

Matchmaker, matchmaker, make me a match: How Bay Area businesses are matching employee donations

Bay Area companies are leading the way in doubling employees' contributions to nonprofits

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Many large Bay Area corporations match the contributions employees make to nonprofits, often up to \$5,000 or \$10,000 per employee annually. But the trend now is to link those programs to broader efforts to engage employees in the community, since evidence shows that nudge often rebounds to the employer's advantage as well.

Cisco Systems, for example, recently opened up its matching program so it provides \$10,000 per full-time employee that can be used to match an employee's charitable contributions and/or provide \$10 per hour for volunteer time at a nonprofit or educational institution. "It's like your personal bank of matching dollars," said Kelly Petrich, a community relations manager for the company. Previously, Cisco matched up to \$10,000 in employee contributions per year, but only during its year-end annual giving campaign. Otherwise, the cap used to be \$1,000 annually. The new approach gives employees far more freedom on how to get involved. These new policies are part of an effort to engage 80 percent of employees in charitable giving or volunteering, or both, by 2020. For 2017, Cisco is hoping to increase participation to roughly 45 percent, up from just 21 percent two years ago, Petrich said.

Increasingly, companies are beginning to embrace such integrated approaches as "human capital management tools," with the goal of increasing employees' engagement with both the company and its business goals and the broader community, said Bryan de Lottinville, CEO and founder of Benevity, a Calgary, Alberta-based software company that provides a platform for workplace giving, volunteering and community investment efforts. Employees "who volunteer tend to give five times as much as people who don't," de Lottinville said, and many employees are looking for workplaces that integrate different aspects of their lives, creating a work-life integration rather than a work-life balance.

Bay Area participation in such integrated giving and volunteering programs is up 54 percent since 2014, he said, and the average employee donation in them jumped 21 percent from 2015 to 2016. Meanwhile, the typical company match has gone down or stayed the same during the same period.

Even so, employee donations are 25 percent higher in the Bay Area than elsewhere, said de Lottinville, and the average employee match per donor is 30 percent higher.



You need a lot of tools in your toolbox" to make an impact, says Williams, and that includes matching giving.

Overall, “the amount of money that corporations give to nonprofits is pretty low,” while contributions by individuals are far larger and more consistent in good times and bad, said Neela Gentile, a Menlo Park-based principal at Partners in Progress, a small network of nonprofit consultants that has worked with Agilent Technologies, Cisco, Hewlett Packard and Levi Strauss & Co., among other local companies. As a result, Gentile said, corporate philanthropy efforts should focus more on the impact their employees can make in the community, teaching and encouraging them “to give back,” creating that lifetime habit. “They should be proud of (their level) of employee engagement. I would give them more credit for that than for the money” they contribute, she said.

Cisco is a good example of this approach. Its goals are to attract and retain “top talent in a very tight market,” be a strong community partner, and meet the demands of many younger workers for such donation and volunteering options. “This has been a pretty strong trend for awhile,” Petrich said, “and it’s continuing to build.”

Out in the community, such efforts are paying off. “We have a lot of parents who work for companies with matching gift programs,” said Myrna Kimmelman, executive director of Lafayette Partners in Education, which helps support music, art, reading, math and other programs in the Lafayette public schools. Donations have gone up considerably, she said, since the nonprofit started referring its donors to Double the Donation, a national web site that lets employees easily find and link to their employers’ match programs. Last school year, Lafayette Partners in Education received \$277,000 from companies that matched employees’ gifts, Kimmelman said, a big chunk of its \$3 million budget.

At the Sobrato Family Foundation, one of the largest philanthropic organizations in the region, employees can contribute to any recognized 501(c)3 charity, with the caveat that the nonprofit must serve clients in the Bay Area, said Rick Williams, the Cupertino-based foundation’s CEO. The company targets its own giving primarily to education and career access programs in San Mateo, Santa Clara and southern Alameda counties.

“You need a lot of tools in your tool box” to make an impact, including the more focused company grants, Williams said. “That doesn’t mean we don’t need the (local) food banks and the arts councils. Matching grants make that happen.” The Sobrato foundation matches employee gifts of more than \$50 to a maximum of \$10,000 per year for full-timers and \$5,000 for half-time workers at the roughly 80-employee Sobrato organization, Williams said. Since 2004, when it started collecting data on the match program, it has duplicated 450 employee gifts totaling \$325,000.

At giant Salesforce, employee contributions are matched up to \$5,000 annually, and staffers “are encouraged to give back to the nonprofit organizations that matter most to them,” said Ebony Frelix, senior vice president of philanthropy and engagement at Salesforce.org, the company’s philanthropic arm.

But employee matches are just a small part of the company’s overall approach to philanthropy, which focuses on its 18-year-old 1-1-1 approach, where 1 percent of equity, 1 percent of product, and 1 percent of employee time are devoted to philanthropic purposes.

Salesforce gives workers seven days a year for volunteer work, she said. Staffers help kids learn to read, tutor them on STEM topics, build classrooms in Africa, or paint lines on playground asphalt so children can play four square or basketball. Eight in 10 participate, according to Frelix, “and I really believe the other 20 percent forget to log in their time.” That volunteer work, more than its employee match program, is Salesforce’s priority. “It’s about the passion of our employees, the huge troop of citizen philanthropists that we activate,” Frelix said. “Their money is just a small piece.”

By the numbers

- Increase in Bay Area participation in integrated giving and volunteering programs since 2014: **54%**
- Increase in average Bay Area employee donation from 2015 to 2016. The typical U.S. company match has gone down or stayed the same during the same period: **21%**
- Amount that employee donations in the Bay Area exceed other areas: **25%**
- Amount that Bay Area average employee match per donor exceeds other areas: **30%**

Source: Benevity

How much the 8 largest corporate philanthropists on the list match in employee giving per year

- **Google:** \$12,000
- **The Sobrato Organization:** \$10,000
- **Salesforce:** \$5,000
- **Wells Fargo:** \$5,000
- **Cisco Systems:** \$10,000
- **PG&E:** \$1,000
- **Chevron:** \$10,000
- **Intel:** \$10,000

*Sources: Companies,
Double the Donation web site.*