

# Give your culture a workout

A report on the business benefits of supporting employees to use their time and skills to support charities and causes

**pilotlight**





# Introduction

## The future of work

Work is changing.

For decades, futurists have predicted teleworking and mixed portfolios of 'own work', and for those same decades the pattern of 9 to 5 in the factory and office held sway.

Now, after lockdown and working from home, the 'great resignation' and the rise of the 'quiet quitters', the future of work is here – it is, as they say, just unevenly spread.

The new patterns of work that people want are more porous, with learning, participation and purpose that goes beyond the predictable. In this context, there is a new dynamic emerging of 'pro bono' volunteering, in which people can use their skills in a charitable setting.

In the post pandemic context, this is good for communities, but it is also good for business.



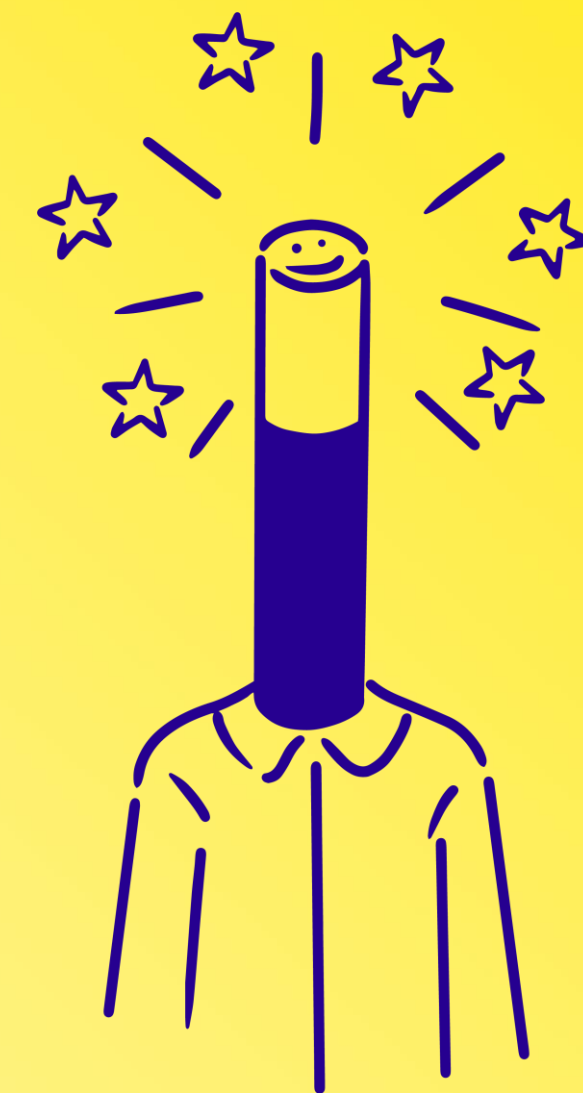
In this report, we explore new data that suggests a huge appetite for opportunities like this, seeing them as a source of enrichment, impact and learning – and in turn has tangible benefits for the employer.

We define a 'workout culture' as one where employers build a stronger, more progressive culture by actively encouraging and supporting employees to use their time and skills to support charities and causes.

**Ed Mayo, CEO**

A handwritten signature in black ink, appearing to read 'Ed Mayo'.

# Summary – three key findings





# Key finding (1)

## A workout culture benefits employees and employers

**UK workers want employers to have a 'workout culture' that actively supports good causes through the option of employee volunteering**

- three quarters of employees (77%) believe that employers should be supportive of their staff taking time to volunteer
- 79% believe that businesses themselves benefit from employee volunteering
- 82% say volunteering develops their work skills and knowledge
- two thirds (66%) of people believe that during the cost-of-living crisis the role of charities and community groups in supporting vulnerable people is critical.





# What employees say

## Our UK workforce research

In research over two years, including two national polls of people in employment, we have developed a rich understanding of the awareness and attitude of people in work to the core concepts of working out:

- **around six million people (21% of the workforce) are putting their work skills into use on a voluntary basis**
- a further 50% would like to volunteer using their occupational or professional skills
- those who volunteer with the support of their employer are around twice as likely to be Black People or People of Colour as the population at large (23% compared to 12%)
- rather than leave it to employees to take action on their own, the majority view is that employers should be taking steps to help employees around options for volunteering (60% of those who expressed a view)

- the obstacles that we see are those who say that they struggle to find time (69%) and over a third (38%) who say they needed guidance on how to do this.

These are two barriers that employers are able to lift, particularly if they see business benefits in terms of staff development in doing so. Of those currently involved in pro bono volunteering, 79% believe that businesses themselves benefit from the practice.

There is good evidence that working out can bring benefits in terms of staff well-being, accelerating a sense of meaning and purpose at work.

**Providing opportunities to work out also improves staff retention, with a positive correlation between those who say that their company has a strong culture and those employees who stay at the company.**

## Key finding (2)

### The business benefits are substantial and clear

**In the post-pandemic context, UK employers benefit from having a workout culture.**

Employees who engage in pro bono, such as through Pilotlight, bring the outside world into their roles and their employees, providing new perspectives, experiences, skills and expertise that could increase their productivity and capabilities.

The benefits of a strong workout culture to the business therefore include:

- increased employee wellbeing
- better staff retention and loyalty
- increased attraction to potential employees

- better and stronger links with their local community
- enhanced profile and reputation with clients, potential clients and other key stakeholders
- evidence of impact and commitment for sustainability, diversity and community engagement targets.

These benefits suggest that as corporate enthusiasm for purpose has soared, encouraged by millennial recruits no less than by institutional investors, the private sector can learn from the charitable sector, which has long been purpose-led and more open to inclusion.

The option to work out helps to add community and purpose to a culture. This goes beyond an old formula of raising money through charity partnerships. That still has a place, but share money and you get nothing back; share skills and you are repaid in kind.



## Key finding (3)

### Society benefits

Using your workplace skills to support good causes is a growing trend.

In the first research of the field, we estimate that annually at least 8,300 charities and social enterprises benefit from wider pro bono support.

The results of our own pro bono work at Pilotlight, of managed programmes working with business partners, is independently evaluated. Our impact data shows that for our flagship Pilotlight 360 programme, two years on from our support, charities, on average, increase their income by 44% and their reach (the number of beneficiaries) by 30%.

**Drawing on the research findings, we estimate the total potential value of unlocking pro bono action for charities in the UK is £17 billion. This would represent a six-fold increase in the current level of business charitable giving (£2.7bn).**





# What is a workout culture?





# A workout culture

## Using time and skills for good

Organisational culture is now seen as one of the leading predictors of a firm's value. Nine out of 10 senior executives (92%) believe that a way to increase their organisation's value is to improve the culture.

Some argue that culture is the only strategic differentiator.

Research suggests that culture, which is understood as 'the way we do things around here' – i.e. the common practices, beliefs and values shared in a workplace – reflects our shared instinct to find meaning around us. A culture that creates a shared sense of purpose increases productivity.

The old saying that "*culture eats strategy for breakfast*" is attributed to Peter Drucker. Carl-Henric Svanberg, Chair of Volvo says the same today, that "*culture always defeats strategy*".

But while business managers see the value of culture, they are not always skilled at realising it. They need to instil a positive workplace culture, but soon learn that they can't control it top-down.

What they can do instead is to curate it, allowing everyone involved to help generate and regenerate a positive and meaningful culture. Culture requires participation.

The way to accelerate this is by engaging people in actions and routines that exemplify the best hopes for your culture.

Welcome, therefore, to what a workout culture can offer you.

**We define a workout culture as one where employers build a stronger, more progressive culture by actively encouraging and supporting employees to use their time and skills to support charities and causes.**



# Working out

## Why it matters now

Against the backdrop of the 'Great Resignation' and now the phenomenon of 'quiet quitting' our relationships with work feel more complex than ever before.

New flexible patterns of work like working from home, hybrid working and trials of a four-day working week, all accelerated by the pandemic, come at a price in the post-pandemic age, pulling people apart.

Reinforcing this, many of the traditional ways in which a shared culture has been shaped – including the physical space of the building and the micro-interactions of people whether around desks, tables or water-coolers – have been suspended.

So, how can people be authentically connected?

A workout culture can enrich people's experience of work and create an active partnership between employers, employees and charities that is a catalyst for positive impact.

Working out is the idea, because unless you step outside of your boundaries, it is hard to see the full picture.

This is not the team-building days of the past of litter picking and painting community halls. That got people out of the office, but they had a poor reputation.

The difference is that through pro bono volunteering, people are using their professional skills and helping charities access specialist skills that they need.



# Benefits across our business

## The case of Sodexo

*"We continuously give our culture a workout, recognising the need to evolve in order to progress, engage, retain and recruit talented colleagues in the belief that talent comes from all walks of life."*

*We have done all this while generating lasting social impact and feel tangible benefits across our business. I believe everyone should be doing this."*

**Angela Halliday, Director of Social Impact for Sodexo UK & Ireland**





# Business benefits of working out





# Benefits of working out

## Culture as an asset

Giving your culture a workout can refresh how your team works together and increase their productivity, pointing to a range of potential benefits identified in research:

- wellbeing
- diversity, equity and inclusion
- staff motivation and commitment
- retention
- quality
- morale
- knowledge sharing
- innovation.

If culture is an asset, giving it a workout is your investment plan.





# Return on investment

## The gains of retaining staff

In our research, we see a positive correlation between those who say that their company has a strong culture and those employees who stay at the company.

Where working out is able to reduce staff turnover, through evidence of increased commitment, the returns on investment can be significant.

Oxford Economics has estimated the total cost of replacing a member of staff at £30,000. This includes hidden costs of lost productivity, but even stripping the numbers down to just advertising, backfill, interviewing and administration, they show more than £5,000 on average.

Every notch down of staff turnover you see that is lower than your competitors, thanks to your culture, is as effective a financial gain as an uptick in sales.





# Working out

## What business leaders say

A pioneering 2021 report by the Leadership Council, *The Great British Talent Swap*, interviewed leaders to explore how business and charity could gain by sharing skills:

- "Our understanding of the charity sector has changed; what we first saw as a channel for corporate donations is becoming a partner for business innovation." **Rebecca Dunn, Head of Sustainability, Spectris**
- "Most people at some stage have the experience of jury service – a pure public duty for social good – and I have yet to meet anyone who hasn't had their perspective broadened by that experience." **Amanda Mackenzie OBE, CEO, Business in the Community**
- "It is far better for us to be 'learn it alls' rather than 'know it alls'." **Steve Murrells, former CEO, The Co-op**
- "A bridging mechanism to allow talent to travel between NGOs and business could be both powerful and timely." **Sir Harvey McGrath, Chair, Big Society Capital**
- "I see three types of value being created by these exchanges. First, personal stretch and growth. Second, systems change through the introduction of some new DNA. Third, specific social and environmental positives. For me this adds up to a compelling argument for more organisations to open themselves up to partnerships, dialogue and talent exchanges across the business/charity divide." **Melanie Richards, NED, Morgan Stanley**
- "The infusion of new DNA from very different organisational cultures can become a catalyst for cultural change." **Martin Newman, Leadership Council & Ed Mayo, Pilotlight**



# What your recruitment pool says

## Building your employer brand

The saying is that people do not just quit companies... they quit organisational cultures. Nearly half (52%) of the nation will be looking for a new job in the next 12 months and it is employers with strong company culture, including volunteering opportunities, that they are more likely to be looking for.

The three key benefits identified for employees in the research are:

- a better sense of job satisfaction knowing you are doing some good in the world
- improved wellbeing/ feelings of happiness/ pride inside and outside of work
- improved productivity as they bring the outside world into their roles, offering new skills and perspectives.



*"There is a growing realisation that giving days of pro bono time to employees should in some way be part of their employment package."* **Dame Elizabeth Corley, Chair, Impact Investing Institute**



*""Leading with culture may be among the few sources of sustainable competitive advantage left to companies today.""*

**Groysberg et al, Harvard Business Review**





# Developing skills by working out





# Learning by doing good

## Three sets of key skills

Multiple research studies have found that employee volunteering is successful in improving the attachment of employees.

According to Deloitte for example, 89% of employees *"believe that companies who sponsor volunteer activities offer a better overall working environment."*

Pro bono action allows people to learn by doing good, developing skills which relate directly to the three 'planks' of self-determination, a leading theory for understanding employee motivation:

- Autonomy
- Relatedness
- Competence.





# Autonomy

## Realising potential

At the heart of future patterns of work is a culture of empowerment.

Working out is a route to self confidence. The novelty of a new situation enables you not just to apply your skills but to see them afresh – as if seeing them for the first time.

Jane Drysdale is an HR leader and has been a Pilotlighter for over ten years. She says it's vital for wellbeing to give employees opportunities to look beyond the day-to-day procedures and realities of their own organisation, and gain perspective on the outside world.

*"Whether it's Pilotlight, being an Armed Forces reservist, a school Governor, employees who do something that develops them outside of the office, gives them that reality check, it means that they're not wholly dependent on their employer for their self-esteem," she comments.*

*"You don't want your staff feeling beholden to one organisation. It's frightening how lacking in confidence some people are about their skills, and this means that people don't take risks in their own organisation, they don't challenge their bosses, they play it safe – and it means the organisation probably isn't getting the best out of them."*

Working out is a form of cross-pollination. When you apply your skills, you bring the fruits of this back into your workplace.

Jane cites working with Leeds-based learning disability arts charity Pyramid as a particularly satisfying pro bono project. Jane says she took pleasure not just in seeing the charity transformed, but in witnessing a transformation in fellow Pilotlighters – *"they often come in with particular views and want to do things in a particular way – before long, they've developed much better questioning and coaching skills, and are using these both with the charity and in their day job"*.

**In responding to brand new challenges, you grow your own confidence to adapt and finesse these in other situations.**



# Relatedness

## The art of influence

The ability to work together is emphasised in most work cultures today. Even so, there can still be a mismatch between a language of teamwork and the reality of hierarchy and inequalities of power and reward.

And the ability to collaborate often ends when it reaches beyond the firm.

The more of a leadership role people take on, the more they have to look outside of the workplace.

In the context of complex, fast-changing markets and society with multiple stakeholders, what matters are skills of listening, influencing and persuasion beyond the limits of employment or commercial contracts.

Working out is an opportunity to build these skills as well as an opportunity to see the world through a different lens – including how non-profits can organise and create voluntary partnerships and alignment with multiple stakeholders in a complex environment. In turn, charities benefit from access to people and networks in business that they would not otherwise be able to benefit from.

Here therefore is a chance to learn new skills of inclusive leadership in new, diverse settings. And also to access the lived experience of vulnerability that may characterise some of those who may be customers or colleagues back at work.

Successful relationships are rooted in the 'non-cognitive' skills of emotional intelligence, such as the ability to regulate your emotions and empathise with those of others. We learn from practice, not from formal training and a key prompt is in the workplace as a social institution.

**Giving the option to work out sends a powerful signal that the skills of building relationships matter as you rise through the ranks.**

# Competence

## Problem solving

An example of a key future work competence is the ability to find solutions to novel problems, including the complex and unfolding challenges of tomorrow, from disruptive innovation and competition through to the climate emergency. This competence has a name – curiosity.

It can be a struggle to find places to be curious at work. If the ethos is target and deadline directed, the default behaviours of staff are naturally more reactive. Through pro bono action, you allow your team to learn from real life causes and situations.

Cultivating curiosity is about practical attitudes. With Pilotlight, for example, you are coming into a positive and supportive space: not being asked to step into the field of battle, but to stand in the realm of possibility and conjure up what might be possible.

Curiosity brings many benefits to the modern workplace. In his recent book *The Art of Insubordination*, Todd Kashdan, a professor of psychology at George Mason University points out for example, that greater curiosity can make people more open to hearing others' opinions, even if they differ from their own. This is essential if we want to have productive disagreements and diversity of thought.

*"We really need to get rid of this notion of 'staying in your lane',"* suggests Kashdan.

Problem solving also has a very positive correlation with wellbeing. When you are interested in understanding – your brain fires up with dopamine, which makes us feel better and also accelerates our openness to learn. The stimulation prompted by curiosity opens us to make more and better connections – a pattern mirrored in the physiological responses of the brain.

**Working out, assisting charities with their challenges, is a way to accelerate people's thinking, to spot new connections and find new lines of enquiry.**



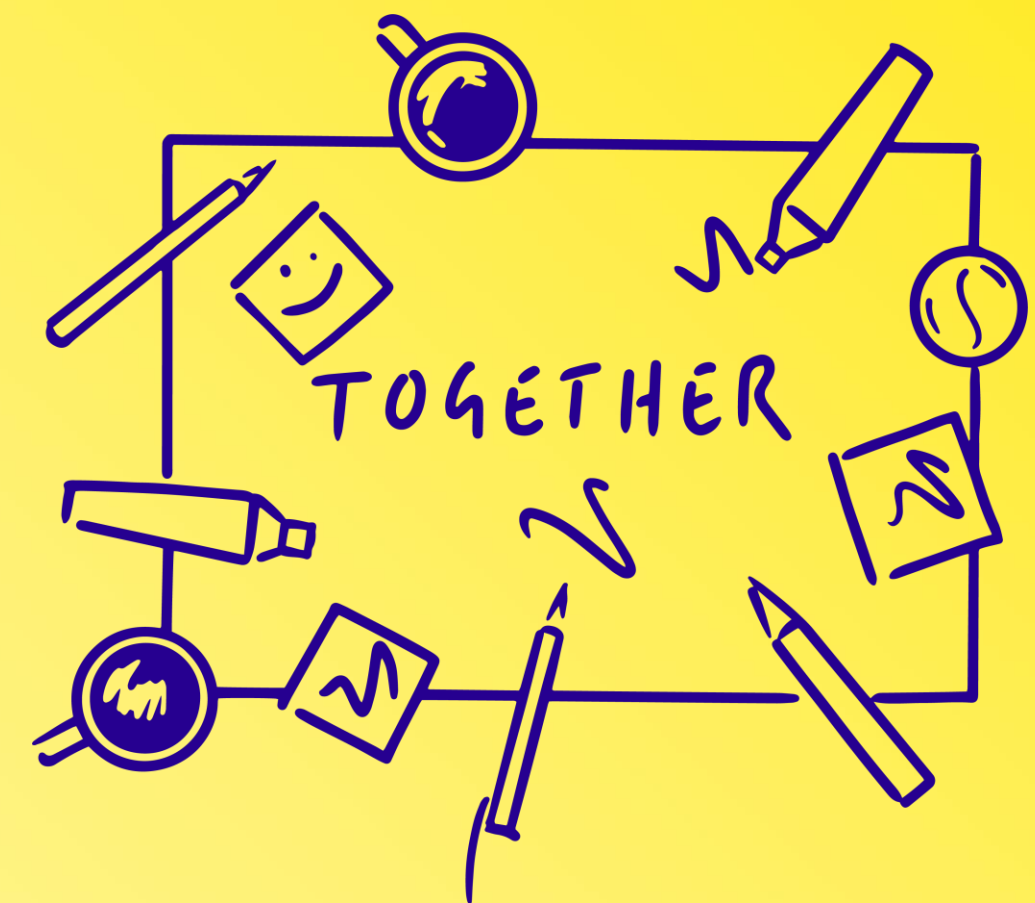
*"Research shows that not knowing the answer to an intriguing puzzle can, for example, increase your creativity on subsequent tasks, as well as priming your brain for learning. Curiosity in the workplace, meanwhile, increases engagement and enjoyment of your job and reduces your risk of burnout."*

**David Robson, Curiosity: The neglected trait that drives success** – BBC, 6 September 2022





# The world of pro bono





# The world of pro bono

## 8,300 charities and counting

**In 2021, in collaboration with others including Cranfield Trust and Reach Volunteering, Pilotlight formed a new collaborative network, the UK Pro Bono Association.**

This brings together 34 organisations that promote skills-based volunteering. Some are focused on specific professions, such as law, property or accountancy, others on specific sectors to support, such as education or homelessness.

Together in the last year, these engaged professionals to support 8,300 charities and social enterprises. For many, a shift prompted by the pandemic has been from in-person volunteering to the opportunities of virtual volunteering.

Research for this report suggests that in terms of public understanding, there is growing recognition of the scope for pro bono action such as this but it is not universal.

Four out of five people (81%) recognise the term 'pro bono' for example, but they don't necessarily know what it means. One in two people (49%) understand the term pro bono to mean providing services for free. One in five (22%) associate the term with support for charities or the public good.

A small number of people, around one in 36 (2.78%), believe that the term 'pro bono' means that you are a fan of the rock band U2.

Seven out of 10 small and medium-sized charities say that they are actively looking for pro bono professional skills to support what they do – but only four out of ten find it.

If the field of pro bono is to grow to meet charity needs, public understanding needs to grow with this. We see a particular role for the professions themselves. They can learn from the legal profession, where it all started, and promote that idea that pro bono action is an integral part of professional development and what success means as a professional.



# Pilotlight

## Do more for your world

Pilotlight is a charity that helps people and charities to do more for their world. We do this by bringing charities together with business and business experts who can tackle the pressing issues charities are facing.

So far, we have worked with around 1,000 charities. And since 1996 we've developed partnerships with over 180 of the UK's top businesses including Barclays, Ipsos Mori, Lendlease, Morgan Stanley, Sodexo and KPMG.

We also have a longstanding partnership with Garfield Weston Foundation – the Weston Charity Awards.

**Our impact results show that two years on from support through the Pilotlight 360 programme, charities, on average, increase their income by 44% and their reach (the number of beneficiaries) by 30%.**



For our pro bono volunteers, we call them Pilotlighters, supporting charities is a way to give back, but also a unique learning experience.

The learning outcomes we track, for Pilotlighters and for charity leaders, include:

- coaching and listening skills
- understanding of different leadership styles
- understanding of society and different sectors.



# Case studies





# Case study

## Morgan Stanley

A longstanding partner of Pilotlight is Morgan Stanley.

*"Long-term and enduring success lies in having a strong culture and talented employees who live our values"* says James P Gorman, Chairman and CEO of Morgan Stanley.

The five core values for the bank are:

- do the right thing
- put clients first
- lead with exceptional ideas
- commit to diversity and inclusion
- give back.





# Case study

## A bank tackling food poverty

Rob Partakides is Regulatory Relations Group Executive Director at Morgan Stanley. He has worked with Pilotlight and its Partner Charities since 2015, when he first took part in Morgan Stanley's annual pro bono Strategy Challenge in the UK.

Although he had previously volunteered for charities, Partakides says he had *"never really thought about how my business skills could be useful [to them]"*.

The Strategy Challenge was *"a very humbling experience"* which opened his eyes to new social issues, he says – but also a successful one. Asked by a charity whether it should open a café in order to diversify its income, the analysis he gave said no, but set out other options. The recommendations his team provided their charity mean that five years on, it is going from strength to strength.



With colleagues at Morgan Stanley, he has since worked with a number of other charities through Pilotlight, the most recent being London food waste and food poverty charity The Felix Project.



# Case study

## Sodexo

Sodexo came to Pilotlight when it's Justice (Custody) Senior Leadership Team wanted to explore ways to give something back to the community and support the company's social value commitments.

Five Prison Directors were sponsored by the company to become Pilotlighters on Pilotlight 360. They quickly saw how they could help while also exploring areas of interest.

*"For me, working in the Women's Estate at HMP & YOI Bronzefield has sparked a real passion and interest in the social issues women face, and the charities that support them," says Sodexo's Ian Whiteside. "When I heard about Sodexo's partnership with Pilotlight, I was very interested in being involved. Due to my interest in women's social issues, I was matched with the charity MASH (Manchester Action on Street Health)."*



Ian's team helped MASH develop a practical strategy to make them more resilient and confident for the future. Since the first cohort of Pilotlighters, Sodexo has since signed up a further 20 leaders to participate in Pilotlight 360. At the end of the programme Ian commented *"I have found myself in equal parts challenging and supporting their decision-making processes, and genuinely feel that it has been a win-win relationship."*



# Our call to action





# Our call to action

## A £17bn prize for charity

Our conclusion is that people recognise the value of culture in business, they are not yet skilled at realising it. Giving your culture a workout is an effective tool, both for business but also for the world at large.

In our public survey, a significant number of people (38% of those who expressed a view) believe business is the largest charitable donor. In reality, business contributes only 5% of charity income (£2.7bn pa).

We estimate the total potential added value of pro bono action for charities in the UK, assuming full participation of those who would like to volunteer and for an average of one hour a week, is **£17.25 billion pa** (estimate at mid-point values). This would represent a sixfold increase in the value of contribution of business to charities.



**Pilotlight is issuing a call to action for UK employers to develop a workout culture in order to fulfil and retain the country's best talent – and do good at the same time.**



Our call to action is backed by business leader **Paul Drechsler CBE, President of the CBI from 2015 – 2018:**

*"It is not just good for society for businesses to support their employees who want to use their skills through volunteering, it is good for business."*

*The charity sector has never faced so many challenges and there has never been such a great opportunity for employees to volunteer and make a really big difference, learn and show what a great force for good their organisation and business can be.*

*This is a huge opportunity for achievement, satisfaction and pride for a small investment of time. Now is the right time for action on this."*





# Methodology





# Methodology

## The footnotes

The key elements of research for this report took place over two years and includes interviews, case studies of business and charities and two quantitative surveys on aspects of the field:

- Censuswide survey of 2,014 UK nationally representative people, September 2022
- Populus survey of 2,144 UK nationally representative people, August 2020.

Interviews with business leaders have been published over this period in the report produced in partnership with the Leadership Council, *The Great British Talent Swap*. We are very grateful for the time of those interviewed and for the creative input of Martin Newman, Leadership Council.

The term 'pro bono' refers to professional or occupational skills offered at free or concessionary rates for public benefit. There is not a settled terminology in the field, with other terms including 'skills-based volunteering'.

Data on the world of pro bono is taken from a survey of members of the UK Pro Bono Association over the summer of 2022. We are aware that this is limited to the work of pro bono intermediaries and are looking to map the field of pro bono more widely over time.

The estimate of the potential added value of pro bono to the charity sector is necessarily exploratory, given gaps in the scope of data from national bodies such as Companies House and the Charity Commission on business and charity interactions. The analysis follows a simple statistical model used to generate input salary and proxy output values of pro bono work, with participation by all employees who express an interest in doing so but are not at present, with an hour a week as an assumed average commitment. We select the mid point values generated by this model. This is an estimate of potential rather than of actual activity.



# Methodology

## Next steps

**One of the outcomes of our work in this field is a new relationship between Pilotlight with the Centre for Charity Effectiveness at Bayes Business School in London.**

Through this a research PhD will be conducted by Emily Perkin on the field of pro bono. We look forward to engaging with and learning from this.

Alongside this, we hope to work with Pro Bono Economics over the next period on research that a team from the charity will lead on an economic assessment of the business benefits, including employee wellbeing, of pro bono volunteering through Pilotlight.





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# UK Pro Bono Association

## Members

- Business in the Community
- Catalyst
- Charity Excellence Framework
- Charterpath
- Coalition for Efficiency
- Cranfield Trust
- Datakind
- Digital Candle
- Ella Forums
- Ethical Angel
- ICAEW
- Impetus
- Inspiring Scotland
- Kilfinan Trust
- LandAid
- LawWorks
- Lloyds Bank Foundation
- MarketingKind
- Media Trust
- Pilotlight
- Pro Bono Economics
- Reach Volunteering
- Scottish Tech Army
- Skilling Time
- Skylarkworks
- Social Business Trust
- Social Good Connect
- Sported
- The Fore
- The FSI
- The OR Society
- Voluntary Solidarity Fund
- We Make Change
- Whitehall Industry Group



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amplify the good work that's  
done in the world.**

Pilotlight

5th floor, 14 Bonhill Street

London EC2A 4BX

[www.pilotlight.org.uk](http://www.pilotlight.org.uk)

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