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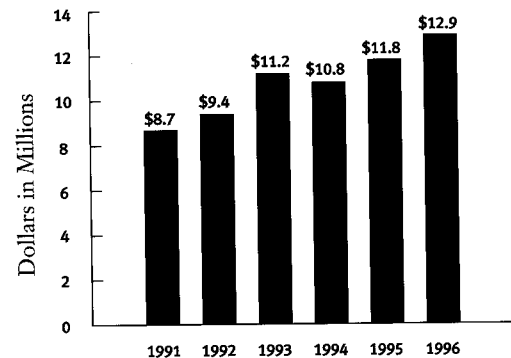
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WORKPLACE GIVING: RAISING FUNDS FOR THE ARTS

Studies and experience show that individuals are willing to give to the arts. The key question: How do we reach them? Door-to-door solicitations tend to be inefficient, direct mail is costly and telemarketing often offends potential benefactors. With increasing success, united arts fund organizations (UAFs) and local arts agencies (LAAs) are turning to workplace giving campaigns to expand individual support for the arts.

Workplace giving increased 48 percent between 1991 and 1996 and is now the fastest growing support sector for UAFs. Nationwide, more than 2,000 places of employment provide workers with the opportunity to contribute to the arts. In 1996, 32 UAFs and LAAs raised a total of \$12.9 million from 156,676 individuals who made donations through 229 workplace campaigns ranging in size from \$210 to \$500,000.



Continued growth in workplace giving has nearly unlimited potential. The United Way has long depended on individual giving through the workplace, with employee gifts accounting for 60 percent to 70 percent of support nationally.

WHAT IS WORKPLACE GIVING?

Workplace giving campaigns are an efficient and effective means of soliciting funds through donations made by individuals through their place of employment. Whether or not a community already has a united arts campaign, workplace giving can provide a unique opportunity for enhancing arts support. Because it is an established system that most employees understand, workplace giving can work in any community.

Workplace giving campaigns:

- REACH LARGE NUMBERS OF PEOPLE at relatively low cost;
- OFFER INDIVIDUALS A CHOICE OF GIVING METHODS, including one-time check, pledge paid incrementally directly to a specific agency or payroll deduction; and
- PROVIDE AN ADDITIONAL OPPORTUNITY TO EDUCATE about the role of the arts in our communities.

Most campaigns place all funds raised through the workplace in an unrestricted pool to support grant programs. However — following the lead of United Way — some communities are offering donors the option of designating their gift to an arts organization of their choice.

Workplace giving programs differ significantly from traditional appeals in approach. Instead of a \$100 donation request, for example, the gift opportunity is presented as a periodic contribution of \$2 a week, which translates into a \$100 annual gift. Because gifts are made in increments, the total gift is more manageable and affordable.

The payroll deduction approach, in particular, makes giving almost imperceptible to the contributor, with a designated amount deducted from the

individual's paycheck and forwarded on a monthly or quarterly basis to the sponsoring agency. This may explain why — while management-level workers give generously in these campaigns — gift size in proportion to salary is typically higher among working-class employees. Some of the most successful workplace campaigns are conducted right on the factory floor. In Raleigh, N.C., prior to the establishment of a combined workplace campaign for all charitable giving, the only city department with a 100 percent participation rate in the workplace campaign for the arts was the Sanitation Department.

The message is clear: Every person at every company is a potential donor.

WHAT MAKES A WORKPLACE CAMPAIGN SUCCESSFUL?

The single most important success factor for a workplace giving campaign is *employee involvement*. From the leadership of senior management to the individual campaign coordinators to campaign committees and employee activities: Involved, motivated employees encourage overall participation and intensify success.

Tips for conducting a successful campaign:

- Always give the manager or CEO the opportunity to make the first gift, and ask him/her to distribute a letter on corporate letterhead to all employees encouraging them to do the same.
- Offer incentives such as coffee mugs, magnets, T-shirts and umbrellas corresponding to different levels of giving. The benefit of such premiums is twofold — a tangible “thank you” to the donor and increased name recognition for your organization (from joggers in the park wearing an arts campaign T-shirt or employees using a campaign mug for morning coffee).

- “Arts cards” and “passports” that provide donors with reduced-rate tickets, classes or memberships from the organization receiving the funds are very effective incentives. Again, the benefit is twofold — the opportunity to thank individuals for their gifts and the opportunity to encourage them to become active arts consumers.
- When the campaign becomes an annual effort, many businesses add incentives of their own — extra vacation days, parking in the boss’s space, trips, dinners or tickets to a show — to encourage participation.
- Finally, perhaps the most effective method of adding incentive to a campaign is peer pressure — strong encouragement from the CEO or competition between departments within the company about which raises more money or which has a higher percentage of employee participation.

Workplace campaigns for the arts should be creative and fun. Campaigns activated through the use of speakers, entertainment and music or by incorporating the company’s particular products and philosophy are much more likely to inspire participation and thus reach their goals. Applying your own creativity can make workplace giving more successful and enjoyable. Here are a few cost-effective ideas from other programs across the country that may help you get started:

- Use local talent to entertain employees. For example, an artist could demonstrate how to paint or sculpt, or a local theater group representative could perform songs from an upcoming show.
- Place Symphony candy bars, for example, on everyone’s desk with a pledge card attached requesting their participation in the campaign.
- Offer free yogurt and encourage employees to “get a little culture.”

- Invite children of colleagues to perform a play or join in sing-alongs.
- Present a “Refrigerator Arts Show” featuring the artwork of employees’ children or relatives judged by local arts groups or TV personalities.
- Tie the campaign launch to a holiday; for example, for a Valentine’s Day kickoff: “Have a Heart — Support the Arts!”
- Encourage the CEO to participate by serving ice cream or yogurt — or by performing.
- Kick off with a “Dress-Down Day” or “Wear your Favorite Arts’ T-shirt Day.”
- Invite representatives from participating arts organizations to speak to employees at their workplace — a great way to get people involved.

Two important things to remember:

1. **BUILDING A STRONG EMPLOYEE CAMPAIGN TAKES TIME.** As with all successful fund raising programs, educating the donor about your service to the community is essential. Initial efforts should be viewed as the cultivation of potential donors as much as a fund raising effort.
2. **REMEMBER TO SAY “THANKS!”** Letting people know you appreciate their past support is the critical first step in the next campaign. Personalized thank you notes, preprinted thank you messages attached to incentives and advertisements in employee newsletters or local newspapers are all appropriate ways to thank participating companies and employees for their support.

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WORKPLACE GIVING PROGRAMS FOR THE ARTS ACROSS THE COUNTRY

Five case studies from across the country illustrate how workplace giving can support the arts.

Charlotte, North Carolina

The Arts & Science Council (ASC) in Charlotte has been conducting workplace giving campaigns since the mid 1970s. The ASC uses funds generated from workplace giving campaigns to provide basic operating support to its affiliate organizations.

Over the past eight years, workplace giving has increased to the point that it now accounts for the largest source of funds contributed during the annual united arts campaign. In 1997, the ASC conducted 500 workplace campaigns (including payroll and non-payroll deduction) that reached 120,000 employees. Collectively, the campaigns generated \$2,414,601 from 32,000 individuals — an average gift of approximately \$75 from each workplace donor.

What spurred this dramatic growth in workplace giving? ASC officials credit two factors — corporate leadership and the Vanguard Society:

- In Charlotte, corporate leaders readily let new companies know that workplace giving to the arts, as well as to United Way, is a part of doing business in the city. This facet of the city's business culture has stimulated a dramatic increase in number of workplace campaigns.
- The Vanguard Society is the ASC's answer to the "giving club" approach used by colleges and universities. Initiated by the ASC in 1989, the Vanguard Society initially recognized donors for gifts of \$500 or more through a listing of special donors and a social event held annually in their honor. To encourage higher giving levels, the

ASC introduced two new challenge grants through the Vanguard Society during the 1997 campaign: one matched new gifts of \$1,000 or more; the second matched gift increases by current donors (those of \$1,000 or more).

In addition to these factors, the ASC:

- offers workplace donors an arts card that confers a discount on tickets, admissions and other items at ASC-affiliated organizations.
- invited employees and their families from key workplace companies participating in the campaign to a free evening at the local science museum, in an effort to increase campaign visibility during 1997. Affiliated agencies presented performances and arranged displays to increase awareness of their role within the Charlotte community.

Chattanooga, Tennessee

Allied Arts in Chattanooga initiated workplace giving campaigns in the mid 1980s. This organization uses funds raised from workplace donors to fund basic operating support grants to local cultural agencies.

Allied Arts currently conducts 60 workplace campaigns annually reaching 6,000 employees. In 1997, Allied Arts raised more than \$100,000 from 800 donors through workplace giving campaigns, representing 9 percent of total campaign donations and 33 percent of all donors. The largest growth sector of the 1997 campaign was individuals, either residential or from a workplace campaign. The average new gift from a workplace donor was \$46, while the average new residential gift was \$33.

Allied Arts campaigns involve small professional firms and large companies and offer both payroll deduction and non-payroll deduction giving. Between 1994 and 1997, Allied Arts doubled its

number of workplace campaign presentations, which resulted directly in a greater number of new campaigns (smaller professional firms — accountants, attorneys, etc. — have shown the greatest increase). The organization's largest corporate campaign is a week-long event that features lunchtime performances and exhibits of visual art created by employees.

For donors of \$50 or more, Allied Arts has developed a "Passport to the Arts" program that provides a year's worth of specific discounts to performances, exhibits and other local arts offerings. Supporters who give \$250 or more qualify as "Major Donors" and are listed in Allied Arts' annual report and in the programs of funded agencies. Major Donors are also offered a choice of premiums donated by the funded agencies that range in value from \$25 to \$75, including annual museum memberships and free symphony tickets. Allied Arts also distributes coffee mugs as a way to thank its donors and to enhance its local identity.

Cincinnati, Ohio

The Fine Arts Fund (FAF) in Cincinnati was one of the first UAFs to initiate workplace giving for the arts beginning in the early 1970s, and has been a leader in the field ever since. Funds raised from workplace donors sustain basic operating support grants to eight member agencies and a Community Arts Fund for smaller arts organizations.

In 1971, 28 campaigns raised \$61,000. In 1997, 36,988 employees from 444 companies contributed a total of \$3,044,040, accounting for 43 percent of all campaign contributions. Of the 444 campaigns, 119 achieved an impressive employee participation rate of 40 percent.

Like Charlotte and Chattanooga, the FAF conducts both payroll and non-payroll deduction campaigns. FAF officials point to the enthusiasm of the Cincinnati business community as another essential factor of the organization's success. Corporate leaders' encouragement of employee participation has led to increased support for the arts during a time of increasingly competitive demands on corporate contribution budgets.

The FAF makes extensive use of incentives in its campaigns. Coffee mugs, T-shirts, magnets, mouse pads and umbrellas have all been used to promote employee participation. Every February, prior to the kick-off of its annual campaigns, the nine FAF member organizations capture the attention of thousands of area residents through a "Fine Arts Sampler" weekend that showcases the fund and its recipients. Sponsored by a local corporation, the event features free admission to performances, museums, galleries and special activities at arts sites in the Cincinnati and Northern Kentucky region.

San Jose, California

Unlike Charlotte, Chattanooga and Cincinnati, the Arts Council of Santa Clara County does not conduct a full-scale UAF campaign. This organization's only unified appeal is for workplace gifts. The program was initiated in the early 1990s, in response to a request from Apple Computer for an alternative to the United Way for workplace solicitations. Apple has since ceased all employee giving campaigns, but the Arts Council's program remains and workplace giving is on the rise.

The Arts Council combines funds raised through workplace campaigns with corporate, foundation and local and state funds to support community arts grants. In 1997, more than 14 campaigns

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generated \$60,000 in unrestricted and designated gifts for the arts. The program used the donations to support 90 arts and cultural groups with organizational budgets of \$800,000 or less. (Major institutions receive only designated gifts through the Arts Council.)

The Arts Council is committed to a long-term strategy to educate donors and increase giving through the workplace. Its new cultural plan calls for increased workplace giving opportunities and the development of a cultural passport as an employee benefit program to promote participation in the arts. Additionally, the Arts Council is exploring ways to solicit donations via the Internet.

Washington, D.C.

The United Arts Organization of Greater Washington (UAO) emerged 25 years ago from a single workplace campaign. Despite continuous efforts to gain increased access to private sector employees, local corporations were resistant to new workplace campaigns due to the strength of United Way in the region. In 1992, UAO was admitted as a federation in the Combined Federal Campaign, which solicits all federal employees annually; and in 1994, UAO became a federation under the United Way of the National Capital Area. Following these events, in 1996, the UAO raised \$446,578 in a campaign that reached more than 1.3 million employees, and the organization's total fund raising grew by 13 percent in a year that the total United Way campaign increased just 0.2 percent.

Like San Jose, UAO solicits only employee workplace gifts. All gifts are targeted to specific agencies by the benefactor, and funds designated to the UAO are applied to defray the costs of running the campaign.

United Way membership has some advantages. The United Way develops all campaign materials and administers the solicitation and collection of pledges. For this administrative role, United Way takes 13.5 percent of total dollars raised to cover its costs and uncollected pledges. UAO produces collateral materials, solicits advertising and marketing support, makes 20 to 30 workplace presentations during the campaign, participates in both the United Way and Combined Federal Campaign kick-offs and joins in employee rallies. Thirty-six groups ranging from The Kennedy Center to the Institute of Musical Traditions receive designated gifts through the campaign.

UAO's road to success was not bump-free. When the UAO became part of the United Way and Combined Federal Campaign efforts, both the media and community leaders raised a concern that the arts had no place alongside social service agencies in fund raising. The UAO worked to position the arts as a more acceptable target for giving by focusing on the extensive community outreach efforts of recipient agencies and the role of the arts in serving the entire community — not just a privileged audience.

IS WORKPLACE GIVING RIGHT FOR YOUR COMMUNITY?

Groups planning the establishment of a workplace giving effort should carefully consider the following questions:

- *Is your agency committed to a long-term strategy of developing workplace giving campaigns?* As with any new fund raising effort, success takes time. The large sums raised by the Charlotte and Cincinnati groups are the result of 25 years of workplace campaigns and donor cultivation. Workplace giving efforts generally start with a few well-placed campaigns — but even younger campaigns, like those of San Jose and Chattanooga, are reaping appreciable rewards for their efforts.
- *Do you have the support of the other arts groups in the community?* The art community's role in these campaigns is critical to success. Will local arts organizations support your efforts by providing mini-performances, speakers and special incentives (tickets, memberships and promotional items)? While many arts communities have rejected the establishment of a united arts fund, there is growing support for unified appeals to employees. Most arts organizations enthusiastically support workplace giving programs as a new source of funds that would be next to impossible for them to tap on their own. Whether arts groups provide performances, displays, speakers or incentives, their involvement helps to build overall ownership of the effort and to defuse concerns about unified appeal.
- *Are your internal systems (computers, software, accounting systems) adequate to support your efforts?* Before establishing a workplace giving effort, take time to review your computer and

accounting capabilities to ensure they are up to the task. A little time spent up front to establish donations accounting systems and determine that your computer system's hardware and software are capable of tracking an increased number of donors can save headaches down the road.

- *Is there interest from business leaders (even if only a handful) to start a workplace giving campaign for the arts?* Business leaders open (or close) the door to employees. Their support is essential. The initial workplace campaign is often with local government employees, teachers or small offices or professional firms. Be sure to consider large national companies, as many have established workplace giving programs for the arts in other cities. (A partial list of companies that currently offer workplace giving for the arts is included at the end of this pamphlet.)
- *Will United Way support your efforts or attempt to block them?* In most communities that have both United Way and employee campaigns for the arts, United Way is supportive of the arts campaign. In some cases, the entities merge their campaigns. Be sure the United Way is aware of your efforts to establish workplace giving campaigns and that it does not actively work to keep you out of the workplace. This contact is best made between board members (frequently there is crossover membership between the boards of United Way and UAF organizations) early in the planning process.

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THE FIRST STEPS: HOW TO START A WORKPLACE GIVING PROGRAM

1. Create a leadership group of corporate, professional, government and arts leaders to investigate establishing a workplace giving program.
2. Seek input from potential funds recipients to identify their concerns, ideas and support for workplace giving.
3. Determine how the funds will be used (*e.g.*, ongoing grants programs, special funding for arts education or audience development), what organizations will be eligible for the funds and how they will be distributed.
4. Contact Americans for the Arts at 202.371.2830 for information on similar sized communities conducting workplace giving campaigns. Include information on these communities in the materials you develop to promote workplace giving to local businesses.
5. Determine what incentives, if any, you would offer to donors.
6. Develop a list of potential first-year campaign participants and meet with management to determine their interest and support.
7. Establish a budget for your first campaign that covers the cost of promotional materials, pledge cards and incentives.
8. Set a realistic goal for your effort. Remember: In any new fund raising effort, success takes time.

COMPANIES WITH ESTABLISHED WORKPLACE GIVING PROGRAMS

Following is a partial list of companies and organizations that offer workplace giving programs for the arts. Representatives of these companies in your community should be among the first you include in discussions regarding establishment of a workplace giving program.

Arthur Anderson LLP
Amoco
ARCO
AT&T
Bank One
BellSouth
Blue Cross/Blue Shield
Briggs & Stratton
Coca-Cola Bottling Company
Coopers & Lybrand LLP
Deloitte & Touche LLP
Ernst & Young LLP
First Union National Bank
General Electric
GTE
IBM
KPMG Peat Marwick
Mead Corporation
Merrill Lynch
NationsBank
Northwestern Mutual Life
Pepsi-Cola Company
Piedmont Natural Gas
Price Waterhouse LLP
Prudential Securities
R.J. Reynolds Tobacco Company
Sara Lee
SunTrust Bank
Wachovia Bank

ABOUT AMERICANS FOR THE ARTS

Americans for the Arts is the national organization for groups and individuals dedicated to making the arts more accessible to every adult and child in the U.S. To this end, Americans for the Arts works with cultural organizations, arts and business leaders and patrons to provide leadership, advocacy, visibility, professional development and research and information that will advance support for the arts and culture in our nation's communities.

ABOUT THE UNITED ARTS FUNDS COUNCIL

The United Arts Funds Council advises Americans for the Arts on development of programs, publications and services that are designed to meet the needs of existing UAFs in the U.S. and the development of new ones. Council members represent both new and long-established UAFs and are members of Americans for the Arts. For information about UAFs or the United Arts Funds Council, please call Americans for the Arts at 202.371.2830.

Institute Partners Include:

United States Conference of Mayors



International City/County Management Association



National Association of Counties



National League of Cities



National Conference of State Legislatures



National Association of Towns and Townships



President's Committee on the Arts and the Humanities



National Endowment for the Arts



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