

THREEHANDS

BUSINESS & CHARITY RELATIONSHIPS

WHAT CHARITIES ARE SAYING THAT
BUSINESSES NEED TO HEAR



RESEARCH BY THREE HANDS

Published April 2020

HIGHLIGHTS

KEY FINDINGS INCLUDE:

99%



of charities would like more relationships with businesses, despite the fact that **86% find relationships hard to manage.**



The **discrepancy between what charities need and what businesses are offering has increased.**

6/10 charities believe that businesses put their own needs first in relationships.

The **need for employee volunteers has grown** since 2015.

96% of charities say they need employee volunteers, with **82%** being offered them.

96%

82%

76%



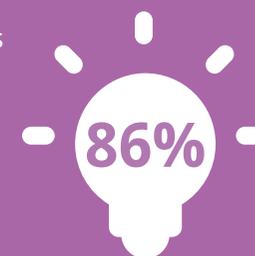
of charities say that **businesses do not have a good understanding of what it takes to manage employee volunteers**, with 16% saying it costs more than the volunteers are worth.



Small charities are often overlooked by businesses and have a particularly hard time developing and sustaining relationships. Small charities are **three times more likely than larger charities to have had no interaction with a company** in the last year.

There are **numerous opportunities for businesses to learn from charities' insight** on societal issues.

86% of respondents believe that their charity has valuable insight that could help businesses to better understand their customers.



INTRODUCTION

THIS IS OUR MOST WIDE-RANGING AND COMPREHENSIVE REPORT INTO CHARITIES' EXPERIENCES OF WORKING WITH BUSINESSES. IN PREVIOUS RESEARCH IN 2015 AND 2017 WE FOCUSED EXCLUSIVELY ON EMPLOYEE VOLUNTEERING. THIS TIME, WE HAVE EXPANDED OUR SCOPE TO INCLUDE CHARITIES' VIEWS ON ALL OF THEIR RELATIONSHIPS WITH BUSINESSES, FROM THE INFORMAL TO THE FORMAL, THE ONE-OFF INTERACTION TO THE FLAGSHIP PARTNERSHIP.

Charities are operating in a tough environment. A 2019 survey of charity leaders by the Charities Aid Foundation found that raising funds is their top concern at a time when four in five say that demand for their organisations' services has increased over the last 12 months¹. These challenges - many of which will be made more acute by the coronavirus pandemic - make our questions on all types of relationships and support particularly pertinent. More than ever, charities are looking to work with businesses to help them meet the growing needs of their beneficiaries.

It is not surprising then that almost all of the 203 charities who responded to our survey from across the UK are interested in working with businesses. However, their anonymous responses allow us to understand how charities really find interacting with businesses, their experiences of forming new relationships and the extent to which the positive impacts of these relationships are worth the time and effort they put in. This is our third survey examining charities' experiences of working with businesses, therefore we are able to explore if and how charities' views on employee volunteering have changed since 2015.

All quotations in the report are taken from the anonymous survey responses, unless otherwise attributed.

“BUSINESS RELATIONSHIPS”

are defined as any interaction between a charity and a company that involves some form of support, including campaigning, fundraising and volunteering. This encompasses informal relationships to formal partnerships and everything in between.

“EMPLOYEE VOLUNTEERING”

is defined as an individual or a group of employees volunteering during paid work time to support a charity or other type of community organisation.

¹CAF Charity Landscape 2019: Views from Charity Leaders, Charities Aid Foundation
(https://www.cafonline.org/docs/default-source/about-us-publications/charity-landscape-2019_web_2620a_290319.pdf)

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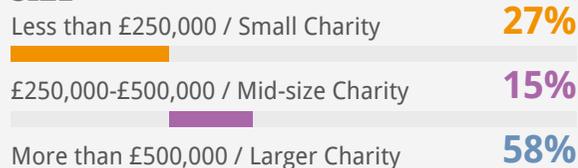


CONTEXT

203

CHARITIES COMPLETED THE SURVEY AND WE CONDUCTED 8 IN-DEPTH BACKGROUND INTERVIEWS

SIZE



Our "larger" category is broad but by cutting the data in this way we can better understand how smaller charities' experiences differ.

Average number of relationships of any kind in the last year:

16

Average number of formal relationships in the last year:

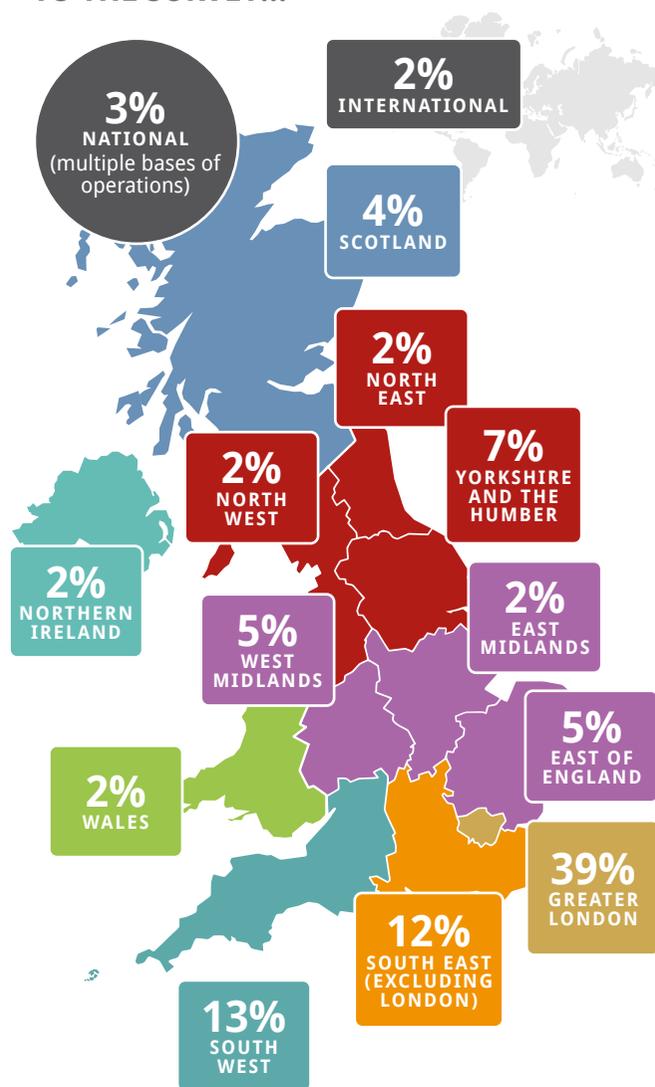
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99%

HAVE HAD AT LEAST ONE RELATIONSHIP WITH A BUSINESS IN THE PAST YEAR

We examined the impact of different variables on charities' experiences including region, the type of area they operate in, income and their social focus. There was a marked difference when categorising responses by annual income (see page 11). On the whole, however, we did not find a striking difference between London-based charities and those in the rest of the country, or between urban and rural charities.

CHARITIES ACROSS THE UK RESPONDED TO THE SURVEY...



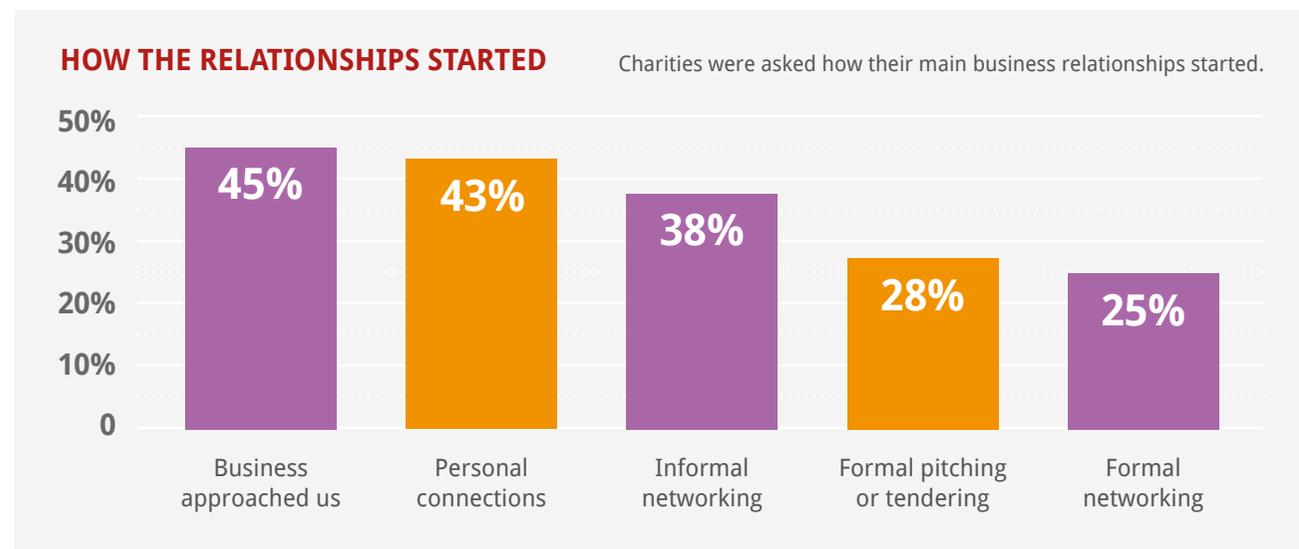
... AND THEY FOCUS ON A WIDE RANGE OF ISSUES

- Children & young people
- Health / Mental Health
- Disability / Learning Disability
- Housing / Homelessness
- Elderly / Older People
- Education / Training
- LGBTQ+
- Economic / Community Development
- Poverty
- Financial Advice and Support
- Women and Girls

SURVEY FINDINGS

I. WHAT ARE CHARITIES' EXPERIENCES OF DEVELOPING NEW BUSINESS RELATIONSHIPS?

DEVELOPING NEW BUSINESS RELATIONSHIPS CAN BE A CHALLENGE FOR ANY ORGANISATION, BUT IT CAN BE PARTICULARLY ARDUOUS FOR CHARITIES.



PROBLEMS WHEN TRYING TO DEVELOP NEW RELATIONSHIPS:

“Long, drawn-out application / selection processes which are poorly thought out and, in the worst instances, have their criteria / process changed at the final stage.”

“We spent a long time meeting, sharing intelligence, pitching and providing more information, and the business announced our partnership in a press release but then pulled out with no notice.”

99% 

of respondents would like more relationships with businesses - even though 93% of respondents believe that developing relationships requires significant resources.

78% 

of respondents say they have a clear understanding of what businesses can offer their charity, a 20% increase from 2017.

67% 

of respondents find it difficult to connect with businesses to build relationships. This rises to 75% for small and medium sized charities.

80% 

of charities find formal pitching or tendering processes difficult and time consuming.

KEY TAKEAWAYS FOR BUSINESSES:

- Take time to identify a range of potential partners that align to your strategic aims – look beyond the big, household names.
- Think twice about whether you need a formal pitching or tendering process; would a more informal approach enable you to learn about your potential partners in greater depth?

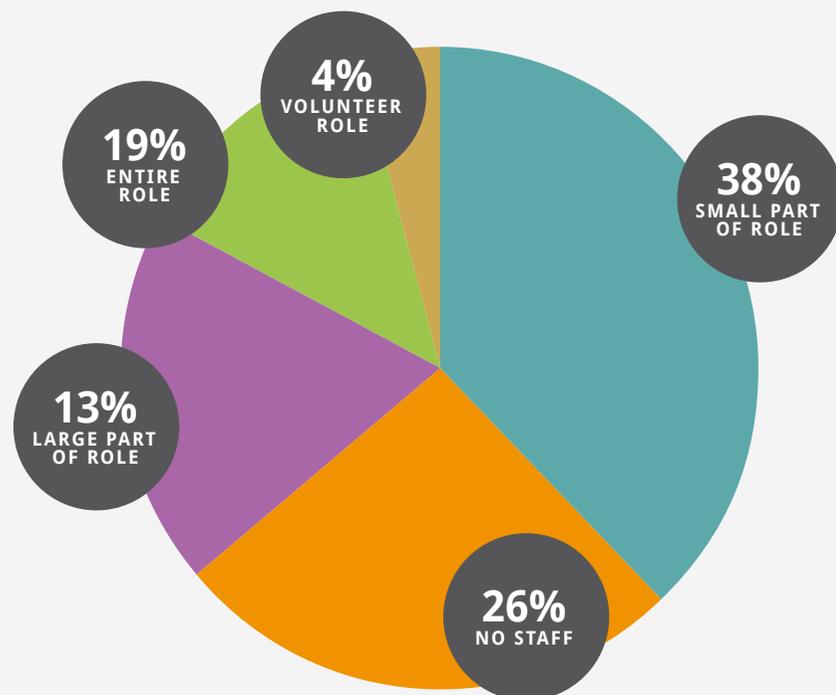
SURVEY FINDINGS

II. WHAT RESOURCES DO CHARITIES HAVE FOR MANAGING RELATIONSHIPS?

RESOURCE CONSTRAINTS ARE A MAJOR FACTOR IN HOW CHARITIES RESPOND TO BUSINESSES AND POTENTIAL RELATIONSHIPS.

STAFF DEDICATED TO MANAGING BUSINESS RELATIONSHIPS

Charities were asked if they had staff dedicated to managing business relationships.

KEY TAKEAWAY FOR BUSINESSES: 

- With charities so stretched, relationship / partnership discussions should include explicit focus on where resources to manage the relationship will come from.

86% of charities believe it takes significant resource to manage ongoing business relationships, yet 79% say the benefits outweigh the costs.

“Businesses recognise the resource challenges smaller charities face - they’d like to engage but are sometimes put off by the risk that doing so might have an impact on the core activities of the charity.”

“... We no longer allow teams of corporate volunteers unless they can bring money or materials to deliver the project, not just time. Otherwise it’s simply a free team day for the business and a cost to the charity.”

RESOURCES CAN BE BETTER MANAGED WHEN...

“...the company has a system in place to manage corporate volunteering and relationships.”

“...both sides plan the project in a way that does not negatively impact charity resources.”

“...we have a clear plan for project delivery and relationship expectations.”

SURVEY FINDINGS

III. ARE CHARITIES RECEIVING THE SUPPORT THEY NEED FROM BUSINESSES? PART 1

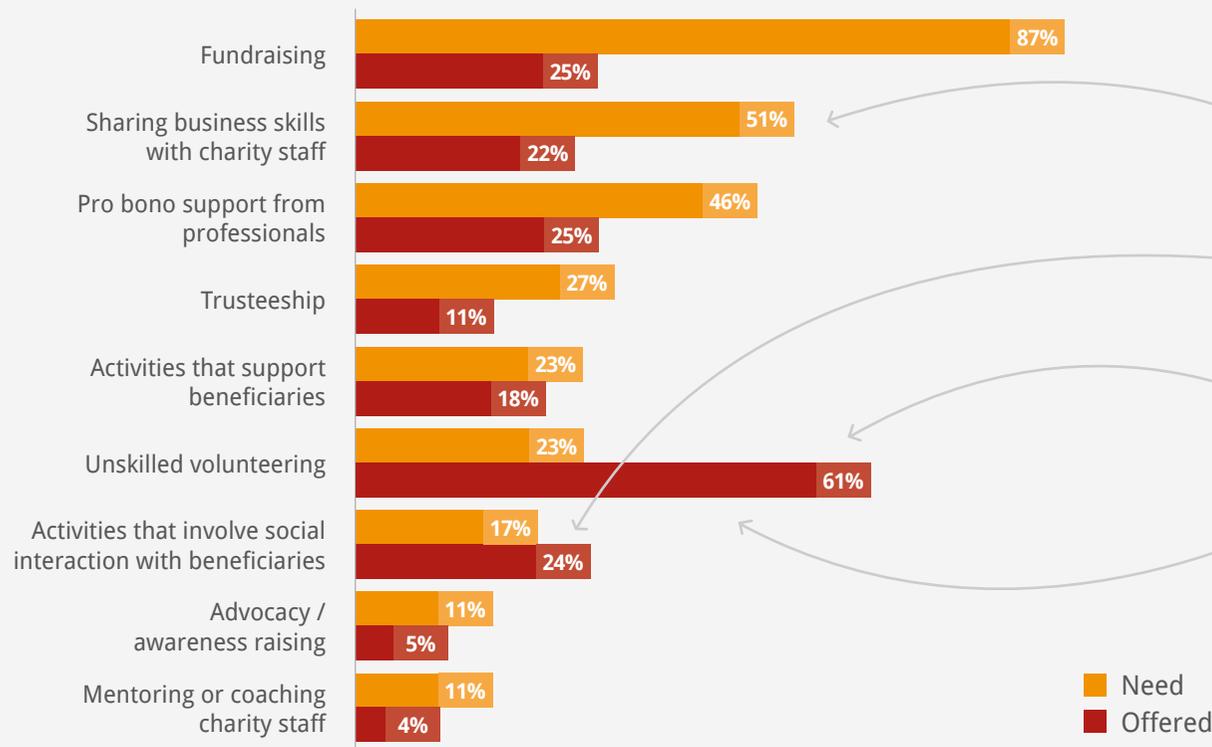
THE VAST MAJORITY OF CHARITIES VALUE BUSINESS RELATIONSHIPS BUT SAY COMPANIES COULD DO MORE TO UNDERSTAND THEIR NEEDS. THIS IS PARTICULARLY THE CASE WITH EMPLOYEE VOLUNTEERING, WHERE THE DISCREPANCY BETWEEN WHAT CHARITIES NEED AND WHAT BUSINESSES ARE OFFERING IS INCREASING.

These findings are consistent across charity size and location.

While the majority of respondents have a favourable view of their business relationships:

6/10 charities believe that businesses put their own needs first overall; **7/10** believe that businesses put their own needs first in relation to employee volunteering.

CHARITIES' NEEDS FOR EMPLOYEE VOLUNTEERS VERSUS WHAT THEY ARE OFFERED



- Fundraising, pro bono support and the sharing of business skills remain the top 3 needs as they were in 2017 and 2015.
- 42% of children’s charities would like employee volunteers to share business skills, but none in our survey had been offered this type of support.
- Health, homelessness and older people charities are the most likely to need employee volunteers who carry out activities that involve interacting with beneficiaries.
- Offers for unskilled volunteering have increased by 12% since 2015.
- While the overall need for unskilled volunteering is low, children, health and environmental charities are more likely to need unskilled volunteering than any other type of charity.

Section continues on the next page ...

SURVEY FINDINGS

III. ARE CHARITIES RECEIVING THE SUPPORT THEY NEED FROM BUSINESSES? PART 2

“Businesses like the professional skilled volunteering idea once it is presented to them. They tend not to consider it on their own because of a lack of understanding of charity needs and wants.”

Joanne, Cheshire West Voluntary Action

The proportion of charities saying they need employee volunteers is growing.



But the proportion being offered volunteers has not risen since 2015.

KEY TAKEAWAYS FOR BUSINESSES: 

- Start by understanding what the charity needs not what volunteers would like to do.
- Look for ways you can support the charity on a regular and ongoing basis.

MISCOMMUNICATION AND A LACK OF UNDERSTANDING:

“There was a business which wanted access to our members, almost using us as a marketing source, without giving us or our members any real tangible benefits.”

“We know we need to be flexible so that we don’t ‘lose’ them but at the same time they are often very demanding and want to support us on their own terms - when it suits them / how it suits them etc., and often at short notice.”

“Sometimes they work on outputs rather than outcomes.”
(e.g. the number of people who completed a programme rather than the tangible benefits).

WAYS TO IMPROVE RELATIONSHIPS:

“Understanding what the business wants to gain and balancing that with outcomes for the charity.”

“Understanding... the nature of the charity’s work and any restrictions that may exist e.g. around confidentiality.”

“Understanding objectives & building shared goals.”

“It works best when individuals in the business understand what your charity does and it connects with their interests and passions.”

SURVEY FINDINGS

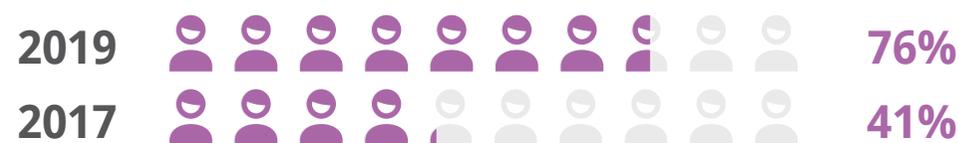
IV. DO THE BENEFITS OF EMPLOYEE VOLUNTEERS OUTWEIGH THE COSTS OF MANAGING THEM?

THE SUCCESS OF AN EMPLOYEE VOLUNTEERING PROJECT DEPENDS ON HONEST COMMUNICATION AND A WILLINGNESS TO BE FLEXIBLE TO ENSURE THAT IT MEETS THE CHARITY'S NEEDS.

The proportion of charities who said it costs more to manage employee volunteers than it is worth has more than doubled.



There has been a large increase in charities who believe that businesses do not have a good understanding of what it takes to manage employee volunteers.



Only 36% of respondents believe that businesses take the time to work with them to create volunteering roles that are of genuine benefit to the charity.

This is higher for education charities at 54% and health / mental health charities at 52%.

43% of charities say they would refuse employee volunteers; up from 30% in 2017.

Reasons include bad timing, wrong type of support and not having enough staff on hand to manage volunteers.

😊 GOOD EXPERIENCES:

"The volunteering was skills-based staff training that we really needed."

"A group of employee volunteers developed a support plan for a high needs family which allowed them to live with dignity."

"A team cooked a Christmas dinner for 80 and left nothing for us to clean."

😞 BAD EXPERIENCES:

"It can feel like they are volunteering to fulfil CSR requirements. It takes too much time to organise and is intrusive for us and our beneficiaries."

"The normal volunteer problems, not showing up or coming completely unprepared."

"One time volunteers painted each other instead of the walls."

"Payment for volunteer days is incredibly important for recouping costs, especially when volunteering is more physical rather than business-type skill support."

Alison, Social Farms & Gardens

SURVEY FINDINGS

V. SPOTLIGHT ON SMALL CHARITIES

SMALLER CHARITIES TEND TO BE OVERLOOKED BY BUSINESSES DESPITE THEIR PRESSING NEEDS.

The entire charity sector is facing a difficult time but smaller charities are confronting a particularly fraught situation with the latest research suggesting that a fifth are struggling to survive².



WHY CONSIDER WORKING WITH SMALL CHARITIES?

- They are in great need of support and provide many opportunities for you to work with beneficiaries.
- You will be able to see your positive impact more directly in a small organisation.
- You will become more connected to local issues in the communities where you work.

KEY TAKEAWAYS FOR BUSINESSES: 

- Small charities' limited resources can impact their capacity to receive support. Take time to really understand what they need and then tailor your offer.
- If you have a large number of employees who want to volunteer at once, consider ongoing opportunities over a longer period of time and/or work with a number of small charities.



While **98% of small charities would like more relationships** with businesses, they are three times more likely than larger charities to have had no interaction with a company in the last year.



Small charities are also **three times less likely to have a formalised relationship** compared to larger charities. This is likely due to larger charities having more resources to manage the process of building a formal relationship.

One small charity's experience of seeking out new relationships...

"Just the usual experience of being dismissed by most of the local contacts with 'that's handled centrally', we already support 'x' Big Name charity, we don't have any plans to work with local charities etc..."

²CAF Charity Landscape 2019: Views from Charity Leaders, Charities Aid Foundation

(https://www.cafonline.org/docs/default-source/about-us-publications/charity-landscape-2019_web_2620a_290319.pdf)

SURVEY FINDINGS

VI. EXPERIENCES WITH LEADERSHIP DEVELOPMENT PROGRAMMES

AN ALTERNATIVE WAY FOR CHARITIES TO ACCESS SKILLED SUPPORT FROM COMPANIES IS THROUGH BUSINESSES' LEADERSHIP AND TALENT PROGRAMMES, WHEREBY PARTICIPANTS ARE GIVEN PROJECTS WITH CHARITIES AND/OR THEIR BENEFICIARIES AS A PART OF THEIR DEVELOPMENT EXPERIENCE. THESE PROJECTS ARE OFTEN FACILITATED, WHICH HELPS TO MAXIMISE THE BENEFITS FOR BOTH PARTICIPANTS AND CHARITIES.

For the first time we asked charities if they had been involved in these programmes and how their experiences differed from typical employee volunteering.

31% 

of respondents have worked with participants from leadership and talent development programmes.

71% 

of these agree that support from these participants is more valuable than typical volunteering projects.

82% 

of these believe that participants take more time to understand their charity's needs than typical volunteers.

88% 

of charities that have not worked with leadership development participants think that this type of support could be useful.

Three ways that developing leaders through charity projects is valuable to businesses

1. The projects are real and matter to the community, which makes for a **powerful learning experience**.
2. It's an opportunity to **develop and embed key skills** in a different, challenging environment.
3. Participants **gain insight into societal issues** that affect the business and its customers.

CASE STUDY:

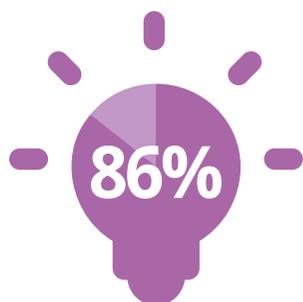
Paul Dobson from Swindon STEP, a charity that supports vulnerable children and young people, saw a marked difference between talent development participants and employee volunteers. He found that the participants took more time to understand STEP and their ethos than standard employee volunteers. They wanted to understand the best way to support STEP given their skills and experience and because of this, it felt like a true partnership.



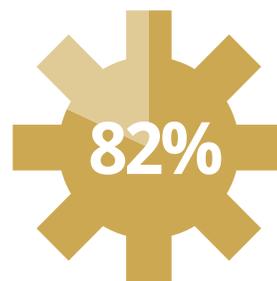
SURVEY FINDINGS

VII. CHARITY INSIGHT: AN UNTAPPED OPPORTUNITY

CHARITIES AND THEIR BENEFICIARIES HAVE CONSIDERABLE INSIGHT ON SOCIAL AND ENVIRONMENTAL ISSUES THAT CAN HELP BUSINESSES TO DEVELOP BETTER PRODUCTS, SERVICES AND CUSTOMER EXPERIENCES. HOWEVER, THIS EXPERTISE TENDS TO BE OVERLOOKED BY BUSINESSES.



86% of respondents believe that their **charity has valuable insight** that could help businesses better understand their customers.



82% of respondents believe that businesses could use their charities' insights to **develop better products and services**.



55% of charities who have insight to share are **given the chance to share it**. Those in Greater London make up half of these.

DIFFERENT WAYS RESPONDENTS HAVE HELPED TO DEVELOP PRODUCTS AND SERVICES:



Environmental charity:

“Advising land management companies on planting for pollinators.”



Mental Health charity:

“Providing mental health awareness and creating mentally healthy workplaces.”



Older Persons charity:

“Recognising signs of dementia and the support needed to enable older people to access the businesses' services.”



Disability charity:

“Changing how a local bus company trains their drivers and designs their buses.”



Housing charity:

“Helping companies understand the needs of new employees who have arrived from overseas.”

Businesses should expect charities to charge for this valuable insight and encourage them to do so.

RECOMMENDATIONS FOR BUSINESSES

1

FOCUS ON BUILDING RELATIONSHIPS RATHER THAN RUNNING LENGTHY APPLICATION PROCESSES.

This makes life easier for resource-stretched charities and can be a good way to become more knowledgeable about key social issues and to discover where your company can make the most impact.

4

DON'T OVERLOOK SMALL CHARITIES.

Their size means that impact is more visible and they are uniquely positioned to help businesses delve deeply into the societal issues on their doorstep.

2

BE DRIVEN BY THE NEEDS OF CHARITIES AND THEIR BENEFICIARIES.

To ensure that the benefits of relationships outweigh the costs, understand what support the charity really needs and then consider where the sweet spots are in terms of what the business can offer.

5

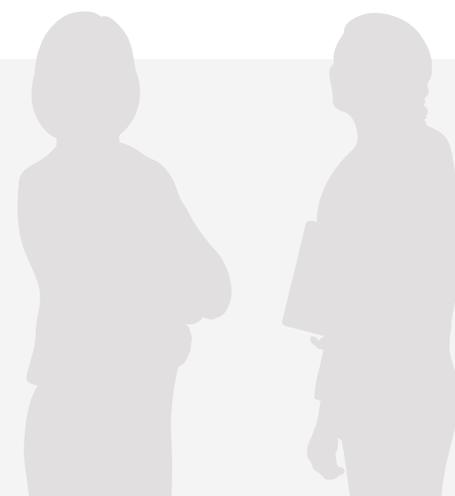
THINK STRATEGICALLY AND BE BOLD.

What are all of the ways you can meet your business' core objectives through the relationship? E.g. can it improve your products and services, or help develop your future leaders?

3

UNDERSTAND THE RESOURCE CONSTRAINTS CHARITIES FACE.

Resourcing the partnership effectively is the responsibility of both parties – define roles and responsibilities at the outset by being clear about what resources each activity will require and what each side can offer.



CONCLUSION

SINCE OUR LAST REPORT IN 2017, WE'VE HEARD A LOT ABOUT BUSINESSES TAKING A MORE STRATEGIC APPROACH TO THEIR CHARITY RELATIONSHIPS AND MOVING AWAY FROM AD HOC VOLUNTEERING ACTIVITIES.

While this is a good sign, our research shows that businesses are still not always offering the skilled, ongoing support that charities most need. In fact, in many areas, this gap has widened since 2017. Relationships are proving particularly tricky for smaller charities which tend to be overlooked for these new strategic partnerships and have more limited resources to bid for and manage them.

As we all pull together to tackle coronavirus, it's more crucial than ever for businesses to approach relationships with an open mind and a willingness to understand what support their partners really need. It is time to make sure that discussing how the partnership will be resourced (and not assuming the charity can / will do this) happens at the outset of new relationships. And it is clear that formal bidding processes use up significant charity resources; are they really the most effective way to create successful long-term relationships?

This is a great time to think strategically about the multitude of ways your company can interact with charities. Don't be shy about seeking mutual benefit. How can a charity help you to better understand your employees and customers? How can they play a part in developing the purposeful leaders needed for a business to thrive in the 21st century? How can you help a charity serve the growing needs of their beneficiaries without requiring more money? These questions can be the starting point to help your company develop deeper and longer-term relationships with charities.

As charities' appetite to work with businesses continues to grow, there is a responsibility on all sides to approach these relationships in a way that maximises the benefits for all – the charity, business and wider society.

AS WE ALL PULL TOGETHER TO TACKLE CORONAVIRUS, IT'S MORE CRUCIAL THAN EVER FOR BUSINESSES TO APPROACH RELATIONSHIPS WITH AN OPEN MIND AND A WILLINGNESS TO UNDERSTAND WHAT SUPPORT THEIR PARTNERS REALLY NEED.



ACKNOWLEDGEMENTS

Thank you to the 203 charities who took the time to complete our survey, and to the following people who participated in background interviews:

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THREEHANDS

WE EXIST TO CREATE BUSINESS VALUE AND SOCIAL VALUE, HAND IN HAND

We do so by making meaningful, immersive connections between business and society, helping people in business become better **leaders, corporate citizens** and **innovators**.



LEADERSHIP & TALENT

Experiential learning in communities to develop leaders for the 21st century.



CITIZENSHIP

Strategic social impact projects & programmes that align with business purpose.



INSIGHT & INNOVATION

Learning from charities and their beneficiaries to do a better job for customers.