

Say Thanks

The pARTnership Movement

Inspire your employees by providing access to art experiences that show your appreciation for their contributions

By Aaron Dalton







A Work for Art Artist in the Workplace sets up for a gig on Feed the Arts day. Work for Art took artists out to multiple restaurants to engage employees and customers.

THE BIG IDEA

rts partnerships frequently offer companies effective and cost-efficient methods of achieving critical business goals. Americans for the Arts is producing a series of essays that explore and illustrate the different types of benefits that arts partnerships can bring to your company. This essay makes the case that organizations can use arts partnerships as a means to reward employees and motivate them to perform to the best of their capabilities.

Many companies believe that employees are motivated mainly by money, and that the only way to encourage high performance is to give people a bonus or a raise.

Not only is that an expensive philosophy, but it's also based on the unproven assumption that giving an employee more cash will automatically boost his or her performance. Mark Royal, a senior principal at the management consulting firm Korn Ferry Hay Group, says that underpayment can hurt motivation, but once compensation has reached acceptable levels, higher salaries will not necessarily drive higher levels of motivation. "This doesn't mean that financial rewards don't matter," says Royal. "It's just that informal and spontaneous types of recognition can also play an important role in motivating high performance—and do so at a relatively low cost to the company."

In fact, in some cases, non-cash rewards can actually have a greater motivational effect than a cash bonus. A 2013 Slate / Harvard Business Review (HBR) blog post chronicled the experience of researchers at a German library who found that student Start with good people, lay out the rules, communicate with your employees, motivate them and reward them. If you do all those things effectively, you can't miss.

> Lee lacocca, former chairman, CEO and president, Chrysler

THE SUPPORTING DATA

44%

OF COMPANIES WHOSE EMPLOYEE RECOGNITION PROGRAMS ARE TIED TO THEIR ORGANIZATION'S CORE VALUES REPORTED THAT THEIR PROGRAM HAD A MEASURABLE IMPACT ON BUSINESS RESULTS

ONLY **10**%

OF COMPANIES WHOSE EMPLOYEE RECOGNITION PROGRAMS WERE NOT TIED TO THEIR CORE VALUES REPORTED A MEASURABLE IMPACT ON BUSINESS RESULTS FROM THEIR PROGRAM.

Source: Hay Group/Globoforce "Business Impact of Recognition Survey," 2013 catalogers increased their data-entry rate by 25 percent when given a gift-wrapped water bottle. By contrast, a 20 percent cash bonus had no effect upon the productivity of a different set of workers. The lesson from the HBR study is simply that non-cash rewards can have a powerful motivational effect precisely because they demonstrate that a company values its employees as people, not just as cogs in a machine.

Of course, it would be nice if all employees felt valued. Still, what is the business case for prioritizing your employees' feelings? In our Engage Your Employees essay, we talk about the business benefits of employees who feel engaged at work. Further research from the Hay Group has shown that companies with highly engaged workers have better revenue growth and less turnover than companies with lower levels of engagement.

Data shows that when employees feel engaged, they feel valued—and vice versa. A January 2012 Stress in the Workplace survey by Harris Interactive and the American Psychological Association asked 1,700 U.S. employees how they felt about work and found that nearly 9 out of 10 of the employees who felt valued also reported feeling engaged.

Just as companies with engaged employees gain a competitive advantage with lower turnover rates, the same seems to hold true for companies with employees who feel valued. The Stress in the Workplace survey found that 50 percent of employees who did not feel valued expressed an interest in finding new employment in the year ahead. Only 21 percent of employees who felt valued expressed a similar interest in looking for a new employer.

All of this makes sense intuitively: If you can find ways to make your employees feel respected and valued, you're likely to have a loyal and engaged workforce. But a gift of cash doesn't necessarily send the right message of valuing and respecting the recipient as a whole human with needs outside compensation. Remember what Royal said above: Informal and spontaneous gifts can be important—and cost-effective—components in a company's motivational tool box.

"Hay Group research confirms that engagement is an exchange relationship," explains Royal. "If organizations want employees to do and deliver more, it's essential to show employees that their efforts are recognized and appreciated, while making sure they feel valued as people."

As the following case studies illustrate, rewards related to arts and culture can help companies show their appreciation for a job well done, while simultaneously demonstrating their respect for their employees' humanity, interests, and lives outside the workplace.

THE THEORY IN ACTION





Case #1: Feeding Employee Interest in the Arts: Burgerville + Work for Art

Burgerville is a quick-service restaurant (QSR) company with 42 locations in Washington and Oregon. Quality, sustainability, and community are big parts of the Burgerville brand. It's known both for its burgers (100% free of antibiotics and hormones) and the importance it places on sourcing local and sustainable ingredients. Burgerville actually lists its supply chain partners on its website so customers can see that almost everything comes from Pacific Northwest suppliers.

The company also is known for investing in developing its people because it believes in the lasting and positive impacts that individual employees can have on the success of the organization.

This focus on employee development has helped Burgerville boost retention and reduce turnover. An article in QSR magazine notes that turnover rates in the industry can be higher than 200% per year. Yet Burgerville's annual turnover averages just 60-70 percent across all categories and below 30 percent in its management ranks.

"Low turnover has numerous benefits," says Jeff Harvey, Burgerville's president and CEO. "The most direct benefit is that it saves us the cost of developing new employees." That's a big deal for any employer, but especially at Burgerville, which invests heavily in training and development in an effort to differentiate itself from other res-

Left: Two Burgerville employees stop for a quick photo on Feed the Arts day before diving into the breakfast rush. Work for Art staff visited 35 restaurants on Feed the Arts day to chat with employees and customers about the arts.

Right: A Burgerville employee updates her restaurant's marquee to show support for Work for Art on Feed the Arts day.



An apprentice dancer with
Oregon Ballet Theatre,
a Work for Art funded
group, teaches Burgerville
employees a few ballet
moves during a Burgerville
employee giving campaign
kick-off event.

taurants. These engaged, well-trained employees play a key role in helping Burgerville fulfill its mission to give guests a consistent experience and make them feel as valued as if they were dining with family.

One way that Burgerville demonstrates its commitment to its employees is by listening to them. In response to employee requests, Burgerville gave its employees the opportunity to support their favorite arts organizations through a workplace giving program called Work for Art.

"Our participation in the Work for Art program is not due to my personal agenda or some corporate agenda, but rather it is driven by the interests and enthusiasm of our employees themselves," explains Harvey.

It was Burgerville's employees who asked for the option to contribute to Work for Art. Once Burgerville gave employees that option, it quickly became the top choice in the company's workplace giving program. The enthusiasm for the program among Burgerville's employees is reflected in the fact that Burgerville has won Work for Art's Top Employee Participation award each year since 2010.

"We have workers who are visual artists, musicians and other types of performers," says Harvey, "giving these people the chance to participate in Work for Art allows them to support the very sort of organizations and activities that dovetail with their own personal interests and passions."

Work for Art is one of more than 50 United Arts Funds across the United States that consolidate arts and culture fundraising efforts and run workplace giving campaigns to support the arts throughout a community. The Regional Arts & Culture Council (RACC), a 501(c)(3) arts service organization, runs the Work for Art program in the Portland,

OR tri-county region.

Work for Art enables employees to use payroll deductions to make donations to a Community Fund and/or an Arts Education Fund. RACC then distributes these donations back into the community through annual grants to more than 100 regional arts and culture organizations. Since its program expenses are raised separately, Work for Art does not deduct any fees from employee donations and can pass on 100 percent of employee gifts to arts and culture organizations in the Portland area. Even better, all Work for Art employee donations are matched dollar-for-dollar thanks to generous public and private support for Work for Art's Matching Challenge Fund.

Burgerville President and CEO Jeff Harvey was so impressed by his employees' enthusiasm for the program that he offered to serve as honorary chair of the Work for Art campaign from 2012 to 2014. With their leader at the helm, more than 400 Burgerville workers per year have contributed an average of \$88 each to Work for Art over the past four workplace campaigns, adding up to a total Burgerville employee contribution of nearly \$140,000 during that time.

Since the program began in 2006, employees of companies throughout Portland have donated more than \$7 million to Work for Art, according to Kathryn Jackson, who has managed the program over the past 10 years.

Employees can donate whatever they are able to afford to the Work for Art program. For some, that's as little as \$1 per paycheck; for others, it might be \$100 per month. Employees who make the commitment to pledge at least \$60 per year (typically \$5 per month or \$2.50 per biweekly paycheck) receive an Arts Card as a benefit.

There are 75 arts and culture organizations in the Portland region that participate in the Arts Card program. All of them offer Arts Card holders the same attractive benefit: first come, first served access to two-for-one ticket deals during a 12 month period. According to Jackson, there are more than 2,000 active Arts Cards in circulation during any given month, with the number of cardholders growing every year.

"Our participation in Work for Art has definitely had an impact on our corporate culture," says Harvey. "From entry-level employees right up through the senior leadership of the organization—myself included—we have all become more curious about the arts and more aware of the important role that arts play in our communities. Using the Arts Card, we attend events we would probably not otherwise have attended, which leads us to engage in dialogues we would not otherwise have had."

Kathryn Jackson at RACC says that ultimately she feels the Arts Card helps establish an entire network of beneficial connections. People who use the Arts Card to take their parents, spouses, children, and friends to cultural events strengthen their personal connections, while simultaneously connecting with the broader community. A 2015

Virtue has its own reward, but no sale at the box office.

Mae West (1893-1980), film actress

survey conducted by Work for Art showed that 60 percent of the respondents who had

Jackson's assessment is supported by a first-hand account from one Burgerville hourly employee who reported using the Arts Card to take two of her children to the Oregon Symphony for the first time. "This experience has changed my life and my children's lives," said the employee.

Seeking to extend its partnership with Work for Art beyond the workplace giving program, Burgerville and Work for Art teamed up for three years on an annual fundraising event called Feed the Arts, where Burgerville donated a percentage of the daily revenue at all of its restaurants to Work for Art. Over the three-year partnership, those donations added up to more than \$20,000.

The Work for Art team worked to make Feed the Arts a success by publicizing the event and driving traffic to the restaurants. For this event, Kathryn Jackson and her Work for Art colleagues personally visited 34 of Burgerville's restaurants and brought local artists—including a juggler/acrobat and several singer-songwriters—to put on performances at some of Burgerville's locations throughout the day.

The Feed the Arts partnership not only generated revenue for the Work for Art Community Fund, it also helped Burgerville in at least four important ways:

- 1. Feed the Arts reinforced Work for Art's message that Burgerville cares about the artistic programs that matter to so many of its employees.
- 2. The publicity around the event generated tremendous goodwill in the community for Burgerville. Work for Art and Burgerville cooperated on PR for the event which generated valuable media coverage in newspapers, television, radio and social media.
- 3. Seeing Burgerville living up to its brand promise of supporting vibrant communities likely helped the company to boost employee engagement.
- 4. Feed the Arts brought in new customers. "On Feed the Arts day, we gained access to new guests whom we might not otherwise have seen on a normal day," says Harvey. "This gave us the opportunity to win their loyalty and transform them into repeat visitors." In 2013, for example, Burgerville served more than 1,400 additional guests across all of its restaurants on Feed the Arts Day. This represented a 9.3% increase over its typical daily customer volume.







Left: Jazz Legends Live in Tucson, AZ **Right: Sweet Charity** Dessert Challenge in Tucson, AZ

Case #2: SAACA Helps Tucson Businesses Offer Artistic Rewards

When the Tucson office of broadband and entertainment company Cox Communications wants to show its appreciation to the employees who serve on its Volunteer and Diversity committees, it gives them tickets to the World Margarita Championship, a Jazz Legends concert, the Southern Arizona Salsa & Tequila Challenge, or one of the many other popular events run by the Southern Arizona Arts & Cultural Alliance (SAACA).

And when Scottsdale-based Green Living magazine wants to reward its interns and employees for their hard work, it offers them tickets to SAACA events like the SAVOR Southern Arizona Food & Wine Festival.

Cox and Green Living aren't the only Arizona companies to partner with SAACA on rewarding their employees with access to unique artistic and cultural experiences. Since SAACA includes these tickets as part of its sponsorship packages, companies across Southern Arizona are using these benefits as valuable experiences for their employees. Ventana Medical Systems provides employees with tickets to SAACA events that showcase the riches of Southern Arizona's cultural scene. Tucson Electric Power offers SAACA tickets to employees who go above and beyond the call of duty in giving

back to the community. Several local banks use tickets to SAACA events as a way to incentivize and reward employees for exceeding sales targets.

Why not just reward employees with a cash bonus? "Personally, I'm a firm believer in the notion that experiences are more valuable than possessions," says Amanda Harvey, associate editor at Green Living magazine. "For example, I'd rather give my mother horseback riding lessons on her birthday than hand her a cold gift card. I think people appreciate an experience-related gift."

Harvey also points out that tickets to SAACA events can be pricey—sometimes \$50 or more—which can place the experiences out of reach for some people, like the Green Living interns, who might have limited entertainment budgets. "From what I've seen, people are pretty excited when they get tickets to SAACA's arts and cultural events," she says. "Often they were interested in attending the festivals or concerts, but they had doubts about spending a significant amount of money on a new experience. However, once they attend a SAACA event on a complimentary ticket, they're often more open to the idea of purchasing their own ticket the next time."

Cox Communications has given SAACA event tickets as rewards for employees who have demonstrated strong interest in community participation through their service on Cox's Volunteer and Diversity committees. Although Cox does hand out other prizes—including iPads and gift cards—to volunteers, Community Relations Manager Autumn van den Berg says that SAACA tickets have at least one important advantage. "Many of the people who participate in the Volunteer and Diversity committees have families," she says. "Getting an iPad is an individual award, but SAACA event tickets give our employees the opportunity to take their children or partners to a food festival, concert or art show and enjoy some quality time with their families."

Rewarding employees who volunteer, take on extra responsibilities, or surpass expectations not only seems like the right thing to do, but it also makes sense from a business standpoint, says van den Berg. "When we recognize our employees for going above and beyond their job description, that makes them feel more valued," she explains. "Rewards and recognition programs can improve engagement, productivity, and morale. When employees can see that Cox appreciates their contributions, they are more likely to recommend Cox as being a great place to work. With the right rewards program, you can have a positive impact on employee recruitment, retention, and motivation."

What does SAACA get from these partnerships? Not only do its corporate partners provide financial support through sponsorships, but the event tickets that SAACA's partners distribute to their employees often enable attendees to experience a new genre of art or taste a new type of cuisine that they might have never experienced before.

Money is better than poverty, if only for financial reasons.

Woody Allen, comedian





Savor Southern Arizona Food & Wine Festival at the Tucson **Botanical Gardens**

"Often, these are powerful experiences for the attendees," says SAACA's Executive Director Kate Marquez, in discussing how the partnerships help SAACA expand and diversify arts audiences in its region.

SAACA's corporate partnerships extend beyond the events that it hosts and organizes. As SAACA has established strong relationships with companies throughout Southern Arizona, it has begun offering a creative/cultural concierge service to help businesses identify and implement arts-related programs that will have maximum impact. For instance, SAACA helped General Growth Properties, which owns and operates two Tucson shopping malls, to implement a series of unique arts programs, including a major chalk art festival, to attract shoppers. "Malls are competing against e-commerce, so if you want to drive traffic and persuade people to spend more time at the mall, you need to give them unique experiences that are outside the norm," says Marquez. "By partnering with arts and culture organizations, retailers can offer people the sort of inspirational experiences they crave."

Of course, what works for a shopping mall might not be the best artistic choice for a company working on cancer diagnostics. When Ventana Medical Systems wanted to foster a stronger sense of community among employees on its new corporate campus, SAACA helped Ventana to conceptualize and implement various arts-related programs. including an employee art competition and a sculpture contest. "These events help employees build their networks and establish relationships with colleagues," explains Marquez.







Marquez explains that SAACA's success has a ripple effect throughout Tucson's artistic community. SAACA both hires artists directly for its events—including approximately 1,000 musicians per year—and collaborates with other local arts organizations including the Tucson Symphony Orchestra, the Civic Orchestra of Tucson, the University of Arizona School of Music.

Working in nearly all Southern Arizona communities, SAACA serves as a grassroots community arts organization. In 2015, SAACA produced more than 150 cultural and artistic programs and events that attracted an audience of more than 200,000 participants. "Ninety percent of the artists and musicians we work with are local," Marquez says. "By collaborating with SAACA, our corporate partners are supporting a range of programs around art education, arts therapy, and the integration of arts and business, all of which generate many new creative opportunities for arts and artists to thrive in our community."

THE TAKEAWAYS

ash bonuses can seem like the easiest way to show appreciation and gratitude for high-performing employees, but research indicates that non-cash rewards can actually have more of a motivational effect. Rewards that relate to an employee's interests, humanity, and personal fulfillment can make that employee feel valued as an individual. Employees who feel valued are more likely to be highly engaged, and engagement can lead to higher productivity, less turnover, and greater profitability for the entire organization.

Work for Art and SAACA demonstrate two ways that companies can provide experiential, arts-based rewards via workplace giving and its associated benefit, Arts Card, or tickets to arts and culture festivals as part of a larger sponsorship package.

In both cases, these rewards may be most meaningful and even life-changing for employees who otherwise might not have had the resources or opportunities to access these events.

Even for senior employees with greater financial resources, an Arts Card or tickets to an artistic festival could offer much higher ROI than a cash bonus. Remember what Korn Ferry Hay Group's Mark Royal said—once people are reasonably happy with their financial compensation, more money will not necessarily drive higher motivation.

It's possible that not all of your employees will be enthusiastic about the arts. Some of them might prefer tickets to a sports game or a World Margarita Championship, but for those who are already interested in the arts or are open to having a new artistic experience, offering arts-related rewards can be an excellent and cost-effective way to improve loyalty, motivation, engagement, and productivity while simultaneously bolstering arts organizations throughout your community.

THE QUESTIONS TO CONSIDER

How to use artistic partnerships to reward employees at any company:

- Map out your complete rewards program. What type of non-monetary rewards does your company currently include in the rewards category?
- Do you offer any rewards with an arts component? If so, what are those art-related rewards?
- Do you have a workplace giving program like Work for Art in your community that enables employees to contribute to local arts organizations? If so, does this program offer any sort of rewards comparable to the RACC Arts Card?
- Have you recently surveyed your employees about their satisfaction with your rewards program? Have you asked them what sorts of non-monetary rewards they might like to see added to the program?
- What metrics or methods could (or do) you use to measure employee satisfaction with your overall rewards program and/or any arts-related components?
- Do you have any existing partnerships with artists or arts organizations that you could leverage into the rewards program? If not, what sort of partnerships could you form to show employees you appreciate and value their artistic interests and passions?
- What sort of arts-related experiences could you give employees as a reward for a job well done? Tickets to a show? A one-on-one class with an artist? A group class with co-workers?

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