Companies donate employees' time, service instead of cash

Updated 8/8/2010 11:24 PM

By Christie Garton, Special to USA TODAY

"Would your family be interested in taking a break from cancer?"

Aileen Schissel couldn't believe what her oncologist just asked. After years of battling breast cancer, a break from cancer seemed like an impossible dream.

"I was so sick of being sick. The whole family desperately needed a vacation," says Schissel, of Glendora, Calif. "But with no money to go far, we never would have dreamed of taking this kind of trip."

The Schissels left Friday on a Continental Airlines jet for Hawaii, where they will be staying at the five-star Four Seasons Resort Maui for four nights and five days. From door to door, all expenses were paid.

Their trip is an example of how corporations are supporting charities, even in a time of tight money.

Working through the Jack and Jill Late Stage Cancer Foundation, which gives vacations to cancer sufferers, airlines such as Continental, AirTran and Southwest Airlines provide airfare — for free. Hotel chains such as Starwood Resorts, Marriott and Ritz-Carlton provide rooms — for free. More than 300 families have been treated since its founding three years ago.

"We've raised $4 million in in-kind support these past three years," says Jon Albert, who co-founded the organization with his wife Jill, who died of breast cancer in 2006. "We could not exist without this support."

The Chronicle of Philanthropy and USA TODAY surveyed the largest corporations in the USA to find out how much money they give to charity and to which causes. More than 100 companies answered the survey, and The Chronicle analyzed tax data for other companies for a total of 162.

INTERACTIVE GRAPHIC: Search by company, industry and type of charity

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Not surprisingly, the recession had a dramatic
impact. Cash donations to charities in 2009 dropped 7.5% to $3.9 billion for the 68 companies that provided two years of information.

What the numbers don't reflect is a growing trend of companies donating their employees' time, advice and service instead of cash. Those donations rose 5% last year, according to the survey. For 19 of the companies surveyed, non-cash contributions such as computer equipment, software, drugs and other products and services accounted for more than 50% of their total charitable contributions. Oracle, for instance, gives virtually all its donations — $2.1 billion — as computer software.

Melissa Brown, managing editor of Giving USA, an annual report on charitable giving from the Center on Philanthropy at Indiana University, says more companies are granting employees paid time off to do pro bono work for charities.

"It's good for morale and promotes that work/life balance," Brown says. "Volunteers return as better employees with a more enhanced skill set. And it's good for recruiting, as more younger employees expect that companies will give them time off for this kind of work."

Beyond the soup kitchen

Corporate employees have long donated their time to charitable causes. It's only in the past several years that volunteer work has gone beyond the soup kitchen to include skills-based programs that allow employees to donate not only their time but their talent.

"More than 90% of companies offer some type of formal volunteer employee program," says Alison Rose of the Committee Encouraging Corporate Philanthropy, an international forum of business executives.

Driving the trend is a move by some companies to make up for their lower cash donations, and to put a monetary value to non-cash services. At the same time, the Corporation for National and Community Service in 2008 launched a three-year campaign to get U.S. companies to donate $1 billion in pro bono (or free) services by 2011.

Companies donate a wide range of services to charities, beyond the money they give. For instance:

- Wal-Mart and the Walmart Foundation in May pledged $2 billion in cash and in-kind commitments to help end hunger in the U.S. That included 1.1 billion pounds of food from Walmart stores, distribution centers and Sam's Club locations, valued at $1.75 billion.

- Bank of America has pledged to donate 1 million volunteer hours by the end of 2010, which will top last year's 800,000 volunteer hours donated.

- Goldman Sachs will soon announce the Los Angeles members of its 10,000 Small Businesses program — a multimillion-dollar initiative that provides consulting and mentoring to 10,000 small businesses across the U.S.

- Gap contributed about $4.5 million in 2009 in-kind products — from merchandise samples and fabric to furniture and fixtures.

- Target provides specialized business knowledge to help the Target School Library Makeover program with the Heart of America Foundation. Last year, the partners renovated 19 school libraries and plan to handle 32 this year.

- Deloitte donated the time of more than 33,600 of its employees, or 75% of its U.S.-based workforce, for its day of service this year.

- More than 150,000 IBM employees have contributed more than 10 million hours of service in more than 70 countries in the past five years.
"For us, it's about taking our strengths and talent — our core businesses and human capital — and creating unique and special opportunities for our employees to make an impact," says Stanley Litow, vice president of corporate citizenship at IBM.

Volunteers as rainmakers

The United Way of King County in Washington state is the top United Way fundraiser out of 1,300 chapters nationwide. It raised a little more than $101 million during its most recent fundraising campaign.

A lot of that success is due to its Loaned Executive Program, a 50-year-old corporate volunteer program whose purpose is to "help us raise money for the community," says director Erica Wiley.

Each year, companies in the state lend or sponsor about 35 people to United Way for 15 weeks. The participants go through an intense two weeks of training in fundraising and get a portfolio of more than 40 accounts to tackle. In the next three months, they raise funds for the charities.

It's a win-win for everyone involved, Wiley says.

"The loaned executives acquire public-speaking and leadership skills that they can take back to their jobs. It gives companies a vehicle to help educate other employees on the importance of philanthropy," Wiley explains. "And we get the opportunity to tap into those corporate resources that would be too expensive for us to access on our own."

Microsoft, headquartered in Redmond, Wash., lends about five employees a year, giving them paid time off and matching $17 for every volunteer hour served, up to $12,000 per employee. In return, the participants are expected to help run Microsoft's charitable giving campaign.

Jill Shrader, a paralegal at Microsoft, participated in 2008. She says it has changed the way she volunteers.

"Before the program, I did a lot of one-time projects for various non-profits," Shrader says. "Now I focus my efforts to make more impact on one specific area." She specializes in the United Way's free tax-preparation campaign, which provides tax help to low-income people.

Despite one of the worst economic environments in decades, Microsoft's in-house giving campaign raised close to $88 million, exceeding the company's $70 million annual giving goal. (Microsoft matches employee donations.) Microsoft's total cash charitable giving, according to The Chronicle and USA TODAY survey, was $113 million in 2009.

Microsoft employees who participate in the program "are a central piece of our success," says Akhtar Badshah, senior director of global community affairs at Microsoft.

"Without these people, there is no way that my team of two could sit and dream up the kinds of innovative things that they do each year," Badshah says. "It also builds this momentum for giving that has all sorts of spillover and impact throughout the year."

Some companies donate mainly products, services...