with charities. Nonprofit organizations are responding to this shift by changing the way they operate to better address the new expectations of corporate, institutional and individual donors.

---

## 4 Developing and Maintaining Corporate Partnerships is Challenging for Nonprofit Organizations

Nonprofit organizations recognize the value and importance of engaging in strong partnerships with their corporate and institutional donors but indicate they face significant challenges in sustaining and capitalizing on these relationships.

# Rising Tide of Corporate and Individual Expectations

**“The accelerating pace of change is transforming charities, as they must meet the demands of rising expectations. Corporate giving and employee engagement are driving forces in this social impact equation.”**

—Lynne D. Filderman  
Vice President & Chief Marketing Officer  
America's Charities

In July 2013, the leaders of three of the country's primary sources of charitable information—GuideStar, Charity Navigator and BBB Wise Giving Alliance—penned an open letter to America's donors challenging the “overhead ratio” as the primary indicator of nonprofit performance. Instead, they encouraged donors and other stakeholders “to pay attention to other factors of nonprofit performance: transparency, governance, leadership and results.” (See “Letter to Donors of America” at [www.overheadmyth.com](http://www.overheadmyth.com).)

*Snapshot 2014* explored how charities are experiencing these new and changing expectations for greater accountability and transparency, particularly from their corporate partners.

## Nonprofits Respond to Demands for Greater Accountability

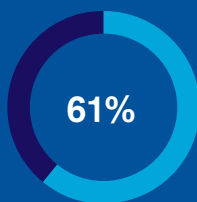
Individual, corporate and institutional donors are becoming increasingly

sophisticated in their philanthropic decision making, with a growing emphasis on effectiveness, accountability and impact. With these changing expectations, charitable organizations are pressured to become more transparent and results-driven.

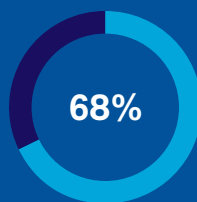
Almost 61% of survey nonprofit respondents believe their corporate partners and individual donors expect greater accountability around impact and results measurement.

Almost 68% of the survey respondents revealed that the digital culture is driving the demand to demonstrate impact, and 68% also believe that operating in a digital culture requires them to be more transparent with donors and stakeholders.

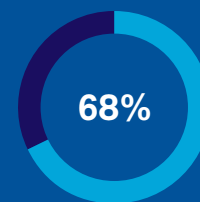
In fact, more and more nonprofit organizations are changing their practices to demonstrate their commitment to address these rising expectations. This



Nonprofit respondents who believe their corporate partners and individual donors expect greater accountability regarding impact and results measurement



Survey respondents who revealed that the digital culture is driving the demand to demonstrate impact



Survey respondents who believe that operating in a digital culture requires them to be more transparent with donors and stakeholders



## Three Communication Strategy Changes Made by Nonprofits Over the Past Three Years



92%

Use social media to communicate with key constituencies



89%

Increase delivery of stories and narratives with emphasis on results and outcomes



66%

Feature more data and statistics in their annual reports

is increasingly reflected in their communications and marketing strategies. As noted above, the nonprofit organizations responding to this survey identified several strategy changes they have made in the past three years.

### Nonprofits Identify What They Believe is Important to Their Supporters

The survey asked charities to identify which factors they believe are important to both individual and corporate donors to communicate impact and outcomes, demonstrate transparency and ensure adherence to high standards of governance.

**“The best way to communicate impact is to show measurable impacts along with personal success stories.”**

—Survey Participant

## 1. Impact and Outcomes

In the survey, charities were asked to rate the importance of six factors in communicating the impact and outcomes of their work:

- Mission, programs and services of the organization
- Transparency in all aspects of their work
- Strong leadership
- Number of people served
- Good governance
- Low administrative/overhead costs

Eighty percent of respondents said the best way to communicate about their organization's impact and outcomes is by focusing on their mission, programs and services. See chart at upper right.

Only 54% said low administrative costs are very important in communicating impact and outcomes. This finding suggests that more charities are recognizing that low administrative costs may not be the primary indicator of performance. In fact, many thought leaders suggest using "low overhead" as a primary performance indicator actually starves charities of the necessary capacity required to have impact and demonstrate outcomes. (See "The Nonprofit Starvation Cycle", *Stanford Social Innovation Review*, Fall 2009.)

## 2. Transparency

Respondents were asked to rate the importance of the following generally recognized characteristics of openness and transparency with stakeholders:

- Reporting on the stewardship of the organization's mission, programs and services
- Delivering financial and other key information on the organization's website
- Posting tax returns and other financial information for easy review by constituents
- Detailing staff and volunteer activities designed to achieve the mission
- Disclosing salary information

The single most important factor identified by two-thirds of respondents is reporting on stewardship of their organization's mission, programs and services. Only 21% think it is very important to disclose salary information. See chart at lower right.

While 70% said it is very important to be transparent in all aspects of their work with corporate donors, these factors of transparency were not consistently rated as very important factors. There is a disconnect between the importance of transparency as a concept and the importance of specific factors that comprise it.

## Important Factors to Communicate Impact and Outcomes



## Important Factors to Show Transparency



### 3. Governance and High Standards

Charities were asked to identify the elements of good governance. Survey respondents believe these are the five most important elements to their corporate and institutional donors:

- Accountability and transparency
- Board review/approval of the annual IRS Form 990
- Independent audit committee
- Formal rules to guide the governance of the organization
- Board approved policy mandates to govern the organization

Eighty-two percent of respondents believe the most importance element of good governance is accountability and transparency. However, they do not view these other generally accepted practices as equally important. See chart at right.

This suggests another disconnect. While survey participants understand and value good governance, they demonstrate a limited understanding of all its components.

See page 10 for insights and implications of these rising expectations.

---

**“Most donors are looking for information about impact, use of funds, legitimacy and mission.”**

—Survey Participant

### Important Elements of Good Governance



---

**“We are giving more focus to individual stories vs. general statements about actions.”**

—Survey Participant

## Growth of Charity Validators

The number of “validators” and rating groups has grown in recent years, which provide corporate, foundation and individual donors with a means to review charities. Donors are turning to these validators for information and independent assessment of charities’ effectiveness.

Notable among these groups are BBB Wise Giving Alliance (BBB WGA); Charity Navigator; GuideStar; Charting Impact (a collaboration between GuideStar, BBB WGA and Independent Sector); and GreatNonprofits.

Only 6% of survey respondents have met BBB WGA’s Charity Accountability Standards. Note that BBB WGA only reviews national organizations.

About 30% of survey respondents have been rated by Charity Navigator, a national service that evaluates charities in two areas of performance – financial health and accountability & transparency. Of those, 50% received the highest rating of four stars.

Charting Impact provides a common format for charities to articulate what they are trying to accomplish and how they are positioned to fulfill their mission. Charities respond to five questions when they complete their Charting Impact profile. The five questions are:

1. What is the organization trying to accomplish?
2. What are the strategies to make this happen?
3. What are the organization’s capabilities for doing this?
4. How will the organization know if they are making progress?
5. What has and hasn’t the organization accomplished so far?

Only 17% of survey respondents have completed their Charting Impact profile.

Over 35% have been reviewed on GreatNonprofits, a community-sourced charity feedback site (similar to Yelp or Trip Advisor). Fifty-five percent of respondents have received the highest rating of five stars.

### Insights

- Based on survey responses, it is clear that the dialogue with donors to look beyond a single performance indicator is underway. But there is a need to continue this dialogue with all stakeholders. A common understanding of these factors—good governance, transparency, accountability and results—is essential to move beyond overhead and to meet the rising tide.

- Charities and their boards should engage in a conversation about the “overhead myth” to gain greater understanding of the importance of this concept.
- Charities should turn to sector experts for assistance in developing a plan to leverage charity validators.
- To meet rising expectations, charities must go beyond communicating their mission or reporting on outcomes. Charities must go beyond the concepts to more fully demonstrate them.
- Charities might consider tapping into corporate pro-bono talent to help create better performance metrics and the capacity to manage to outcomes.
- Companies can help educate employees on the “overhead myth” by encouraging them to look beyond overhead and administrative costs as an indicator of performance.
- Corporate and institutional donors can look beyond overhead as a primary measure of charitable performance by providing financial and pro-bono support to charities to enhance their capacity and infrastructure to better demonstrate effectiveness.

# Nonprofits and Companies Live in Parallel Universes

Based on the findings from both *Snapshot 2013* and *2014*, America's Charities has found several parallels between what is happening in both corporate America and in the nonprofit sector. Technology is changing both sectors by democratizing information, growing social networks, and facilitating greater engagement.

The challenge moving forward in this environment will be how charities differentiate themselves as exceptional or high-performing given the abundance of data and information.

## Technology's Impact is Accelerating

Similar to the private sector, technology and the digital culture are

driving changes and transforming the way nonprofit organizations conduct their business.

More than 90% of the nonprofit organizations responding to the survey said their use of technology has changed in the last three years allowing them to deliver information quicker, feature more data and communicate with key constituencies. See chart below.

Over 80% said technology is changing the way they do business, and more than 80% expect technology to continue to change in the next 18 months. This places new demands on charities to keep pace with these rapid changes.

---

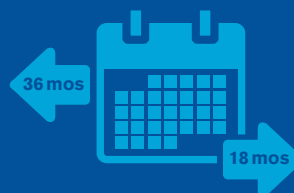
**“We are definitely changing our communications. We now use data in our blogs, press releases and effectiveness reports.”**

—Survey Participant

## Technology is Changing, and Changing Faster

**90%**

Report that their use of technology has changed in last 36 months



**80%**

Expect technology to change in next 18 months.

**“Social tech allows individuals to communicate with their networks to re-tell the stories of causes they care about.”**

—Survey Participant

## Social Media's Influence is Growing

Social media platforms, combined with the expanding use of mobile devices, create new ways for charities to engage with companies and employees inside and outside the workplace. Charities are aggressively developing new strategies and adopting new technology tools to effectively reach their stakeholders wherever they are.

In the survey, more than 90% of the nonprofit organizations say they utilize social media to deliver their messages and communicate with stakeholders. And 90% have changed their com-

munications strategies to include telling their stories through narratives, in words, pictures and videos with a new emphasis on results and outcomes. As noted in the chart below left, a majority of survey respondents also believe a digital culture requires more transparency and a focus on results and impact.

## Easy Access to Readily Available Information

The immediacy and accessibility of massive amounts of information is transforming the nonprofit landscape, and charities are responding to this opportunity. Ninety-three percent of respondents revealed they make information more readily available than ever before to potential donors. This democratization of information will continue to accelerate.

## Charity Movement Toward More Effective Engagement and Greater Transparency

94%

Use digital media to make information more readily available

93%

Make information more readily available

90%

Have changed communications strategies with new emphasis on results and outcomes

90%

Use social media to deliver messages and communicate with stakeholders

85%

Agree that digital culture allows them to reach a broader group of volunteers and donors

## Nonprofits and Companies Live in Parallel Universes

America's Charities *Snapshot 2013* found that employers have significantly changed the way they use technology internally within their employee engagement programs. Fifty-four percent of employers surveyed reporting that their use of technology has changed by incorporating more social media tools to increase engagement, providing more information to employees, and connecting employees with reputable nonprofit organizations.

Actually, data suggests nonprofits are ahead of employers in utilizing social media platforms to interact and engage with donors. While *Snapshot 2013* found a growing number of companies are incorporating more social media tools into their internal giving programs, many employers are actually restricted in the use of these tools due to legal restriction or reputation management. Charities don't face these same restrictions and can more fully leverage these social platforms.

Even so, the transformation in the nonprofit sector, mirrors many of the changes taking place in the corporate world. Both are responding to the need to be relationship- and engagement-focused.

While the survey questions in *Snapshot 2013* and *Snapshot 2014* were not identical, the data allows us to surface similar issues and draw inferences for companies and charities. The chart at right highlights the similarities between companies and charities as found in the two *Snapshot* reports.

### Insights

- Nonprofit organizations can often be more flexible in using social media than companies.
- Keeping up with technology and social networks requires charities to dedicate staff and resources to capitalize on changes in technology and social platforms.
- With limited direct access to employees, charities must find creative ways to deliver messages and sustain relationships with employee donors outside the walls of the workplace.
- Companies can help support charities by facilitating greater information sharing through the use of their internal peer-to-peer networks and communication channels.
- Companies can leverage their social networks to feature their signature programs and employee engagement initiatives.
- Technology, in and of itself, is a tool. It is not the answer to increasing involvement and engagement. Leadership, vision and human interaction drive successful employee engagement programs.

## Leveraging Technology to Engage

### What Companies Say

*Snapshot 2013*

85%

Use technology to provide information to employees

50%

Use technology to connect employees with reputable nonprofit organizations

50%

Use social media internally as part of workplace giving program

### What Nonprofits Say

*Snapshot 2014*

85%

Said digital culture allows them to reach a broader group of volunteers and donors

94%

Indicate they make information more readily available using digital media

94%

Of young professionals expect the nonprofit to use social media to interact and engage with them

## Moving to Relationship and Engagement-Driven Activities

### Companies

*Snapshot 2013*

### Nonprofits

*Snapshot 2014*



Use social media

50%

85%



Interact and engage

88%

94%



Use technology to connect

50%

80%

# Engagement is the New Standard

*Snapshot 2013* surveyed nearly 100 companies who collectively employ more than 1.4 million employees raising more than \$230 million. The study revealed the most dramatic shift in workplace giving over the past decade, as companies move to more fully engage employees and maximize the giving experience inside and outside the walls of the workplace.

According to the report, companies are looking more strategically at employee engagement and connecting it to broader social responsibility strategies and objectives.

Companies are expected to do more to engage their employees and support the causes employees care about. The paradigm shift, outlined in *Snapshot 2013*, is a sea change for workplace giving. A new model is emerging that moves away from giving as a transaction, to giving as part of a larger engagement profile.

Nonprofit organizations are responding to this shift by providing greater opportunities for employees to learn about, interact and engage.

The questions in *Snapshot 2013* and *Snapshot 2014* were not identical, but we found alignment between company expectations of future giving programs and the elements of corporate philanthropy that bring most value to the charities.

## Nonprofits Value the New Model of Engagement

Charities were asked to identify the components of workplace giving most valuable to them. See chart at right.

In *Snapshot 2013*, companies were also asked to identify what they expected would comprise future employee engagement initiatives relating to philanthropy. See chart below.

In *Snapshot 2014*, charities ranked the elements of engagement programs that add the most value to them.

In general, nonprofit organizations value those activities they feel will generate more donations, including a corporate match, year-round giving and financial grants in recognition of employees' volunteer service. They also place high value on having employees promote their favorite charities to their peers. See chart on page 15.

### What Employees Value and Expect

#### *Snapshot 2013*

1. Payroll contributions
2. Matching employee contributions
3. Choice
4. Goals
5. Incentives
6. Year-round giving
7. Individual giving accounts
8. Employees able to promote their favorite charity to their peers

### What Charities Value and Expect

#### *Snapshot 2014*

1. Matching employee contributions
2. Employees able to promote their favorite charity to their peers
3. Financial incentives for employee volunteer service
4. Year-round giving
5. Payroll contributions
6. Choice
7. Employees serving as board members
8. Company-supported volunteer teams



## Companies Increasingly Look to Nonprofit Organizations to Engage with Their Employees

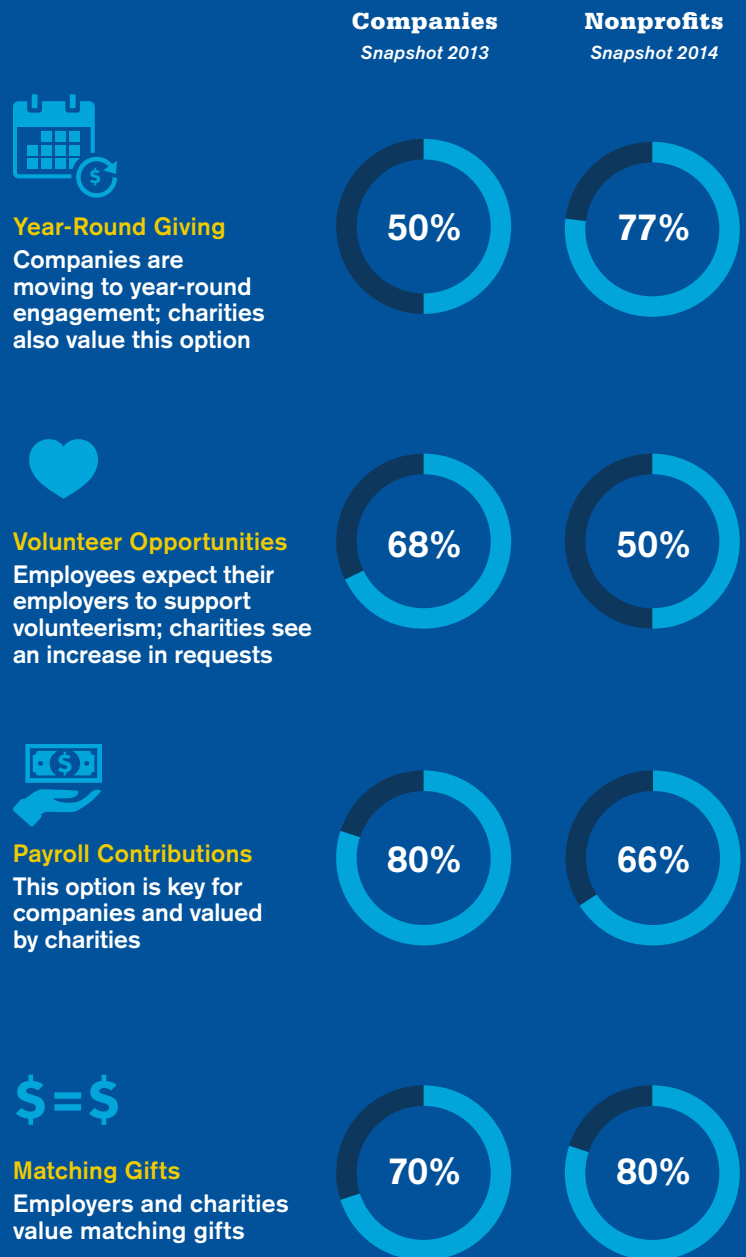
Nearly 50% of the charities responding to the survey said the number of requests to engage with employees has increased within the last three years. Additionally, they see a growing number of young professionals engage with nonprofit organizations.

However, employee engagement does not come without its challenges for nonprofit organizations. Corporations want to respond to employee requests for company-sponsored volunteer projects and often turn to their nonprofit partners to provide such engagement opportunities. These requests can be difficult for charities to respond to given their limited staff and resources. Additionally, many charities don't have scalable volunteer projects readily available. Often, though, charities respond because they don't want to turn away a corporate request. This creates a misalignment of resources and effort on both sides of the equation.

**“Some companies want to provide their employees with opportunities to volunteer and make a difference in the community. But sometimes this doesn't meet our needs or the timing is off. We do it because it's a chance to build a long-term, helpful relationship with the company.”**

—Survey Participant

## Charities Are Aligning With New Model of Engagement



---

**“Workplace giving is shifting from an emphasis on procedure and duty (“I gave at the office”) to real storytelling and impact.”**

—Survey Participant

## Charities Place a High Value on Corporate Giving and Grants

A corporate grant is one of the most highly valued aspects of a corporate philanthropic program, according to 90% of respondents. Even with the economic challenges in recent years, more than 56% of the respondents indicated that the level of financial support from companies and their employees has remained steady or increased in the last three years. Also, more than 51% of the survey participants place significant value on the grants they receive from companies in support of employee-volunteers.

## Corporate Matching Gift Programs are Important

Over 40% of the nonprofit organizations responding to this survey said revenue from corporate matching gift programs is increasing. Almost 80% of the responding nonprofit organizations said a matching gift drives larger donations and is a highly valued source of revenue.

### Corporate Snapshot 2013

#### Year-Round Engagement

More companies were providing employees with an opportunity to give to charity throughout the year.

#### Volunteer Opportunities

Employees want their employers to promote and sponsor volunteer opportunities.

#### Payroll Contributions

A majority of companies expect payroll contributions to remain an important option for their employees.

#### Matching Gifts

Employees value a corporate match of their financial contributions.

### Nonprofit Snapshot 2014

#### Year-Round Engagement

Nonprofit organizations place significant value in employees being able to contribute year round.

#### Volunteer Opportunities

Nonprofits noted an increase in the number of requests to engage with employees.

#### Payroll Contributions

Charities find value in receiving contributions from employees through payroll deduction.

#### Matching Gifts

Corporate matching gifts are highly valued by nonprofits.

## Workplace Giving and Employee Engagement Strategies are Growth Areas

*Snapshot 2013* found that 80% of employers surveyed said employee workplace giving payroll giving programs would remain an anchor of their employee philanthropic support. *Snapshot 2014* looked at how charities view this opportunity.

About 65% of the charity respondents agreed that payroll contributions add value to their organization. However, payroll is viewed as somewhat less valued than other revenue generating components of a giving program.

More than 49% of respondents identified workplace giving as a growth strategy for their organization. They see workplace giving and employee

engagement programs as opportunities to promote their mission, programs and services, and identify and recruit new volunteers. See chart below.

Nearly 50% of nonprofit respondents have an active workplace giving component as part of their overall fundraising strategy. Most of the responding organizations work through a federation to participate in workplace giving.

Of those respondents with a workplace giving strategy, almost 60% reported that workplace revenue is remaining steady or increasing. Less than 24% said this source of revenue is decreasing.

### Insights

- Nonprofits should give serious consideration to developing a workplace giving strategy since contributions made through payroll tend to be two to four times higher than gifts made through other methods.
- Charities can stand out from the crowd in workplace giving by offering full engagement opportunities.
- Demonstrating transparency, accountability effectiveness and impact helps position the charity with companies and employees.
- Companies can use matching gifts and grants to stimulate greater employee participation.
- Companies should find ways to empower employees to be internal champions for the causes they care about by investing in technology tools allowing them to communicate and promote their favorite charities to their peers.

---

**“Revenue from workplace giving used to be one line item in our revenue. Now we realize we must be strategic and take advantage of these opportunities.”**

—Survey Participant

### How Charities View Workplace Giving

**49%** Identify workplace giving as a growth strategy

**50%** Have an active workplace giving component

**60%** Say workplace revenue is remaining steady or increasing

# Greatest Challenges in Building and Sustaining Corporate-Nonprofit Relationships

---

**“The items identified in the survey are not really a challenge for us because they are just part of what we naturally do.”**

—Survey Participant

Finally, charities responding to the 2014 *Snapshot* survey were asked to identify the three greatest challenges they face in generating unrestricted revenue (see chart on page 19):

## **1. Operating with limited staff and volunteers to focus on corporate opportunities**

More than 80% of the nonprofit organizations responding to the survey said that they face significant challenges in building strong corporate workplace giving strategies and partnerships because of limited staff and resources. This is especially true for small and medium-size nonprofits.

## **2. Sustaining relationships as companies become more strategic**

Given the challenge in creating partnerships, it comes as no surprise that, even when respondents have strong relationships with companies, they are challenged to sustain and capitalize on them. Almost 50% of the survey respondents indicated that their organization has a strong relationship with its corporate and institutional partners, yet nearly 90% of those respondents face significant challenges in sustaining ongoing relationships with corporate and other funders.

## **3. Communicating impact effectively to corporate, institutional and individual donors**

Nonprofit organizations need to change their communication strategies and tools in order to accurately and transparently portray what they are accomplishing with those donated dollars and volunteer support.

Earlier in this report we noted that charities are generally changing and adapting to the demands of information technologies and to digital social media platforms, but more than 80% of survey respondents said communicating effectively remains one of their greatest challenges.

Corporate-nonprofit partnerships can play a greater role in effectively addressing the needs of our communities. The private sector can take a leading role in helping increase charities' ability to perform more effectively and better demonstrate outcomes and impact. The data suggests charities are better positioned than in the past to engage with corporate employees, but have ongoing resource challenges. At the same time, opportunities are greater than ever to build sustainable relationships and engagement-driven activities.

### Insights

- Charitable organizations need to engage in relationships with corporate and individual donors that will result in unrestricted funds to build capacity and deliver measurable outcomes.
- Strong corporate-nonprofit partnerships can facilitate and achieve mutual goals.
- Companies can take the lead in creating stronger partnerships with charities that empower employees to give their time, talent and money.
- Companies can support charities by highlighting partnerships and communicating the impact of such partnerships on the company, employees, the charity and the community.

## Three Greatest Challenges to Sustain Corporate Relationships

### Challenge #1

80%

Report that they have difficulty building strong corporate partnerships and WPG strategies with limited staff and resources

### Challenge #2

90%

Report that a major challenge is sustaining ongoing relationships with corporate and other funders

### Challenge #3

80%

Report that communicating effectively about the impact of their work is also an obstacle

---

**“Companies shouldn’t look at their work with nonprofits as transactional events but rather as building a relationship with a trusted ‘go to’ partner that is working to achieve mutual goals.”**

—Survey Participant

# Summary

In summary, *Snapshot 2014: Rising Tide of Expectations* indicates nonprofit organizations have a very good understanding of the need to demonstrate effectiveness and accountability. While most nonprofit organizations are responding to this changing environment, many are struggling with what it means and how to address it.

At the same time, charities are evolving along with our digital culture. They are finding new ways to engage with young professionals and leverage social networks to communicate about their work and their impact.

As companies become strategically focused in ways that align with impact and outcomes, the competition to access corporate support is going to increase.

Charities that can expand upon this strategy and demonstrate good governance, excellent leadership, transparency and results will be better positioned for success with employers and employees.

As advocates for a fully engaged private sector workforce, America's Charities encourages employers of all sizes to think more strategically and creatively about how to strengthen and transform their work with nonprofit organizations.

---

**“*Snapshot 2013* revealed the most dramatic shift in employee giving and *Snapshot 2014* documents the continuing wave of change in employee engagement from the perspective of the nonprofit organization.”**

—Steve Greenhalgh  
*Senior Advisor*

## **America's Charities is a multi-dimensional, mission-driven organization that connects public and private sector employers with charities to engage employees in greater giving.**

Since 1980, America's Charities has been at the forefront of workplace giving's transformation—from paper pledges to digital platforms, from giving to engagement, from traditional fall campaigns to year-round opportunities inside and outside the walls of the workplace.

Our experience combined with an accountable and transparent process has resulted in the distribution of more than \$500 Million to ten thousand charities over the past thirty-four years. The generosity of public and private sector employees continues to be a vital source of sustainable support for charities throughout the United States.

### **Who We Serve**

- Charities looking to expand their participation in workplace giving and employee engagement programs through membership in one of America's Charities' four federations: America's Charities, Children First – America's Charities, Health First – America's Charities, or Community First – America's Charities of Greater Washington, D.C.
- Employers seeking to launch or revitalize workplace giving programs and meet the challenges presented by our digital culture to produce robust and meaningful employee engagement programs.
- Individual donors exploring ways to connect with great causes and make a personal, social impact.

### **Core Services**

- Generating unrestricted, sustainable financial support for charities through employee engagement programs
- Providing services to help charities participate in federal, state and local government, university and private sector workplace giving and engagement programs
- Distributing funds to charities efficiently with a commitment to transparency and accountability
- Consulting with employers on strategies and solutions to achieve their philanthropic goals, catalyze greater engagement and produce meaningful and measurable impact

### **Links**

 [www.charities.org](http://www.charities.org)

 [www.linkedin.com/company/americas-charities](https://www.linkedin.com/company/americas-charities)

 [www.facebook.com/AmericasCharitiesFederation](https://www.facebook.com/AmericasCharitiesFederation)

 [www.twitter.com/AmerCharities](https://www.twitter.com/AmerCharities)

Snapshot: Trends and Strategies to Engage Employees in Greater Giving, 2013  
[www.charities.org/news/trends](http://www.charities.org/news/trends)

Campaigns at the Crossroads: Changing Direction, 2006  
[www.charities.org/news/trends](http://www.charities.org/news/trends)

Employee Workplace Campaigns: At the Crossroads, 2000  
[www.charities.org/news/trends](http://www.charities.org/news/trends)



14150 Newbrook Dr. Suite 110  
Chantilly, VA 20151  
[www.charities.org](http://www.charities.org)