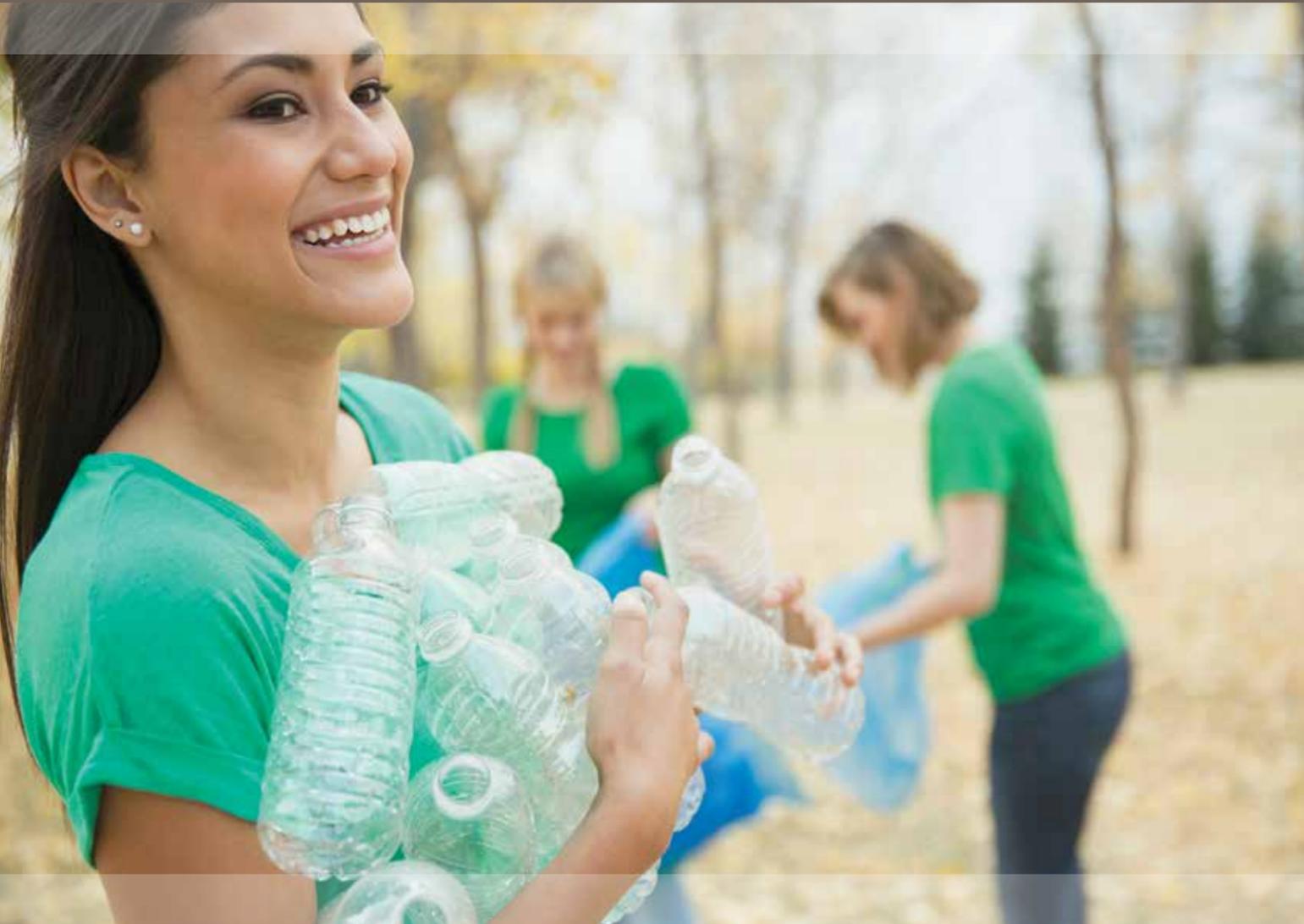




2013
corporate
citizenship
report

Trends and
Innovations in
Bay Area Community
Engagement



Silicon Valley companies are some of the most generous philanthropists in the world. Our region's companies are driven to solve not only the world's most exciting challenges, but also our most difficult social issues.

As the comprehensive center of philanthropy, Silicon Valley Community Foundation has closely examined the trends in corporate citizenship of companies in our region. The research in this report provides a benchmark of Bay Area corporate citizenship practices, explores models of corporate citizenship in the region and looks at what's next for Bay Area corporate giving. The research demonstrates the diversity of our region, the admirable generosity of our residents and the innovative spirit that is of integral value to the Silicon Valley.

Looking ahead, we believe that our region's companies will continue to integrate giving into their core business models and operations. We also believe that employees will increasingly consider a company's engagement in corporate social responsibility in deciding where to work. Leading corporations will forge the way in driving positive change that will be felt by residents worldwide through collaborative and thoughtful philanthropic work.

SVCF and the 100 companies we partner with are working to make a difference both locally and around the world. This report highlights the ways in which companies give back, while also looking at where and how companies' philanthropy will evolve in the years to come. We extend our thanks to the many companies that participated in this research, and look forward to future work together.

Emmett D. Carson, Ph.D.
CEO and President
Silicon Valley Community Foundation



“Looking ahead, we believe that our region’s companies will continue to integrate giving into their core business models and operations. We also believe that employees will increasingly consider a company’s engagement in corporate social responsibility in deciding where to work.”

StubHub is delighted to be the lead sponsor of Silicon Valley Community Foundation’s 2013 Corporate Citizenship Report.

We’re proud that the Bay Area stands out nationally for the generosity of its corporations and employees, and are inspired by the ways each of us is integrating corporate citizenship more deeply into our core business.

At StubHub, our corporate citizenship is fueled by the same energy that drives our business – a spirit of innovation, a commitment to increasing access for all, and a passion for improving the live event experience from end to end. Fundamentally, we are a community that connects millions of people around a shared love of live entertainment, and that alone is a powerful asset we strive to harness for good. For example, our philanthropic program Rising Stars helps to cultivate and encourage performers and athletes of tomorrow while increasing access and opportunity for at-risk youth. Beyond the dollars StubHub donates, we are constantly uncovering new ways to lend our audience of arts and sports fans and the talent of our employees to nonprofits that can benefit from their support.

Meanwhile, just as our parent company eBay aims to power the world’s largest platform for charitable giving, StubHub is excited to explore new ways our own marketplace can be a fundraising engine for the nonprofit sector. Since formally committing to donate our proceeds on all ticket sales for charity events listed on StubHub, we’ve already donated more than \$1 million to support a variety of causes.

Last but not least, we draw inspiration from you, our fellow Bay Area companies. We applaud your efforts to advance the uniquely positive role your company can play in helping to solve society’s greatest challenges, and look forward to the continued growth and evolution of the field of corporate citizenship.

With Regards,

Chris Tsakalakis
President
StubHub



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executive summary

Bay Area companies are clearly committed to corporate citizenship. In fact, those companies participating in national and local surveys alone contributed \$2 billion in philanthropic contributions to local and global causes in 2012.

The nine-county Bay Area region is a place of innovation, attracting talented individuals and supported by local infrastructure and resources. This creative landscape translates into a culture of corporate citizenship in the region; one that has continued to evolve along with the emergence of new leadership, companies, and industries. Bay Area companies are clearly committed to corporate citizenship. In fact, those companies participating in national and local surveys alone contributed \$2 billion in philanthropic contributions to local and global causes in 2012. Corporations not only provide substantial financial support to nonprofits, but also leverage employee expertise and creativity, distinctive products and services, and collaborations with other for-profit funders and nonprofit organizations. Together, these strategies are shaping a new kind of higher-leverage approach to corporate citizenship.

Key findings in this report include:

- The biggest difference between Bay Area and national companies is in the share of non-cash contributions. Bay Area companies reported that 56 percent of the value of their contributions was non-cash, including employee time and expertise and company products and services, compared to 18 percent of all companies in the national sample.
- The amount of giving per employee for Bay Area companies is nearly 20 percent higher than the national average. In fact, Bay Area companies gave a median amount of \$739 per employee compared to the national sample of \$620 in 2012.
- Bay Area companies' international giving is more diversified than the national average. The region focuses a greater percentage of its efforts on Europe, the Middle East, Africa and Asia Pacific than the national average.
- Employee engagement programs are a cornerstone of citizenship efforts and are extended to global employees. Seventy-six percent of Bay Area companies offer both domestic and international employee-volunteer programs, compared to the national average of 60 percent.
- Looking forward, based on the findings in this report, corporate citizenship in the Bay Area is likely to evolve in the following ways:
 - It will become more integrated into core business models and operations, and will become more connected to diverse entities outside the corporation.
 - Corporate citizenship decision-making will become more distributed. Instead of executive-run programs, employees will increasingly drive efforts and likely pioneer new approaches.
 - There will be a growing emphasis on accountability in corporate citizenship, which will drive a stronger commitment to measuring impact.
 - Companies will be increasingly interested in sharing innovative practices, working on shared challenges (e.g., impact measurement) and exploring potential strategic partnership opportunities. Near term, there is clearly a need and growing interest in developing a more strategic, collaborative approach to working on K-12 education.

Bay Area companies are looking to move to a higher-leverage corporate citizenship model, one that taps more company assets and achieves better community results.

Bay Area companies are looking to move to a higher-leverage corporate citizenship model, one that taps more company assets and achieves better community results. To do so, companies will need to be more creative and effective in how they leverage employee engagement and executive leadership, as well as strategic partnerships and measurement.

benchmarking bay area corporate citizenship practices

Innovation is a hallmark of the economy and culture of the Bay Area, including corporate citizenship practices. The high number of patents, venture capital and business start ups fuel new ideas and energy in the economy while attracting top talent to the region. Reflecting this spirit of innovation and the region's creative people, Bay Area corporate citizenship practices are distinct from the national patterns, especially in encouraging employee-driven models of engagement and in giving beyond cash in ways that tap all the talent and assets of companies. Among survey respondents, "the spirit of innovation" was most frequently cited as the greatest asset that Bay Area companies bring to bear on social issues.

Bay Area companies are clearly committed to investing heavily in corporate citizenship programs and are bringing all of their assets to bear in doing so. In fact, Bay Area companies are giving more per employee than the national average. In 2012, Bay Area companies contributed an average of \$739 per employee, compared to the national average of \$620.

The culture of innovation that permeates the region impacts both how companies do business and how they relate to the community. Bay Area companies are looking for new ways to attract young, creative individuals, particularly millennials, to their corporations. The millennial generation is tech-savvy, collaborative and often driven to seek employment that will make a positive contribution to their community. These individuals are attracted to companies that hone their skills, match their interests and offer jobs with purpose. Thus, many companies are offering expanded and employee-directed corporate citizenship programs which can be a differentiating factor for this generation when deciding between prospective employers.

The Bay Area Difference: Giving Beyond Cash

Bay Area companies have valuable non-cash assets such as employee talent and creativity, as well as products to share with nonprofits. While trending with the nation with increased non-cash giving, Bay Area companies donated on average a higher proportion of non-cash services than the national sample. In fact, 56 percent of the value of Bay Area companies' gifts was non-cash compared to 18 percent for the companies in the national sample.

This is even more striking when examined from a global perspective as non-cash contributions were 88 percent

of international giving for Bay Area companies. With the prominent hardware and software industries in the region, non-cash giving such as equipment donations account for some of the Bay Area difference.

Employee Time and Talent

The Bay Area continues to be a national leader in value-added or productivity per employee. With this added efficiency, Bay Area corporations have the ability to make more non-cash contributions of employee time and talents, and companies are certainly doing exactly that.

Some of the most popular citizenship programs offered by local companies are those instead of which use that match their giving and volunteerism efforts. In fact, 88 percent of companies surveyed provide matching gifts and about half (53 percent) of Bay Area companies surveyed by SVCF support organizations where employees volunteer as "dollars for doers".

The benefits of employee volunteerism on employee morale and loyalty have been well documented. Providing these programs is not only a tactic for recruiting top talent, but also for retaining it. Ninety-two percent of the Bay Area companies responding to the SVCF survey agreed that effective employee engagement programs help companies attract new or retain existing top talent.

Various models showcasing effective employee engagement programs are highlighted throughout the report.

Leveraging Business Assets

Oftentimes, companies and nonprofits will recognize that a donation of a company's products or services can transform the work and operations of a nonprofit organization more powerfully than a cash contribution can. In-kind giving is not a new trend in corporate citizenship; however, Bay Area companies continue to identify innovative ways to enhance the impact and effectiveness of these contributions. This is particularly true as the demand for technology increases from the non profit community.

One approach includes layering assistance on top of a product donation. For instance, as part of Microsoft's YouthSpark program, nonprofit organizations operating youth development programs may apply for a product



"Some of the most popular citizenship programs offered by local companies are those which match their giving and volunteerism efforts."



donation from the company. However, Microsoft Silicon Valley further bolsters the impact and effectiveness of this program by providing the nonprofit organizations support from technology consultants. These consultants provide initial input on the nonprofits' technology needs, and eventually support the implementation of the donated software. Through this approach, Microsoft is leveraging its core competencies and non-cash assets while building the capacity of its nonprofit partners.

Companies may also offer space at their headquarters for the nonprofit to host events, or may leverage the company's social media networks, marketing expertise and brand. This strategy focuses on providing more comprehensive support for the nonprofit, especially for services that would be quite costly to the nonprofit to procure independently.

One example of a corporation utilizing its business model and non-cash support to aid nonprofits is StubHub. With more than 20 million visitors per month to its site, the company has worked with nonprofits to develop a customized tool to its platform and audience reach to help nonprofits sell tickets to their own fundraising events. StubHub is also exploring new models which would leverage its core business and support additional revenue generation for nonprofits.

Motivators for Engagement

There are a number of reasons that companies give to the causes they do. Respondents to the SVCF survey of local companies reported a mix of motivations, including:



Many Bay Area corporations also focus their giving on causes that align with their core business values, as well as areas in which they can utilize their expertise and strengths to make a positive social contribution.

When asked to identify up to three of the greatest social challenges facing Bay Area communities, 73 percent of survey respondents said K-12 education was a top concern.

The identified social challenges align with giving in the Bay Area. Bay Area companies that were surveyed identified K-12 education as the single largest priority category of giving in 2012 (18%). When asked to identify which program areas received contributions, Bay Area companies again identified K-12 education as the most common area (64%).

Giving Patterns Align with Local Need

Many Bay Area companies give in areas surrounding their company headquarters or regional office, and the priority area of focus in K-12 education aligns with local need. In particular, the Bay Area has clear disparities in educational attainment by race and ethnicity.

Bay Area companies' innovative non-cash giving methods are illustrated by their approach to investing in education. In fact, more companies responding to the SVCF survey thought that "Bay Area companies can make the biggest difference in local education" through non-cash (60 percent) compared to cash contributions (40 percent). The most common non-cash contribution for education mentioned was employee engagement, followed by a diverse mix of ideas including senior executives working directly with education leaders, raising awareness of the issues, and pro bono projects.

In response to the local need and identified areas of impact on local education, Bay Area companies are focusing their contributions on helping close the educational gap in the region. Given the innovation and technology-based Bay Area economy, many companies focus on science, technology, engineering and mathematics (STEM) education to prepare youth to join the regional workforce. In fact, 40 percent of Bay Area companies responding to the SVCF local survey cited both STEM education and access to higher education as priorities for their giving.

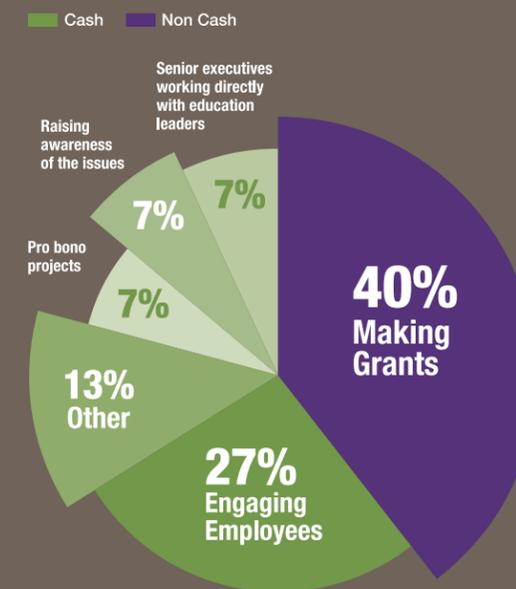
Closing gaps in educational attainment is a very complex and multi-faceted challenge for any one funder or organization to tackle. In recognizing the potential for greater impact on this issue through collaboration, some Bay Area corporations have developed longer-term relationships with each other to strategically allocate resources and increase their impact. In contrast to one-time grants, these partnerships generally entail

Greatest Social Challenges Facing Bay Area Companies

K-12 education	73%
Workforce development	60%
Affordable housing	33%
Health and social services	27%
Poverty	20%
Higher education	13%
Other	13%
Arts and culture	7%
Environment	7%
Economic security	7%
Regional planning	7%
Not sure	7%
Disaster preparedness	0%

n = 15
Data Source: SVCF, Corporate Citizenship Survey, 2013
Analysis: Collaborative Economics

Opportunity for Impact on Local Education



longer-term resource commitments and symbiotic benefits for each partner, ultimately leveraging the strengths of both corporations to provide systematic support.

Working with another corporation to meet a common goal can be an effective way to solve deep-rooted societal problems, but partnership has proven difficult. While comments from Bay Area companies suggest this tactic is growing in popularity in the region, it is challenging for companies to maintain a distinct corporate identity around giving and partnering with another organization to leverage resources. Launching inter-company collaboration on giving can be difficult. Not all companies engaged in a given issue have the same level of interest in sharing their ideas. In some cases, several companies have already established programs, and are unwilling to give up their brand and signature initiatives. However, if companies can find areas for alignment, these partnerships can be effective.

CASE STUDY

Here is one example of how two longstanding corporate citizens in the region are exploring an effective partnership model:



Cisco and the Applied Materials Foundation have partnered to increase their impact in education in a specific, high-needs community. The two companies combined efforts to focus on the Alum Rock community in East San Jose, and have encouraged and welcomed other funders to join them to drive systemic change. While each funder adheres to its own philanthropic guidelines and strategies, Cisco and the Applied Materials Foundation have made complementary investments in support of traditional public schools and districts, charter schools and nonprofit education organizations that are all working to increase the efficacy of teaching and enhance academic achievement.

The Alum Rock Union Elementary School District has led the way in coalescing the work of multiple organizations, and the results have been impressive. The district has achieved an increase of 93 points, improving its API of 692 in 2008 to 785 in 2013. Additionally, the district has dramatically increased the number of schools meeting California's target API score of 800, from one school in 2008 to sixteen schools in 2013, with another five schools not far behind with scores over 790.

The impact of this corporate philanthropy partnership the potential for bringing together effective and well-intentioned advocates for public education in order to achieve significantly improved outcomes for all children and youth in our region. Based upon interest from others in the corporate community, the time seems right to develop collaborative partnerships focused on education, especially in light of efforts such as SVCF's Silicon Valley Common Core Initiative. Learn more at siliconvalleycf.org/common-core.

Citizenship Programs Align with Global Reach

Many Bay Area companies have a global reach in terms of markets, regional offices or both. Bay Area companies responding to the surveys represent more than \$2 billion in total cash and in-kind contributions, about a quarter of which is targeted outside the U.S. This proportion of international giving is slightly higher than the national sample, which, on average, invested 21 percent of total giving internationally in 2012.

Both the Bay Area and national samples concentrate their international giving in North America. However, Bay Area companies' international giving is more diversified than the nation, focusing a greater percentage of their efforts on Europe, the Middle East and Africa (26 percent) as well as Asia Pacific (11 percent) than the national average.

International giving often corresponds with corporations' areas of focus within the U.S. Of the companies responding to the local SVCF survey, 67 percent said their key focus area did not differ among domestic and international giving. In other cases, corporations' giving models abroad were more diverse than their giving in the U.S. In underdeveloped regions, the focus is generally more on basic access to education, workforce development and meeting basic needs.

Engaging international employees in volunteer opportunities is more common in the Bay Area than other parts of the country. The CECP national survey reports that 76 percent of Bay Area companies offer both domestic and international employee-volunteer programs, compared to 60 percent of all companies responding to the national survey. Frequently, global offices will advocate for expanding corporate giving programs abroad based on the need they perceive in the local community. The main employee engagement programs offered both

internationally and domestically by Bay Area corporations are flexible scheduling, team grants and employee volunteer awards.

Companies identified the following challenges to giving abroad:

- Administration can be challenging, as filling out annual expenditure forms, tax forms for matching gift programs, and the regulatory process often differ in other countries.
- Companies also find it difficult to make an impact in areas where they do not have an office because without a local presence it can be very challenging to vet organizations and administer funding.

CASE STUDY

The eBay Foundation creates strategic partnerships to build economic inclusiveness across the globe



eBay Inc. is headquartered in San Jose, employs over 32,000 people globally and has a worldwide customer base. eBay Foundation seeks to mirror its parent company's global footprint and values in its giving, in a way that amplifies the impact of philanthropic dollars in local communities. As part of a comprehensive CSR strategy, eBay Foundation developed The Opportunity Project, which connects disadvantaged people with opportunities to become economically independent. The Opportunity Project serves as an open source competition to identify and fund social entrepreneurs with proven ideas to build solutions that promote economic and employment growth in underserved communities.

Through The Opportunity Project, eBay announced a competition in 2011 in partnership with Ashoka Changemakers, a nonprofit organization that fosters collaboration among motivated individuals and organizations developing innovative social programs, or "social entrepreneurs". eBay Foundation committed \$250,000 in prize funding and a team of eBay engineers developed a Facebook application that helped Changemakers expand their marketing for the competition beyond their existing network, resulting in a record-breaking number of applications submitted. Ashoka Changemakers continues to use the Facebook tool for new competitions.

“In response to the local need and identified areas of impact on local education, Bay Area companies are focusing their contributions on helping close the gap on education in the region.”

Employee Volunteer Programs Offered both Domestically and Internationally

75% of Companies in Bay Area

60% of Companies Nationally

Bay Area Domestic vs International Giving

Domestic Giving	\$1.5 B
International Giving	\$532 M
Total	\$2 Billion Total

innovative practices in bay area corporate citizenship

Each corporation's giving program is unique, and there is substantial variation and innovation among Bay Area companies in their strategies for selecting causes and motivating employees to participate. Employee engagement is a core consideration of nearly every corporate giving approach, because high levels of employee buy-in help to generate benefits both for the community and for the business itself (such as through employee retention or recruitment, morale and teamwork). While companies utilize unique strategies, they all incorporate the region's innovative culture to increase employee involvement and impact and provide meaningful opportunities to give back. This section seeks to highlight some of the most interesting and innovative citizenship programs in the region.

Citizenship as a Founding Value

When citizenship is identified and established as an integral part of a company's DNA, it becomes embedded within a company's values and is more likely to be sustained. Over the years, citizenship models have evolved, from funding prompted by executive interests to high-leverage and strategic social investments. However, the support and engagement of key executives remains an absolutely critical component to the success of citizenship programming. In fact, 59 percent of the Bay Area companies said that "executive champions" were among the most successful tactics used to engage employees in giving.

The ways in which executives, founders, boards of directors and investors champion these efforts vary widely from company to company; however, one innovative strategy that has emerged from the Bay Area in recent years is the "one-one-one" approach.

Most notably implemented by Salesforce, the "one-one-one" approach is employed when a company is in the initial public offering or sale stage to a private investor, and it can specify upfront that one percent of the corporation's assets (time, products, and money) are set aside for philanthropic purposes. It is an effective effective giving

model, but has to be done in the early lifespan of a company. If successful, corporate citizenship expectations are built into the fabric of the company. Nonprofit organizations such as EF of SVCF partner with companies and entrepreneurs to facilitate the implementation of this model at early stages.

Standardized Frameworks and Measuring Impact

Measuring community impact is a critical undertaking to validate the success of the citizenship program. Some Bay Area companies are at the forefront of international efforts to standardize impact and contribution techniques, while still finding creative ways to identify specific program impacts. With substantial resources invested in corporate citizenship initiatives, corporations are striving both to accurately account for corporate contributions and to identify which corporate citizenship initiatives are working and which are not. By determining effective ways to measure impact, corporations can more easily adapt programs to develop higher-leverage philanthropic programs.

Some Bay Area companies are engaging nonprofits in the measurement design and process to more effectively account for outcomes. Collaborating with nonprofits to identify and collect effective measurements leverages the nonprofits' expertise. With a sampling of ways to measure impact from a number of nonprofits, a company can develop its own universal metrics system. For example, under Microsoft's YouthSpark initiative, its grantees have internal scorecards to keep track of how many students have benefited from Microsoft's technology with the ultimate goal of reaching 300 million youth in three years.

Other companies are adopting a systems approach to tracking results by building standard frameworks for evaluating progress in real time using available data, such as sales, revenue or even 8th grade math scores. For example, General Electric developed measurement frameworks including the Global Reporting Initiative Guidelines and the United Nations Global Compact, which provide guidance to corporations in managing, planning and reporting on their citizenship performance.

"the support and engagement of key executives remains an absolutely critical component to the success of citizenship programming. In fact, 59 percent of the Bay Area companies said that 'executive champions' were among the most successful tactics used to engage employees in giving."

Successful Tactics for Engaging Employees in Giving



Another strategy is to create a dataset to tailor measurement to particular corporate initiatives. For the Synopsys Outreach Foundation Science Fairs, the Outreach Foundation contracted with a consulting firm to do an extensive survey of the impact their program was having on students. They examined the support of hands-on science learning through science fairs and its impact on 21st century skills. While science projects may serve to inspire a number of future scientists, the survey indicates that hands-on learning can also significantly contribute to students gaining the 21st century skills they'll need. By conducting the survey, Synopsys is able to have data to show their board, teachers, students and the community-at-large.



CASE STUDY

PG&E participates in a study to evaluate the outcomes of its corporate giving strategy



Metrics help companies systematically evaluate their philanthropic strategy and better understand the return on investment of donations. Often, individual companies will identify indicators and metrics that are specific to their company or a particular grant, as determining standard metrics that apply across companies is notoriously difficult. However, a national professional association for corporate contributions professionals was interested in tackling this challenge and launched a pilot project among major international companies, including San Francisco-headquartered PG&E, to test their standardization model.

Utilizing an international measurement model, the pilot hoped to capture a more systematic view of the impacts of corporate contributions while standardizing tracking. They examined inputs such as financial contributions, administrative costs and employee volunteer hours and outputs such as the number of families served and leveraged funds raised as a result of the company contribution. Additionally, they tracked how these programs have affected the community and company. The model helped to standardize the ways in which companies account for contributions. For example, during the pilot, companies' value in-kind donations (e.g., products, pro bono services) at the cost to the company, rather than at the commercial price charged in the market.

Through this pilot study, PG&E was able to evaluate its Bright Minds Scholarship Program, which grants full-ride scholarships to high performing students. As a result of

itemizing its outputs and outcomes, PG&E found that Bright Minds was one of its most effective, efficient and popular corporate giving programs, and opted to continue it. PG&E has now adopted this measurement model to evaluate the effectiveness of all its signature programs, and has made enhancements, including tracking of reputational impact.

Democratizing Philanthropy

Many companies have built upon the employee-directed matching practice by providing program structures to help foster further engagement with nonprofit organizations. For instance, several companies provide specialized training on how to be a more effective board member and volunteer. Through this approach, the companies do not dictate the cause or organization that employees should support, but rather they enhance the engagement of employees where they are already involved. The core concept of these programs is empowering employees to see themselves as philanthropists and agents of change in their communities.

CASE STUDY

VMware amplifies its employees' passion through its giving programs

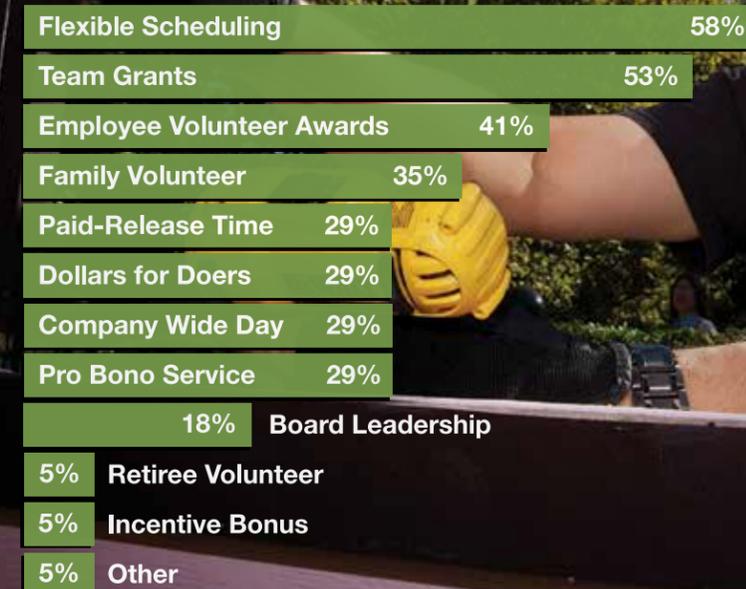


VMware encourages its employees to support their personal causes and give voice to their values. VMware is an information technology company headquartered in Palo Alto, with more than 13,000 employees around the world. At VMware, giving is rooted in the approach to giving back called "citizen philanthropy." By democratizing philanthropy, VMware believes that every person has something they can contribute whether it's their time, skills or financial resources. As a result of this approach, the VMware Foundation is issue agnostic and the focus is on amplifying the contributions of VMware employees through all of its programs.

Another way VMware supports democratizing philanthropy is by expanding access to the resources of the Foundation to all its employees through its Milestone Awards program. Celebrating service with VMware, people receive charitable donation gift cards when they join the company and when they reach their 1-year and 12-year anniversaries. VMware employees can then direct the donations to a charitable project that's close to their hearts. Through this citizen philanthropy model, employees are able to deepen their commitment to their personal causes, express their values and inspire others to give back. Ultimately, this generates a ripple effect, strengthening VMware's collective impact.

“One growing model of employee engagement is skills-based volunteering, in which employees’ skills and interests are matched up to fit nonprofits’ needs.”

Employee Engagement Programs Domestically & Internationally



CASE STUDY

Rocket Fuel builds a grassroots culture of philanthropy through passionate and entrepreneurial employees



Rocket Fuel's corporate giving program offers an example of how grassroots commitment to causes can help to build a culture of philanthropy within an organization. As an information technology start up located in Redwood City, Rocket Fuel's giving program also started from the ground up. At first, a small group of employees began to informally volunteer at nearby homeless shelters. Eventually, so many employees wanted to participate that they filled an entire bus and developed regular volunteering opportunities for a variety of employee-selected causes, including youth "Off the Street" programs and STEM education for children.

Because of the success and interest from employees, Rocket Fuel formalized its philanthropy efforts as the Rocket Fuel "Gives Back" program, which has expanded to the company's Chicago, New York, Boston and Los Angeles offices. They are now making plans to take the program global. In the true spirit of the Silicon Valley, Rocket Fuel's giving program arose from entrepreneurial efforts and employee passions for causes.

The employee-directed approach offered by many companies in the area allow companies to honor the causes their employees are passionate about and incentivize engagement and giving regardless of alignment with a strategic focus area. This approach may ultimately increase participation, but there has not yet been an analysis of this correlation.

Skills-Based Volunteering

A growing model of employee engagement is skills-based volunteering, in which employees' skills and interests are matched up to fit nonprofits' needs. For example, if the nonprofit needs help building a website, the corporation will match it with a web developer or someone in their

marketing department, depending upon the scope of the project. In doing so, the professional skills that the employee uses in his or her daily job are leveraged by the nonprofit. By combining an employee's skills, a company's products and volunteer training, the result is often a more meaningful experience for the employee and contribution of significant value to the recipient organization.

CASE STUDY

LinkedIn leverages its core business to promote skilled volunteering



LinkedIn is a prime example of a corporation that is utilizing its tools and capabilities to strategically engage employees and create a greater philanthropic impact. Headquartered in Mountain View, LinkedIn's core business is an online platform and network that connects talent with opportunity at massive scale. LinkedIn for Good, the company's social impact arm, was created to do the same, while focusing on connecting the talent and skills of LinkedIn's employees and 238 million members with opportunities to make a positive impact on the world.

Bringing the LinkedIn network and tools to bear, the company helps nonprofits connect to potential board members and access corporate tools at low cost. LinkedIn employees run workshops to help specific audience segments (job seekers, students, nonprofits and veterans) take full advantage of LinkedIn tools for goals like building an online brand, building one's network, and connecting to and evaluating talent and opportunities. This type of strategic, skills-based volunteering augments the lasting impact of employee time contributed.

LinkedIn for Good also works to enable the 238 million members of LinkedIn to include social impact as part of their professional identities. In 2012, LinkedIn launched the "Volunteer Experience and Causes" portion of the LinkedIn profile, where professionals can showcase the causes and organizations they feel most passionate about and detail specific volunteer experiences. Over 2.25 million professionals have added this field to their profiles to-date.

In 2013, LinkedIn launched the Board Member Connect program, which helps nonprofit professionals leverage their networks to search LinkedIn's members for individuals that align with their ideal criteria for new board members. And just recently, to support both member profiles and nonprofits searching for talent, LinkedIn added an

Corporations recognize the value of contributions of time and skills for social benefit and have created platforms for employees to contribute back to their communities in meaningful ways.



aspirational question to the "Volunteer Experience and Causes" field: "How would you like to donate your time and talent?" By answering this question, members can signal their interest in skills-based volunteer opportunities and/or nonprofit board service. Through both employee and member programs, LinkedIn for Good is leveraging the LinkedIn platform to connect individuals with opportunities to use their skills to create a positive impact.

Corporations recognize the value of contributions of time and skills for social benefit and have created platforms for employees to contribute to their communities in meaningful ways. For example, the VMware Foundation's signature initiative is Service Learning, where employees receive 40 paid hours per year to serve in the community and learn through their experience. Knowing that we learn best by "doing", the concept of Service Learning was inspired by the philosophy of experiential learning in education. The key to this connection is reflecting on the experience. By integrating reflection, with meaningful community service, Service Learning helps enrich the volunteer experience, encourages learning and builds a culture of service that extends beyond employees "day-jobs" to a mindset of lifelong civic engagement.

This training also works for leadership roles. Employees often offer to sit on or lead nonprofit boards without the background knowledge necessary to do so effectively. But corporations are starting to include leadership development in their volunteer training or even providing custom board member training so that their leadership team members can effectively lend their expertise as a strategic advisor or board member.

Aligning the skills of employees with nonprofits' needs forms a mutually beneficial relationship for both entities. Employees are motivated by seeing firsthand the value of their work. Nonprofits are able to access expertise that helps them better serve their mission and constituents. This strengthens the relationship between donor and nonprofit, which has led companies to focus on supporting fewer nonprofits but in multiple ways.

looking forward and next steps

Corporate citizenship will become more integrated into core business models and operations, and will become more connected to diverse entities outside the corporation. The line will become increasingly blurred within the company, with additional departments aiding in the giving process and providing new kinds of support to nonprofits. Corporate citizenship efforts will move towards working with new kinds of organizations, such as low-profit limited liability companies (L3Cs) or start ups as opposed to only nonprofit organizations.

Corporate citizenship decision-making will become more distributed. Instead of executive-run programs, CSR will increasingly become employee centered and employees will likely pioneer new approaches. Executives will empower employees to take leadership in creating new and flexible opportunities for engagement. This could include, for example, micro-volunteering or cyber-volunteering. In an increasingly interconnected and fast-paced world, this type of efficient volunteering will likely increase, as will the demand for social media and marketing assistance. In addition, as the millennial generation becomes a larger share of the company workforce, the demand for new and meaningful engagement opportunities from employers will rise.

There will be a growing emphasis on accountability in corporate citizenship, which will drive a stronger commitment to impact measurement. Companies will take more responsibility in developing metrics and will dedicate more resources for assessment. Companies are beginning to understand the importance of measuring return on investment, not only in terms of community impact but also business impact (e.g., employee recruitment and retention, the number of students helped through corporate citizenship initiatives who later become employees). As a result, companies will increasingly seek out tools and methodologies from other companies and experts in the field, work collaboratively with community partners to develop metrics and measurement processes, and insist on greater accountability for results.

Companies are increasingly interested in sharing innovative practices, working on shared challenges (e.g., impact measurement) and exploring potential strategic partnership opportunities. Two-thirds of the companies (65%) surveyed said that sharing innovative strategies across companies would be among the best

ways to stimulate high levels of corporate citizenship. About one-third of the companies said that more opportunities for companies to work collaboratively on a project or issue should be a top strategy. Others agreed that actions by others could motivate companies to do more, such as higher expectations from other stakeholders and nonprofit agencies creating stronger opportunities for companies to engage. Beyond the survey results, innovative local companies interviewed for this project were interested in interacting with other companies around corporate citizenship. As a result, there may be an opportunity to bring companies together around corporate citizenship in a more structured and sustained fashion in the region. An existing organization or new network could play this role.

Near term, there is clearly a need and interest in developing a more strategic, collaborative approach to working on K-12 education. K-12 education is an important area of regional need, one of great interest to many companies, and the focus of substantial corporate giving already. To strengthen the work that is being done and partnerships that have formed, and in light of the upcoming implementation of the Common Core State Standards, the time seems right to develop a new strategic collaborative around education. Other regions have done so in the past (including Boston through the Boston Compact, business roundtables in other metropolitan areas, and Silicon Valley through Joint Venture: Silicon Valley's Challenge 2000 Initiative and SVCF's Common Core Initiative). The Cisco/Applied Materials collaboration described earlier is an example of this growing interest in exploring the possibilities of a strategic collaboration in K-12 education.

Bay Area companies will pioneer a new, higher-leverage model of corporate citizenship. In many ways, as this report has shown, this model is already emerging. Companies are experimenting with new approaches to employee engagement, including innovative blends of people, products and leadership. Many are actively searching for better strategies and new partners that can help them get a better return on investment. Many have innovative business models and products and services that can help stimulate new and better approaches to solving community problems. The Bay Area's diverse industries and talent pool are a unique resource which has only begun to be leveraged for the region's benefit and beyond

“Bay Area companies will pioneer a new, higher-leverage model of corporate citizenship. In many ways, as this report has shown, this model is already emerging.”



appendix

Thank you to all of the individuals and corporations who provided company giving data, took part in the survey or the interviews. Your time and insight was invaluable in completing this report.

This report includes data (interviews, CECF, SVCF survey or SVCF corporate advised fund giving) from the following companies:

Adobe Systems Inc.
Agilent Technologies, Inc.
Altera
Applied Materials
Bank of America
Chevron Corporation
Cisco Systems
Clever Girls Collective
eBay
Genentech
Homestead
Intel Corporation
Juniper Networks
KPMG LLP
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NetApp
NVIDIA
Orchard Commercial
Pacific Gas & Electric Company
Passerelle
Plantronics
Rambus
Rocket Fuel
Salesforce Inc.
Sand Hill Global Advisors, LLC
SanDisk Corporation Fund
SAP Foundation
StubHub
Symantec Corporation
Synopsis
Target
Texas Instruments
The Charles Schwab Corporation
The Clorox Company
Varian Medical Systems
VMware
W. L. Butler Construction
Wells Fargo & Company
Xilinx
Yahoo!

Methodology

This report explores the state of corporate citizenship in the Bay Area. By combining results from a national survey by the CECF (formerly known as Committee Encouraging Corporate Philanthropy) that included the participation of several prominent Bay Area companies, an additional survey of local corporate citizenship conducted by Silicon Valley Community Foundation (SVCF), an analysis of SVCF corporate donor advised funds, and in-depth interviews with local companies, this report describes key dimensions and recent innovations in corporate citizenship in the region.

Thirty Bay Area companies provided information about their corporate citizenship efforts either through the national CECF corporate giving survey (19 companies), the SVCF regional survey (17 companies), or both (6 companies). The national CECF survey received information from 240 companies, which provides an opportunity for comparison.

Though neither comprehensive nor representative of the diversity of companies across the region, the results do reflect the patterns and preferences of an important sample of companies, a combination of successful, established companies and dynamic, younger enterprises, spanning multiple industries in the Bay Area.

SVCF Corporate Advised Funds:

Sample Size: Throughout the report, the convention “N=” or “n=” indicates the number of companies used in each calculation. “N” references the total sample size for that analysis, whereas “n” denotes a segment of the total sample size. The number will vary from one figure or data point to the next because respondents did not necessarily answer every question in the survey. This data represents 2012 donations of all corporate advised funds held at Silicon Valley Community Foundation.

SVCF Corporate Citizenship Survey: This data was derived using the online survey tool QuestionPro. Fifteen companies completed the survey and two companies partially completed the survey. Companies headquartered or with regional offices within the nine-county Bay Area region were asked to participate.

CECF Corporate Giving Standard (CGS) Survey, 2013: This data is derived from the (CGS) benchmarking tool. This annual philanthropy survey collects data that populates a customizable, online benchmarking database containing more than \$130 billion in comparative data collected since 2001. For the purposes of this report only data from companies headquartered within the nine-county Bay Area region (19 companies total) were used. Please click on the link for the detailed survey methodology.

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Collaborative Economics works with senior executives from business, foundations, government, education and community sectors - helping them create breakthroughs in how people think and act regarding their region. Collaborative Economics' clients have the passion, vision and commitment to blaze a new pathway for their community. They understand that a new kind of leadership is required to create great places, with thriving economies and world-class quality of life.

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Endnotes

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About Silicon Valley Community Foundation

Silicon Valley Community Foundation makes all forms of philanthropy more powerful. We serve as a catalyst and leader for innovative solutions to our region's most challenging problems and give more money to charities than any other community foundation in the United States. SVCF has more than \$3.5 billion in assets under management and more than 1,650 philanthropic funds. As Silicon Valley's center of philanthropy, we provide individuals, families and corporations with simple and effective ways to give locally and around the world. Find out more at www.siliconvalleycf.org.

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