

Sweat Equity

Cash-strapped companies have found a way to get more from their charitable bucks. By Richard C. Morais

IN MARCH SEATTLE'S CAST ARCHITECTURE and the nonprofit Urban Sparks developed a pitch for a \$35 million community center in the city's quirky Fremont neighborhood, known for its statues of Lenin and an 18-foot troll crushing a Volkswagen Beetle. The proposed Fremont center would offer environmentally friendly subsidized housing, a health clinic and day care.

With paid work slow at the four-man architecture firm, the volunteer project fit in nicely, and Matthew Hutchins, a Cast principal, is hoping it might eventually lead to a paid design contract for the center. "We view pro bono, besides giving back to the community, as a means to do research and development and market our firm," he says. Cast's past pro bono projects—a shed for a community garden and a public park—have helped it develop contacts and expertise in new areas. The public park, for example, got Cast on a preferred provider list for the city's contracts.

Pro bono work by architects, lawyers and even corporations has been growing during this recession. That's in contrast to past downturns and seems to reflect an enlightened opportunism. It's a way to put idle employee hands to work, to network and to get greater bang from a firm's charitable bucks.

The Pro Bono Institute in Washington, D.C., which coordinates and studies attorneys' volunteer work, estimates that lawyers at big firms increased their volunteer hours by 13% in 2008. One reason is that firms have discovered the virtue of deferred job offers. Having lined up the most desirable law school graduates, they don't have enough business to justify their \$160,000 starting salaries. So they typically pay the recruits a third of that to go off and do good deeds until billings recover. The institute estimates 1,000 novice lawyers are now occupied this way.



A new chapter: Principal Belinda Green (center) in the redone library with her students and Target's Laysha Ward.

Corporations have been stepping up the volunteer pace as they cut dollar contributions. A study by Giving USA and the Center on Philanthropy at Indiana University says that corporate giving fell an inflation-adjusted 8% in 2008 to \$14.5 billion. While it's doubtful pro bono has made up for the decline in corporate giving, it clearly is on the upswing.

Capital One, Pfizer, Gap, Target, GE, IBM and Merck have all recently started formal programs to give paid employees time for volunteer work. The Taproot Foundation, which was formed to match individual professional volunteers to nonprofits, last year took note of the trend and created the Pro Bono Action Tank to support large corporate programs. "Because of the economy, those companies that are engaged in pro

bono services are finding they can give a lot more, even though their budgets have been cut back," says Jamie Hartman, the Action Tank's executive director. Companies take varied approaches. Capital One lists its core skills—everything from finance to branding to information technology—and then invites nonprofit organizations to select from that menu the services they need. Gap store executives have been advising youth-focused foundations on how to improve their personnel management.

Some companies are now using volunteerism to magnify the impact of their donations. Target has long made book-buying grants to school libraries. But beginning in 2007 its building division started getting involved in rehabbing the libraries, too. This year, with advice from the Heart of America Foundation, Target chose 16 schools (out of 164 that applied) for library makeovers, complete with new shelving, furniture and books. Target won't disclose how much each rehab costs but says its mass production experience—it's opening 76 new stores

this year—holds down makeover costs. In the final week of construction as many as 300 Target employees descend on a school.

Impact? The efforts get a lot more attention for Target than a book shipment. More important, Belinda Green, principal of the Maxfield Magnet Elementary School in St. Paul, Minn., says book borrowing by her largely African-American students has increased tenfold since the Target-renovated library there reopened in April.

"Pro bono work is about solving real problems and issues in the world," says Laysha Ward, president of Target's community relations. **F**



For more on the practical challenges of corporate pro bono, see www.forbes.com/pro-bono.