



# **PROOF POINTS TO SUPPORT INVESTMENT IN EMPLOYEE COMMUNITY ENGAGEMENT**



**POINTS  
OF LIGHT**



# INTRODUCTION

The role of business in society has changed significantly over the past three decades and even more so over the last four years. Rising consumer and investor expectations, the global pandemic, economic uncertainty, the prioritization of employee wellbeing and shared purpose and the need to attract and retain top talent have driven more companies to integrate a social impact strategy that connects their strongest asset — their people — to the communities where they work and live.

Increasingly, research demonstrates that a strategic community engagement program can also produce significant returns — not just for communities and causes, but for business success and the employees who participate.

As with any business initiative, senior leaders require evidence before investing, and corporate social impact practitioners need to be prepared to make a case for starting, expanding and sometimes even maintaining their efforts.

Although this guide will highlight examples of the value that engaging employees in community will bring to the business and participants, the most significant factor when assessing strategy should always be an authentic commitment to improving lives, accelerating positive change and reducing injustices. Meeting community needs should be primary to meeting business needs.



This reference guide is designed to help CSR professionals build the case for investing in employee community engagement by aligning desired outcomes with proof points.

The research demonstrates that positive results extend across different business priorities, which underscores how valuable it is to integrate social impact into all business functions. Integration showcases deep commitment to social impact and increases potential for achieving meaningful outcomes rather than focusing on only programmatic goals, which is why it's a pillar of [The Civic 50](#) framework.



**EMPLOYEE COMMUNITY ENGAGEMENT** means providing employees with different ways to support the causes that matter to them. [The Points of Light Civic Circle®](#) reflects many civic engagement activities, including volunteering, donating, listening and learning, public and national service, using your voice, voting and understanding purchase power.







## GOOD FOR THE COMPANY

For businesses, having a thriving employee community engagement strategy helps attract and retain skilled talent and grow future leaders. They reap financial dividends due to the upsurge in consumer interest and loyalty, reduced turnover and other expenses and by building new sales or supplier relationships. It can support brand visibility and license to operate and mitigate potential risk, especially at a time when more consumers are engaging with brands based on their organizational values and contributions to society. A healthy employee community engagement program can also drive innovation in products and services along with new market penetration.

### Implementing an employee community engagement strategy leads to business success through:



#### ENHANCED EMPLOYEE ENGAGEMENT

- 59% of employees say the more socially and environmentally responsible their company becomes, the more motivated and loyal they become.<sup>1</sup>
- 75% of companies offering giving and volunteering have two times more engagement than companies only offering giving or only offering volunteering.<sup>2</sup>
- When a company advertises work as socially oriented, it attracts employees who are more productive, produce higher quality work and have more highly valued leisure time.<sup>3</sup>
- 68% of employees who volunteer feel more motivated at work.<sup>4</sup>
- Of the 60% of companies that measure the connection, 91% found a positive link between employee volunteering and employee engagement scores.<sup>5</sup>



#### ATTRACTION AND RETENTION OF TALENT

- There's a 52% lower turnover among newer employees (who have been with the company 2.5 years or less) when they participate in purpose programs.<sup>6</sup>





- 40% of employees are more likely to quit their jobs if social and racial justice are not prioritized.<sup>7</sup>
- 70% of employees expect social impact through their jobs.<sup>8</sup>
- 71% of people say having societal impact is a strong expectation or deal breaker when considering a job.<sup>9</sup>
- 58% of employees who view their company's purpose efforts as mature are less likely to actively look for new roles.<sup>10</sup>
- Seven out of 10 are more likely to apply to and accept an offer from an organization they believe to be socially responsible.<sup>11</sup>
- 55% of Americans say they would move jobs to work at an organization that makes a greater positive impact on society, and one in four would do so even if it meant taking a 10% pay cut. Younger Americans feel even more strongly: 71% of workers aged 18 to 29 say they would leave their job to work for an employer that has a greater positive impact, and 29% say they would take a 10% pay cut to do so.<sup>12</sup>



## TALENT DEVELOPMENT

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- Nearly one-third of all employees mention opportunities for education or personal development in their reviews, which are direct outcomes of volunteering, making this the third most frequently discussed topic after management and compensation.<sup>13</sup>



## POSITIVE IMPACT ON BRAND

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- 88% say they truly believe companies focused on purpose will be more successful compared with those that are not.<sup>10</sup>
- Positive ESG performance is a strong predictor of well-regarded reputation.<sup>14</sup>



## CUSTOMER ACQUISITION AND LOYALTY

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- Two-thirds of survey respondents in the U.S. and U.K. expect companies to address social challenges; 90% in Brazil and 95% in India.<sup>15</sup>
- 63% of respondents continue to want CEOs to take a stand on key societal issues, with income inequality, racial equity and climate change, the top issues identified.<sup>16</sup>





- 63% of people buy or advocate for brands based on beliefs and values.<sup>8</sup>
- When a company leads with purpose, respondents were 76% more likely to trust that company; 72% more likely to be loyal to that company; 70% more likely to defend that company if someone spoke badly of it and 72% more likely to forgive that company if it makes a misstep.<sup>17</sup>



## FINANCIAL BENEFITS AND COST SAVINGS

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- Companies with employees who feel a sense of purpose at work and believe their leaders set clear direction outperform the stock market by nearly 7%.<sup>18</sup>
- Purpose-driven companies experience a 1.5x greater growth rate.<sup>19</sup>
- High-purpose brands will double their market value more than four times faster than low-purpose brands and will create much higher levels of total shareholder returns.<sup>20</sup>



## TRUST AND RELATIONSHIP BUILDING

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- 68% of people say brands celebrating what brings us together and emphasizing our common interests would strengthen the social fabric.<sup>8</sup>
- 85% of employees agree that the more a business engages its employees in charitable giving decisions, the more trust employees have in that business.<sup>21</sup>
- When consumers think a brand has a strong purpose, they are 4.1 times more likely to trust the company.<sup>22</sup>

Without question, engaging employees in their communities to solve pressing social issues builds positive reputational capital and increases goodwill between the company, its neighbors and consumers. Internally, CSR activities provide opportunities for employees to collaborate outside of their regular work context, fostering connection and a sense of camaraderie, which helps to break down communication silos. Whether a company is recruiting potential hires or opening its doors in a new market, having a strong reputation and strong bonds helps a business thrive. Employee community engagement helps to build those critical trusting relationships.







## GOOD FOR EMPLOYEES

Interest in and demand for social impact opportunities through the workplace is growing, especially from younger generations entering the workforce. According to Benevity's [2024 State of Corporate Volunteering](#), 65% of volunteers were new to their employer's program.

The data also showed a 57% year-over-year increase in the rate of global employee volunteering participation and a 41% year-over-year increase in the total number of volunteer hours dedicated by companies and their people. Employees are showing up to work seeking the benefits these opportunities generate such as a sense of purpose, acting on their values, feelings of belonging and connection, a change of pace, breaking down silos, and new and stronger relationships.

Employees who are actively involved in a company's social impact strategy develop an increased awareness of social issues and injustices as they learn firsthand about the diverse needs of their community. This understanding ultimately expands their world view and, by contributing to solving these issues, they can realize increased self-confidence and a rise in self-esteem. Research has even indicated that acts of altruism can give rise to physical health benefits through the release of chemicals in the brain and results in a reduction in stress, lower blood pressure and lower mortality rates.

### Keep in Mind:

Understanding and appealing to an individual's "why" can help corporate social impact leaders build stronger ties by crafting messages that align with potential volunteers' motivations. VolunteerMatch's 2023 report, [How We Connect](#), underscores that volunteering is about emotional connection — to the cause, the community and to others, which is consistent across generations.

Engaging in community-based activities and with causes an individual is passionate about leads to:



### IMPROVED MENTAL HEALTH, WELLBEING AND AN ANTIDOTE TO LONELINESS

- Purpose at work is also a key driver of employee wellbeing, which currently is in short supply — only 16% of U.S. employees are in a high state of wellbeing.<sup>23</sup>





- One in two adults in America have reported experiencing loneliness according to an advisory from the U.S. Surgeon General, who advocates for volunteerism as a means for building social connection.<sup>24</sup>
- Of 90 different workplace wellness programs assessed, volunteering is the only type of intervention to suggest benefits for workers' wellbeing.<sup>25</sup>
- 45% of volunteers in the U.K. are more optimistic about the future compared to 28% of those who don't volunteer. That same study indicates that, while seven-in-ten volunteers say they feel useful, only 66% of non-volunteers feel the same.<sup>26</sup>



### A SENSE OF PURPOSE, BOTH PERSONAL AND SHARED ACROSS THE ENTERPRISE

- 84% say the pandemic, economic uncertainty and social justice conversations of the past two years have made them think more about how their work can have a positive or negative impact on society.<sup>10</sup>
- 91% of employees say their company's purpose, an organization's aspirational reason for being beyond profits, makes them feel like they are in the right place as they weather ongoing challenges, such as the pandemic and economic risk.<sup>10</sup>
- Gen Z employees place less importance on making a lot of money in their careers (32%) and are more inclined to want to make a difference in the world (39%).<sup>27</sup>



### ADDED JOB SATISFACTION

- Employees who participate in the volunteer programs that their organization offers are more satisfied overall with their job (79% satisfied versus 55% among those who do not volunteer), their organization's culture (75% versus 54%) and the leadership team (71% versus 45%).<sup>28</sup>




### IMPROVED PROFESSIONAL SKILL SET

- Those who volunteer through the workplace are significantly more likely to feel that they have opportunities to grow professionally (70% vs 39%) and develop new skills at work (72% vs 47%), two goals that are of critical importance to job seekers and younger generations who spent formative years in pandemic lockdown.<sup>28</sup>





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- 64% of employees globally believe that volunteering has a positive impact on an individual's professional growth and development including teamwork, responsibility, communication and problem-solving skills along with project management, critical thinking and creative skills, i.e., capabilities that workplace volunteer initiatives could potentially help strengthen.<sup>28</sup>
  - 68% of volunteers whose employers had facilitated or encouraged their volunteering reported some or significant skills gain in communication, dropping to 60% among those volunteers who said their employer either only passively supported them or was disinterested in volunteering.<sup>4</sup>



### PRIDE IN EMPLOYER

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- Workplace volunteers are twice as likely to recommend their organization to jobseekers: 39% are “promoters” compared to 19% of those who do not volunteer.<sup>28</sup>

Additionally, community engagement provides opportunities to gain valuable experiences and expand employees' perspectives. It instills a sense of civic responsibility and empowerment, encouraging individuals to take an active role in shaping the future of their community. Overall, engaging with their community enriches an employee's life, enhances their sense of belonging and allows them to be a part of something bigger than themselves.







## GOOD FOR COMMUNITIES, CAUSES & NONPROFITS

When companies invest time, effort and resources in developing and implementing an employee community engagement strategy, it creates significant impact on communities, causes, and the NGOs and nonprofits that serve them. Volunteers can be a tremendous human capital resource for nonprofits, especially as disparities in funding social sector infrastructure grow and governments have fewer resources to invest.

In America, there's been a decrease in formal volunteering (doing unpaid work through or for an organization) over the past decade, which has often left nonprofits struggling to provide mission-aligned services. In fact, a report<sup>29</sup> by the U.S. Census Bureau and AmeriCorps tells us that a little more than 23% of Americans formally volunteered with a nonprofit organization from September 2020 to 2021. It's the lowest rate of formal volunteering since it was first tracked in the early 2000s according to a report by the Do Good Institute.<sup>30</sup> The study also showed that, for the third time in the last 40 years, the total amount donated to charity declined after adjusting for inflation. The decrease in formal support and the recognition that, after a decade of steady growth, the world has fallen into a social progress recession<sup>31</sup> creates an opportunity for businesses of all sizes to encourage and equip employees to lend their time, talent and resources to drive positive impact in communities.

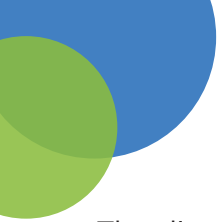
### Employee community engagement benefits communities, causes and the nonprofits that support them by:



- Providing a skilled and talented volunteer pool, which can also result in an increase in funding as past studies have shown that volunteers are more likely to donate than non-volunteers.
- Raising awareness of critical community needs.
- Improving effectiveness, efficiency and reach.
- Building organizational capacity.
- Reducing expenses in the form of donated labor, services and products.







The direct impact that results from employee volunteering cannot be understated, especially in today's polarized environment. In addition to the value listed above, community engagement combats division by fostering relationships, dialogue and collaboration among diverse groups. By providing proximity, spaces for discussion and learning, community engagement encourages empathy, understanding and trust across different lived experiences. Working together toward solutions promotes unity and cooperation, helping to mitigate polarization and build a more cohesive society. In fact, [a 2023 study](#) found that when individuals from different social groups come together, which can be facilitated through volunteering, that intergroup contact, even if brief, reduces prejudice and increases social cohesion.

## CONCLUSION

Engaging employees in programs that allow them to support the communities, causes and nonprofit organizations that matter to them has evolved as a strategic imperative for businesses and yields a range of benefits, from improved employee morale and retention to enhanced corporate reputation and financial advantages. The proof points emphasize the tangible positive impact on nonprofit organizations, communities and causes, the employees who participate and the company as a whole.

As companies continue to invest in program evaluation and impact reporting, telling the full story of their program's social and business value, the insights will continue to evolve and grow. When presented as parts of a whole, these current proof points will help you build the case for initial or deeper investment in employee community engagement at your company.

For more than 30 years, Points of Light has been an expert partner to companies and corporate social impact leaders, helping them develop strong and sustainable employee engagement strategies along with the tools and trainings needed to manage and scale impact. No matter what shape you want your program to take, you can trust Points of Light to create a customized solution that meets your needs. Learn more about our corporate programs by visiting [our website](#) today.








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#### **ABOUT POINTS OF LIGHT**

Points of Light is a nonpartisan, global nonprofit organization that inspires, equips and mobilizes millions of people to take action that changes the world. We envision a world in which every individual discovers the power to make a difference, creating healthy communities in vibrant, participatory societies.

Through 145 affiliates across 39 countries, and in partnership with thousands of nonprofits and corporations. Points of Light engages 3.7 million people in 16.7 million hours of service each year. We believe that companies can be drivers of transformative social change in communities around the world and that this potential is fully realized when employees are inspired and engaged as part of the strategy.

Points of Light supports companies committed to driving positive social change through a variety of ways, including:

- The Corporate Service Council.
- Social impact consulting and advisory services.
- Program design and management for corporate employee volunteer and civic engagement programs.
- The Civic 50 national and regional recognition program.

For additional resources on employee community engagement, please visit: [pointsoflight.org/social-impact-resources-for-businesses/](https://pointsoflight.org/social-impact-resources-for-businesses/).

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