goBeyondProfit

Corporate Generosity Research Report:

Insights for Business Decisions About Your People and Community

March 2020

Presented in partnership with:

GEORGIA CEO

GEORGIACHAMBER

2020 goBeyondProfit Corporate Generosity Research Report

In February 2020, we gathered a second year of data about how Georgia's executives, employees and consumers see corporate generosity. This report conveys the consistent mindset in place as society was thrown into the COVID-19 upheaval.

As COVID-19 forces intensely difficult business decisions, Georgia businesses continue to display the generous character captured here – shifting to deploy their compassion, innovation, resources and expertise to meet basic, fundamental needs.

In this environment, business leaders need to grasp every advantage possible to protect their businesses. Insights within this report can inform timely business choices that will affect the long-term loyalty of your people and the broader community.

There will be no second chance to make today's difficult decisions. The research shows that Georgians will reward companies that act today and contribute to the well-being of their employees and community.

We at goBeyondProfit hope you find the data and insights helpful to your corporate generosity journey.

Executive Summary

The second annual goBeyondProfit Corporate Generosity survey found a call for companies to understand their employees' and consumers' interests, an opportunity for more effective communication, and a benefit for leaders to be more visibly involved. The landscape just before COVID-19 showed that Georgians:

Value Generosity: Senior leaders and employees value corporate generosity. Leaders see that it is important to their financial health; Georgians honor it with employer loyalty and purchase behaviors.

Want Alignment: While Georgians want their personal passions to be considered, they understand and value companies' need to align with the interests of employees, customers, the community and businesses' skills and mission.

Desire More Executive Visibility & Insight: Despite all audiences' desire for CEO visibility in company's generosity efforts, and leaders' efforts to share information about causes, 31% of employees still know little or nothing about their employers' causes and 35% aren't seeing their leaders' involvement.

Contents

Clear benefits reflect age and geographic differences

Rewards are clear. As with a year ago, half of Georgia's working adults factor corporate generosity into their employment decisions and will even pay more for products from generous companies. Executives understand the rewards, believing community outreach is important to their businesses' valuation and finances, and confirm it is critical to their businesses' overall health. **(Pages 3-4)**

Statewide implications for age and location. Corporate generosity holds higher value and triggers greater engagement among young employed adults statewide, and among Georgians of all age groups outside the Atlanta market. **(Pages 5-8)**

Insights into engaging most effectively

Georgians want business choices to reflect their hierarchy of personal interests. They believe companies should choose causes based on employees' and customers' interests and passions, as well as ones which help solve local community issues and align with the business' skill or mission. **(Pages 9-10)**

CEO visibility: Employees and Senior Leaders both agree CEOs should be visible in outreach efforts, but a significant portion of employees don't yet see their CEO's involvement. **(Pages 11-12)**

Awareness drives employees' passion, but 1/3 of employees are in the dark. Employee familiarity with their company's causes drives passion, a proven engagement trigger for retention and loyalty. Georgia's employers have an opportunity to communicate more effectively because 31% of employees know little or nothing at all about their employer's causes. **(Pages 13-14)**

Giving and perception trends

Outreach activity trends show giving was up in 2019. An impressive 72% of Georgia businesses increased their charitable giving last year. Regardless of how businesses support the community through and after the COVID-19 crisis, there's a valuable reminder that in spite of leaders sharing citizenship information, but many employees didn't see it. **(Pages 15-16)**

An employee/employer gap: Senior Executives give higher marks for statewide generosity than working adults give. **(Page 17)**

Corporate generosity maintains its value among employees, consumers and employers.

The vast majority of executives (88%) confirm community outreach is "critical" or "important" to their businesses' overall health.

Most executives (75%) who say community outreach is critical to their company's overall health also say community outreach adds great value to their company's valuation and finances. (See Figure A.)

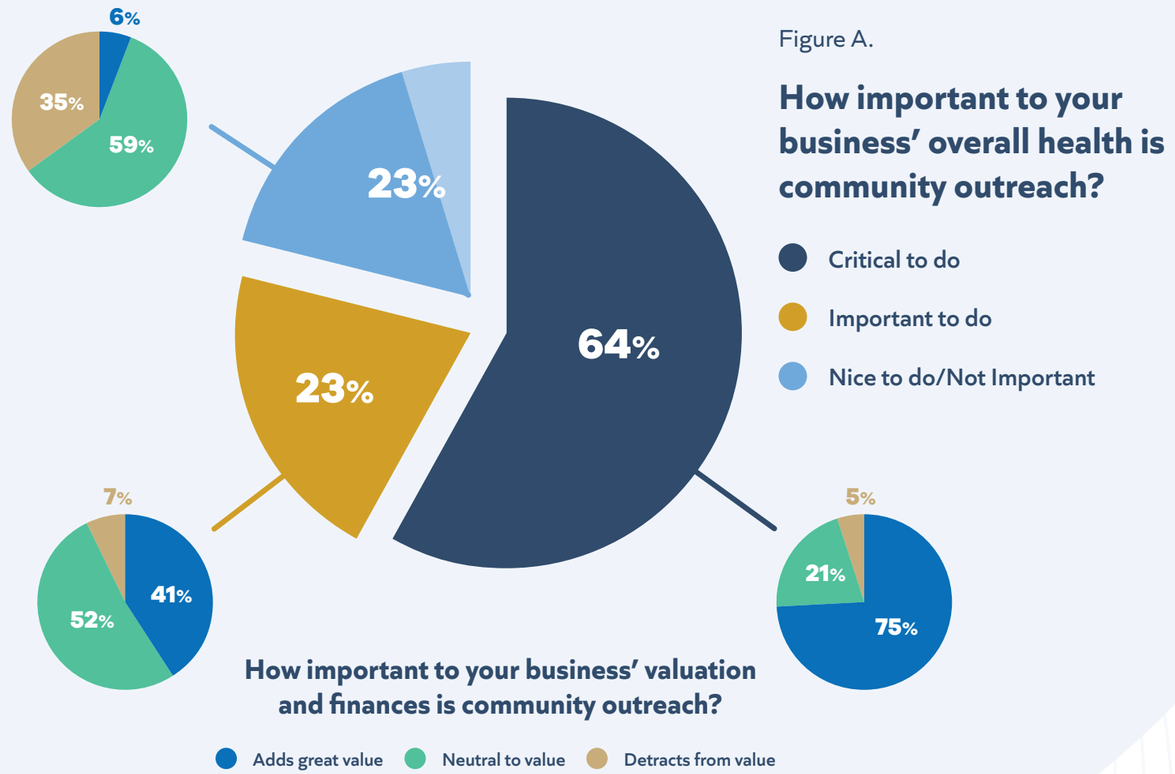


Figure A.

How important to your business' overall health is community outreach?

- Critical to do
- Important to do
- Nice to do/Not Important

Employee and consumer behaviors validate executives' emphasis on community efforts.

Like last year, half the state's working adults consider corporate generosity when deciding whether to work for or stay with an employer.

And strong majorities prefer to buy from (73%) and associate with (74%) brands and companies who are generous to the community.

53% say they'll even pay more for products from these companies. (See Figure B.)

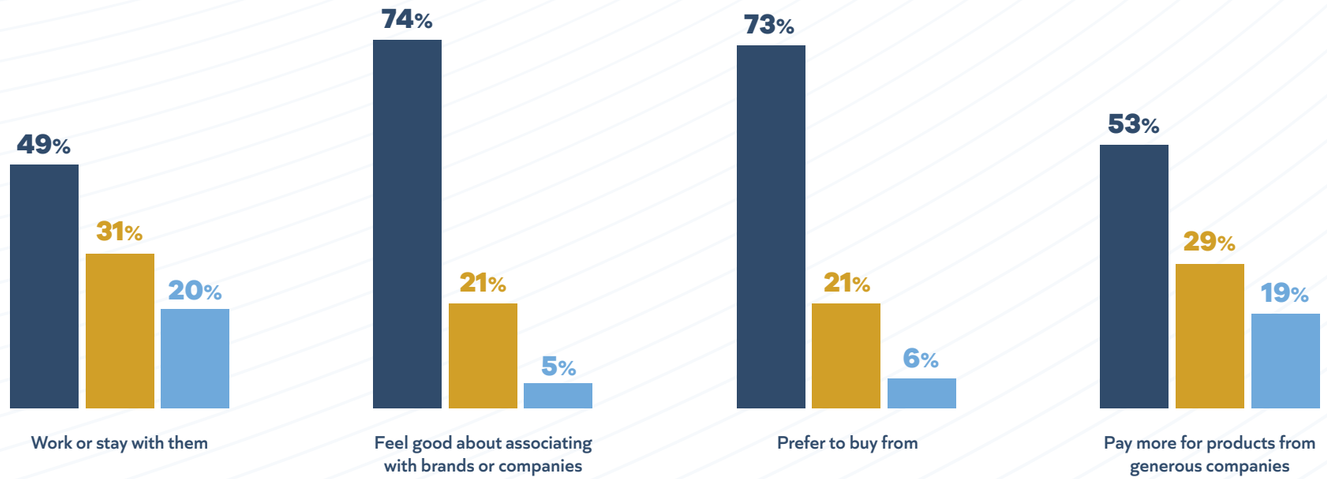


Figure B.

Georgia employees reward corporate generosity with employment & purchase (2020)

- Strongly/Somewhat agree
- Neutral
- Strongly/Somewhat disagree

Younger adults statewide value corporate generosity more than older age groups

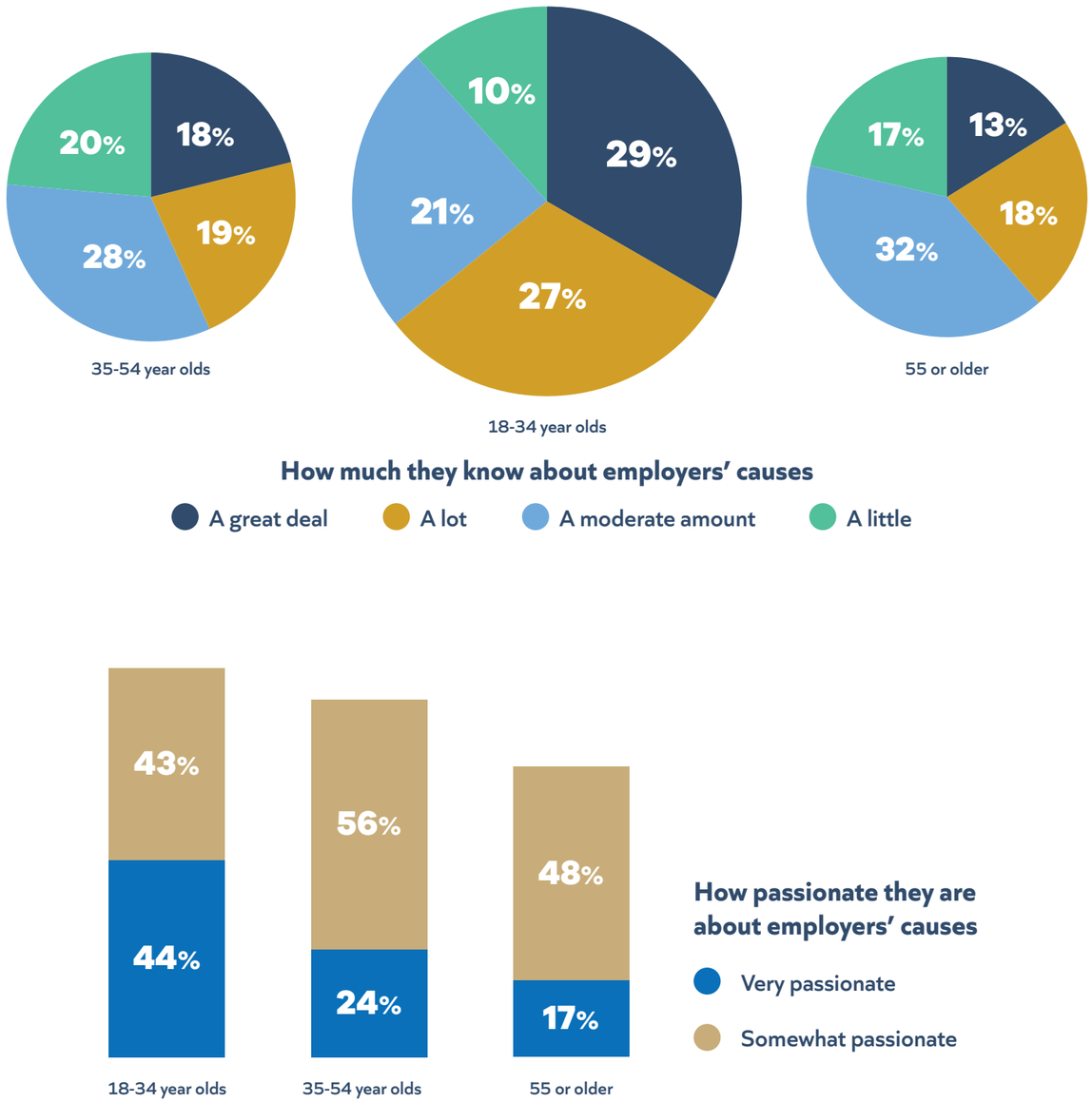
Younger working adults (18-34) again demonstrated greater propensity to be engaged and to reward corporate citizenship.

Regardless of location, employees (18-34) indicate they know more about their employers' outreach. 77% know at least a moderate amount compared to 65% of those 35-54 years old and 63% of those 55+. The younger employees declare they are more passionate about their employers' causes with 87% claiming they are Very or Somewhat passionate compared to their older counterparts at 80% (35-54) and 65% (55+). (See Figure C.)

They're also more inclined to reward companies with purchase and employment decisions. (See Figure D. on page 6)

Figure C.

Younger respondents know more and are more passionate.



Generational differences persist

On at least 12 factors, **employees 34 and under demonstrate greater awareness** and inclination to support and be involved than older employees.

Figure D.

The Generations Differ	18-34	35+
Rate Georgia companies as excellent	34%	22%
Company for which they work for does this a great deal:		
Encourages/arranges volunteer opportunities	29%	21%
Donates money	26%	18%
Donates resources	29%	20%
Know a great deal about causes their company supports	29%	16%
Are very passionate about the causes their company supports	44%	21%
CEO/Senior leader is very involved in and supportive of company causes	38%	27%
It's important that the CEO/Senior leader is involved	43%	31%
An employer's generosity is a strong factor in deciding to work/continuing to work for them	36%	20%
Strongly agree that they feel good associating with generous companies and brands	46%	31%
Strongly agree that if price is similar, they prefer to buy products from generous companies	42%	31%
Strongly agree that they are willing to pay more for products from generous companies	29%	16%

Regardless of age, employees give better marks and cite higher engagement with corporate generosity outside of the Atlanta market.

Employed adults outside the Atlanta market:

- Are more optimistic when rating state companies and their own employer's generosity
- Give their employers higher ratings on exhibiting specific community activities
- Indicate a greater propensity toward employer loyalty
- Record stronger loyalty to generous brands
- Know more about their company's causes, and are more passionate about them
- Are more likely to say their senior leaders should be and are involved

Figure E.

The "Two Georgias" Value Corporate Citizenship Differently	Atl MSA	The rest of GA
Rate Georgia companies as excellent	21%	34%
Rate their own company as excellent	25%	45%
Company for which they work for does this a great deal or a lot:		
Encourages/arranges volunteer opportunities	39%	51%
Donates money	38%	50%
Donates resources	39%	52%
Works with community partners to solve problems	39%	52%
Works to create a culture that includes/appreciates giving back	43%	55%
Know a great deal about causes their company supports	16%	27%
Are very passionate about the causes their company supports	22%	39%
CEO/Senior leader is very involved in and supportive of company causes	25%	40%
It's important that the CEO/Senior leader is involved	30%	43%
More likely to consider an employer's generosity when deciding to work/continue to work with them	41%	62%
More likely to strongly agree that they feel good about associating with generous companies and brands	31%	43%

Georgians want business choices to reflect their hierarchy of personal interests.

New this year, working adults shared their clear preferences for how companies choose the causes they support. The answer is they want business to pick causes that matter to a company's employees and customers, meet community needs and align with the business's skills and mission, in that order.

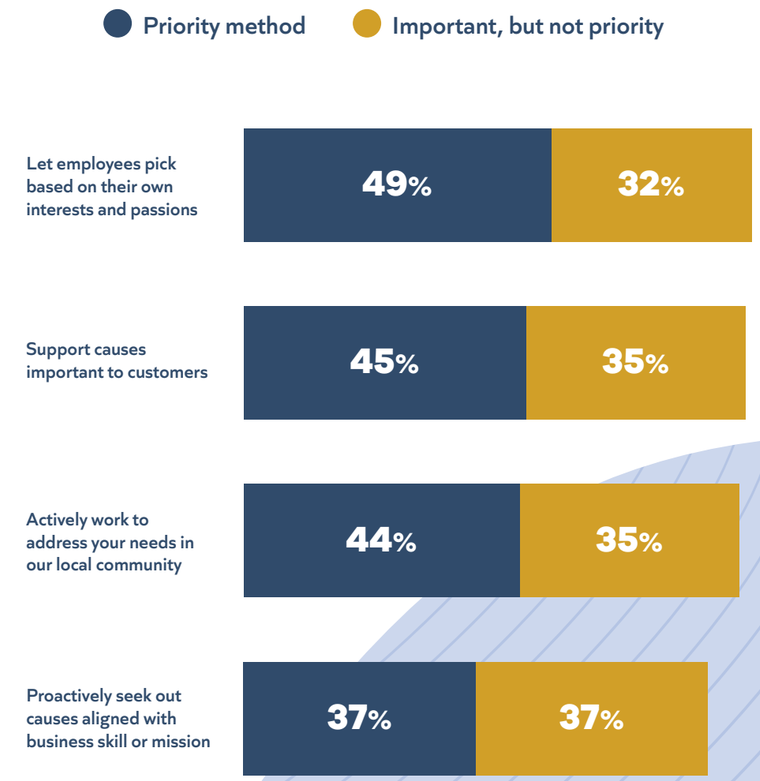
- **Nearly half of adults believe a priority method for picking charitable partners includes employees choosing causes aligned with their own interests and passions.**
- **Close behind (45%) believe companies should prioritize customers' opinions as they select causes.**
- **And – not necessarily mutually exclusive -- nearly as many (44%) think companies should work to address the needs in their local community.**
- **While selecting causes aligned with the business skills or mission is rated least favorably, 37% of employees chose this as a priority method, indicating a solid set who value this strategic alignment.**

When we combine the respondents' choices of "the Priority" and "Important, but not a priority", the wakeup call to include stakeholder opinion skyrockets. Adults value employee choice (81%), customer choice (80%), addressing local needs (79%) and alignment with business skills or mission (74%). (See Figure F.)

Especially during the difficult decisions of 2020, companies will realize long-term benefits by involving employees and customers in their choices and communicating why those are the chosen decisions.

Figure F.

Ideally, how would your company pick which causes to support?



Executives and employees agree CEOs should be visibly involved and supportive of company outreach, but employees aren't seeing it.

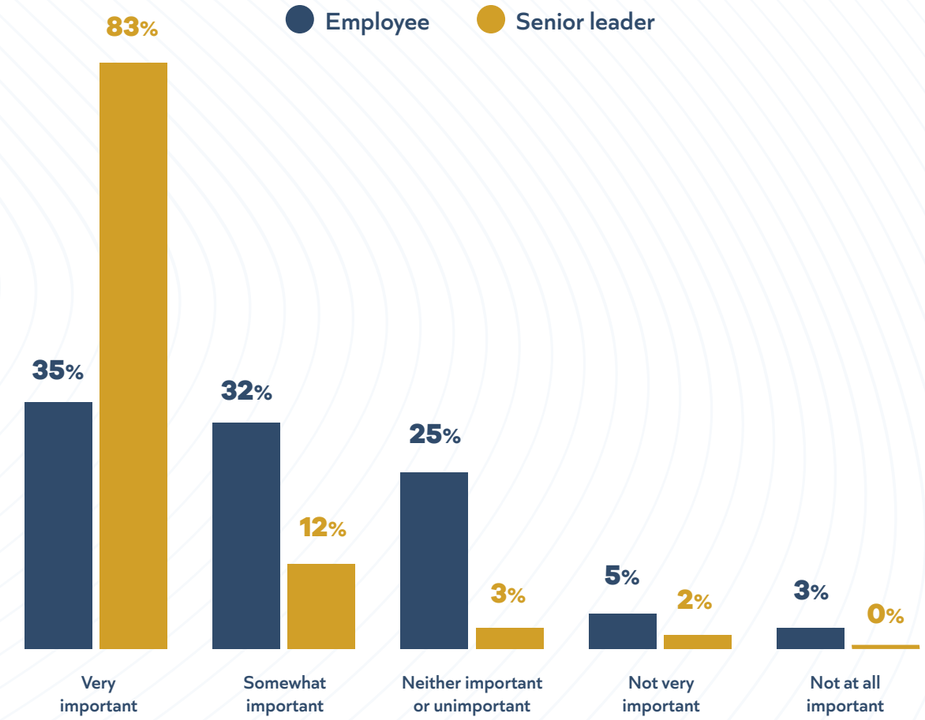
A resounding 95% of senior executives believe it's important that their employees see them involved in and supportive of community outreach and 67% of employees agree it is important.

But 35% of employees assert that they do not see their executives involved and supportive. (See Figure G.)

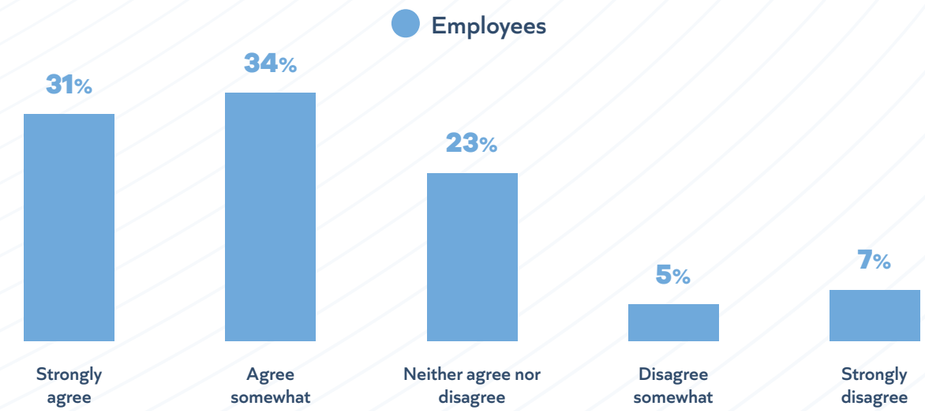
Especially in times of stress, when employees are remote and consumers highly distracted, executives will benefit from a heightened effort to be visibly involved and transparent.

Figure G.

Importance of senior leaders' visible involvement in and support of company's outreach



My senior leader is involved in and supportive of company's outreach



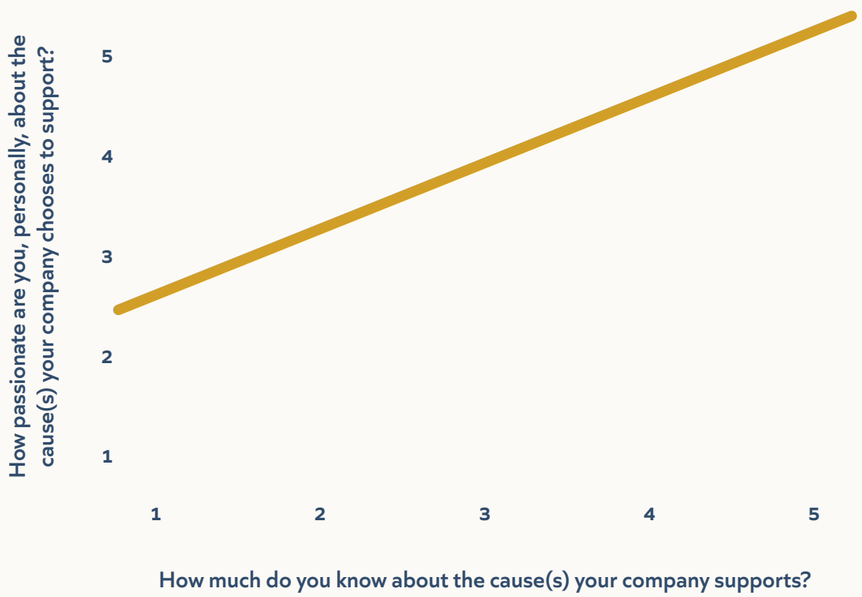
There's clear correlation between employees knowing about the causes their employer supports and passion for them.

Employee familiarity with their company's causes drives passion for those causes, an engagement trigger for employee retention and loyalty.

Of employees who know a great deal about the causes their company supports, 98 percent are at least somewhat passionate about those causes, while 79 percent are very passionate about them. (See Figure H.)

Figure H.

As knowledge increases, so does passion



Despite companies' efforts, employees don't know enough about the causes their employers support.

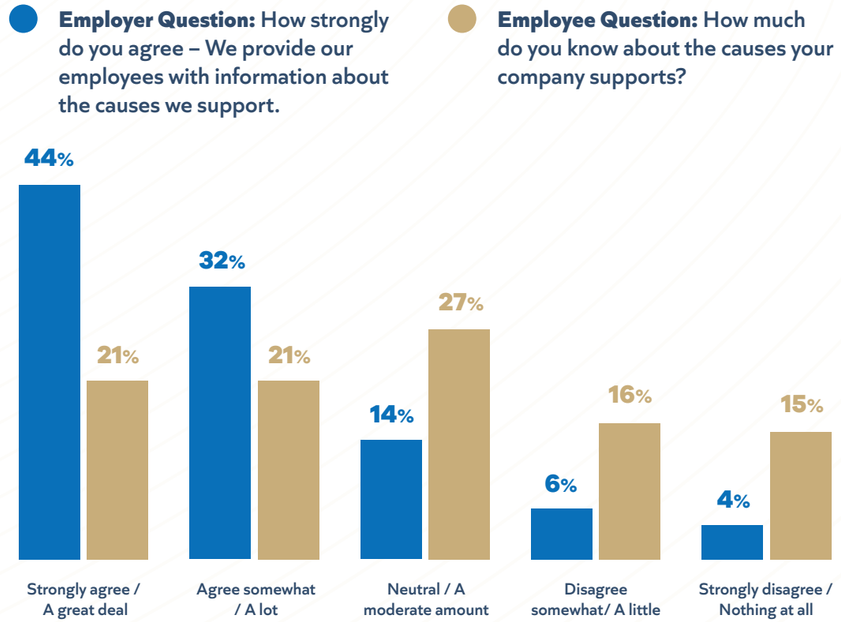
76% of employers say they provide employees with information about the causes they support and why. But it's not sinking in.

A worrisome 31% of employees know little or nothing at all, indicating there's more opportunity to educate employees about these efforts. (See Figure I.)

Undoubtedly, each business that survives the COVID-19 environment will wrestle with different customer and employee struggles. By educating employees about the decisions they make, employers can foster loyalty and engagement, which will be more valuable than ever. This is especially true among younger employees, who are notoriously harder to retain, and place higher value on corporate generosity.

Figure I.

Employers & Employees: Information provided but not known

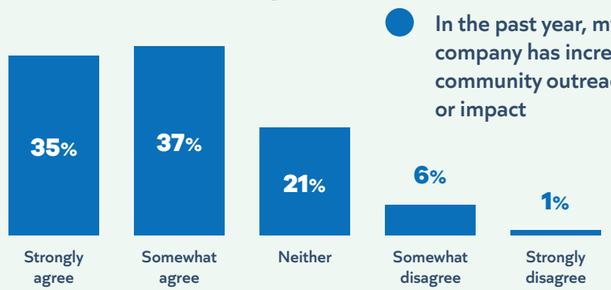


Companies increased their donations and impact this year, but employees haven't noticed yet.

In 2020, 72% of employers say they increased outreach or impact last year over the previous year.

Figure J.

Companies reported increased donations and impact



Georgia's working adults did not see a statistically significant change in demonstrated corporate citizenship since the previous year.

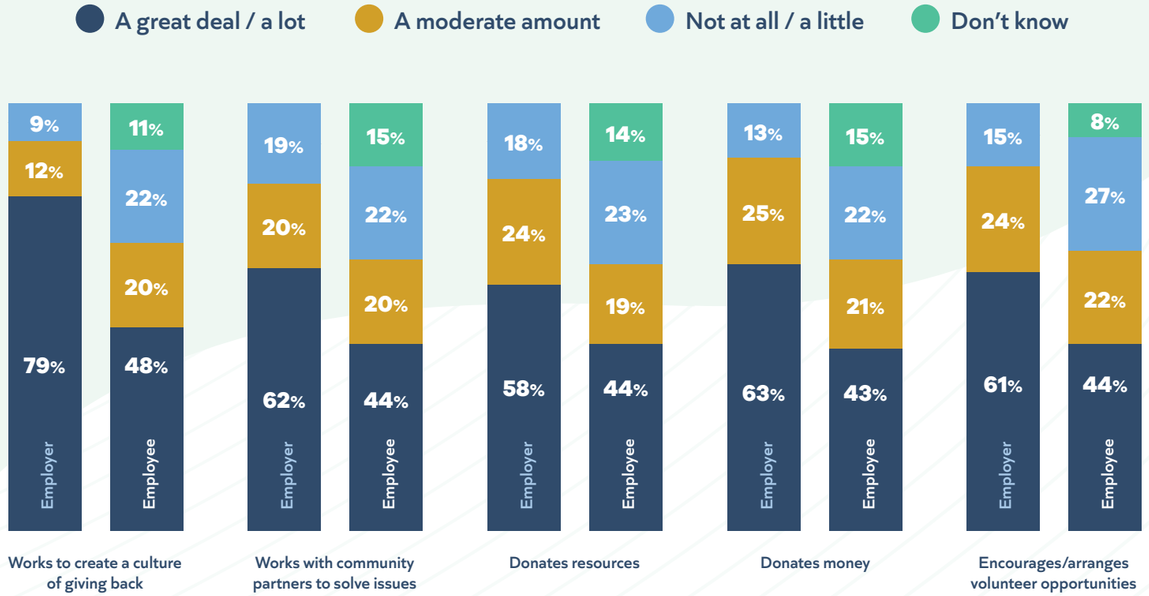
Executives reported that donating money rose from the least common behavior to second most common. In 2019, just 54% said they donated money a great deal/a lot compared to 63% in 2020.

There was no significant change in the amount executives reported or employees observed five outreach behaviors. Again this year, less than half of employees noticed their employer:

- Creating a culture of giving back (48%)
- Working with community partners to solve issues (44%)
- Donating resources (44%)
- Donating money (43%)
- Encouraging/arranging volunteer opportunities (44%)

Figure K.

Behaviors executives reported versus what employees noticed



While most Georgians give state businesses good ratings for charitable efforts, there's a gap in perceptions between senior leaders and their employees and customers.

Most executives (82%) ranked Georgia companies as Excellent or Good at charitable giving and supporting the community.

But in comparison, only 66% of employees gave Georgia companies an Excellent or Good rating.

This difference of opinion indicates a gap between employers' perceptions of their efforts and working adults' observations and expectations.

Figure L.

Employers give themselves higher ratings than employees do

Overall, this year's research unveils opportunities for business leaders who:

- Involve employees and customers in outreach decisions and educate them about how and why causes are chosen.
- Are more visibly involved in company's outreach efforts.
- Communicate broadly and demonstrate a range of community-minded behaviors to ensure audiences observe a depth of corporate character.

goBeyondProfit

The research was conducted by goBeyondProfit in partnership with Georgia CEO and the Georgia Chamber of Commerce. goBeyondProfit is a statewide alliance launched by business leaders for business leaders to spur corporate generosity and improve people's lives. Through peer insights and stories, members learn from one another and strengthen their ability to ensure stronger businesses and healthier communities. goBeyondProfit is a fully funded philanthropic venture inviting every Georgia business to join at no cost.

For further information, and a downloadable PDF of the survey, visit goBeyondProfit.org or reach out to goBeyondProfit Founding Director Megan McCamey at mmccamey@gobeyondprofit.org.

GEORGIA CEO GEORGIACHAMBER dynata

Methodology:

Two separate surveys were simultaneously conducted by goBeyondProfit during the first quarter of 2020.

Georgia senior executives qualified for the survey if they were in a senior leadership position with a company that has a Georgia presence. The Georgia Chamber and Georgia CEO, a network of local websites focused on the state's business communities obtained respondents for this survey via email invitations to their databases. The survey was open from February 4 – February 24, 2020 and drew 244 completes. At a 95 percent confidence level, this survey has an error range of +/- 4.3%.

An online survey was conducted among 500 Georgians between February 5-February 10, 2020. GoBeyondProfit contracted with Dynata, a provider of first-party data, contributed by people who opt-in to participate in surveys and market research, for the sample. Respondents qualified for the survey if they were 18 years of age or older and were employed by a company that has a Georgia presence or a Georgia office. The survey drew 523 completes. At a 95% confidence level, this survey has an error range of +/- 6.3%.