

2021 Corporate Alumni Benchmarking Report



What's Inside:

- Engage Talent for Life
- Key Findings
- The Impact of COVID-19
- Alumni Program Characteristics
- Alumni Communications
- Integration with Human Resources and Employee Engagement
- Return on Investment
- Respondent Information

2021 Corporate Alumni Benchmarking Report



Engage Talent for Life

Over the last eight years we have seen significant growth in the creation and utilization of corporate alumni programs across industries. The 2021 Corporate Alumni Benchmarking Report conducted by the University of British Columbia Sauder School of Business, in partnership with PeoplePath, confirms prior learnings and digs further into the mechanics of managing alumni programs following a global pandemic.

Corporate alumni programs came to the forefront during a year that caused corporations to restructure and downsize, hoping to rehire in the future as businesses bounce back. In our most comprehensive report yet, it is clear that the interest and value of building a community focused on maintaining lifelong relationships with former employees continue to grow.

The results presented in the following pages cover alumni program operations, including size, resources, benefits, and communications. This year's survey focuses on how corporate alumni programs integrate with human resources and current employee programs. We also address how to track return on investment for alumni programs because it is a rising concern of program managers and corporate leaders.

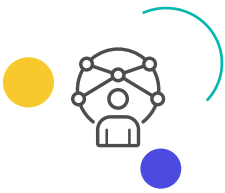
We also found that as programs mature, so does the sophistication of reporting. Most programs monitor day-to-day community health metrics yet less than half capture strong data to support the drivers of business development, talent acquisition, and brand awareness.

The data shows that as corporations continue to invest in the employee life cycle through recruitment, employee engagement, and corporate alumni, the returns will only grow, creating value for both the participant and the corporation, especially in challenging times.



Key Findings

1. Alumni programs are investing in their teams. Only 2% of programs do not have a full-time employee managing the program (down from 12% in 2016), and 30% have two or more dedicated staff (up from 22% in that same year).
2. Consistent communications is a key program element – 70% of alumni programs engage with their community monthly or quarterly in varied ways.
3. Introducing an alumni program earlier in the employment relationship is growing as 62% of programs encourage current employees to participate in the corporate alumni program (and 16% more aim to do this in the future).
4. Boomerangs are proving to be a strategic source of talent as 68% of companies say that up to 5% of new hires are alumni rehires.
5. An opportunity to boost alumni rehires exists as only 26% of companies offer an alumni referral incentive.
6. Community health metrics are popular measurement methods as more than 80% track day-to-day actions. However, less than 50% track data related to the top business drivers.



The Impact of COVID-19

In 2020, the COVID-19 pandemic was a challenge felt worldwide, especially by corporations battling constant uncertainty. About one-third of respondents reported conducting layoffs in 2020, and 26% of these companies laid off 1-10% of their workforces due to the pandemic.

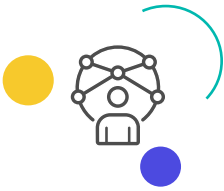
While the main story in 2020 was about company layoffs, some reports suggest that in 2021, employee exits will be dominated by employees choosing to leave. Many turnover and retention experts, including those at the Society for Human Resource Management (SHRM), expect to see voluntary exits rise significantly over the course of 2021.

We aren't the first to say it, and we won't be the last. Much has changed during the previous two years. When we asked about modifications to alumni programs during the COVID-19 pandemic, the overwhelming majority of respondents noted the shift to a predominantly or entirely virtual alumni program.

Some respondents highlighted the benefits of shifting to virtual programming, such as being able to connect alumni in different geographic locations better, launch new communities of practice, develop "alumni champions" who advocate for the network, and integrate the alumni program with other human resource practices such as hiring and training. Others noted challenges such as not having the additional budget to support the transition to virtual programming, trying to grab alumni attention in an increasingly crowded online space, fighting for resources against other COVID-related needs in the organization, and feeling burnout themselves.

The impact of COVID-19 will be felt throughout 2021 and years to come. Still, corporate alumni programs have proven to be not only resilient in challenging times but valuable resources when making hard staff decisions and fostering employee engagement.





Alumni Program Characteristics

Program Age

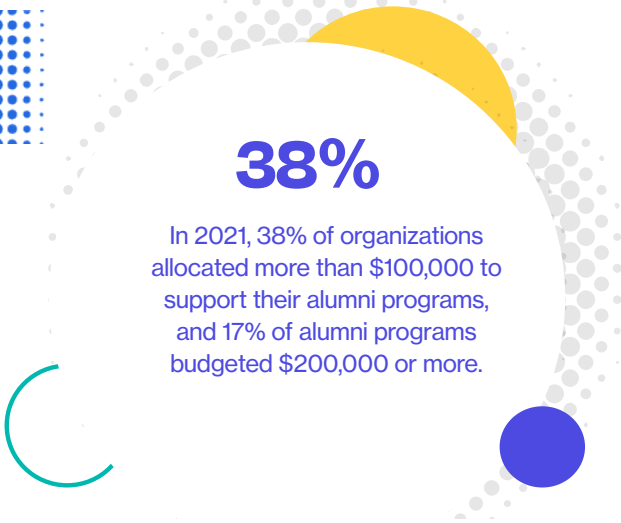
It has been exciting to watch corporate alumni programs grow and mature over time. Compared to prior years, a greater proportion of programs is at least six years old. Even more impressive, 12% of the respondents are managing alumni programs that have been in operation for 15 years or more.

Program Size

While the size of an organization's alumni network varies according to the employee base, the median number of registered alumni per organization is about 4,000. Furthermore, the average size of an organization's registered alumni base is approximately half the size of the total employee base. As more employees leave each year and alumni programs grow, we anticipate that many alumni programs will grow to be equal to, or potentially overtake, the size of an organization's employed workforce.

Program Resources

Great alumni programs cannot be built without adequate resources, and organizations are certainly recognizing this fact. While 12% of organizations did not allocate any full-time equivalents (FTEs) to the alumni program in 2016, only 2% did not allocate any FTEs dedicated to their alumni program in 2021.



In addition to FTEs, organizations are continuing to recognize the importance of allocating financial resources to corporate alumni programs. In 2021, 38% of organizations allocated more than \$100,000 to support their alumni programs, and 17% of alumni programs budgeted \$200,000 or more.

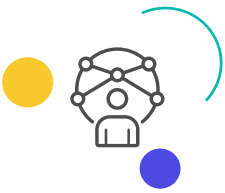
Alumni Program Platforms

An essential component of any alumni program is a centralized platform, so alumni know where to access information about the company and the alumni community. Based on our survey, we found the top three solutions for alumni program platforms are:

1. A third-party alumni platform provider
2. An official LinkedIn group
3. A third-party candidate relationship manager (CRM) vendor

Only 19% of respondents reported utilizing a platform built by their organization.





Alumni Program Characteristics (cont.)

Alumni Program Benefits

Over the years, we have found a core set of “must-have” offerings in alumni programs. This year is no different. Results suggest there are eight core benefits that a majority of alumni programs provide to their communities.

These findings align with research by Dr. Rebecca Paluch and Cornell University that found alumni ranked (1) branded alumni platform, (2) alumni newsletters, and (3) customized emails as the most used and valued alumni benefits.

	Benefit	Percentage
	Access to company news & information	85%
	Networking opportunities	85%
	Alumni newsletters	80%
	Virtual events/webinars	80%
	Alumni website	78%
	Alumni stories	78%
	In-person events	78%
	Directory	72%

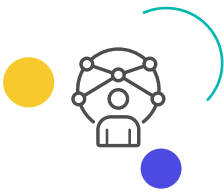
Alumni Communications

Many alumni managers want to know if there is an appropriate amount of communication they should have with alumni. We often get asked: “Am I reaching out too often? Am I communicating too infrequently? Is there a ‘sweet spot’ for how often I should contact my alumni?”

We find that a majority of programs communicate with alumni on a quarterly (39%) or monthly (31%) basis.

It is important to note that every alumni program is unique. While alumni managers can benefit from looking at what other programs are doing, they should also seek feedback about what their alumni prefer.

However, our data suggests that most of the communication with alumni is outwardly directed, and many programs are not seeking input from their alumni (52%). Of the programs that do survey their alumni (52%), about one-quarter issue alumni surveys once every two years. [Prior research](#) shows [alumni surveys](#) are an important source of feedback because they help managers learn more about which parts of the program the alumni community uses and values the most.



Integration with Human Resources and Employee Engagement

Including Current Employees in Alumni Programs

As alumni programs expand and mature, it becomes more essential that alumni programs and strategies integrate into the entire employee life cycle to create a cohesive employee-to-alumni experience. We find a majority of alumni programs are making current and prospective employees aware of the alumni program early on.

Some or all of our current employees are included in our alumni program (excluding admins).



We promote our alumni program when recruiting new employees.



● Do this ● Plan to implement ● Do not do this

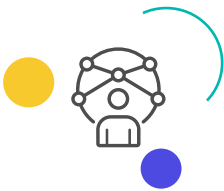
While it is encouraging to see that many alumni programs are introduced early in the employee life cycle, we also find areas for improvement. Alumni programs may be missing opportunities to create value for their organizations as only 26% of programs offered referral programs that incentivized alumni to refer job candidates to the organization.

Boomerang employees (employees rehired for employment after time away from the organization) are a growing trend in organizations, especially after mass layoffs during the COVID-19 pandemic. While 82% of our respondents said their organization supported rehiring alumni, a majority (68%) reported that 5% or less of their hires were boomerang employees, representing a significant opportunity for growth.

The majority of alumni programs are making current and prospective employees aware of the alumni program early on.

Most companies do not currently offer an alumni referral program, suggesting an opportunity for recruitment.






Integration with Human Resources and Employee Engagement (cont.)


Elevating the Exit Process


As awareness of the benefits of alumni programs grows, so too has attention toward developing a **thoughtful exit transition** for employees. Rather than view the exit process as a final farewell, more organizations are taking advantage of it as an opportunity to support employees' transitions into the alumni community. We're finding that organizations are implementing new and supportive practices to enable this transition. For example, 38% of organizations currently offer outplacement services such as career counseling, cover letter and/or resume development assistance, interview training, or career search coaching. Other notable practices included throwing farewell parties, providing branded departure gifts, or hosting one-on-one calls or meetings with alumni managers before departures.


While organizations are implementing new and innovative practices for supporting the exit transition, there seems to be a standard set of common exit transition practices:


Enhance the Employee Exit:

-  Thank-You Note from CEO

-  Welcome to Becoming an Alumni Note

-  Next Steps on How to Stay Connected

-  Farewell Party and/or Exit Present

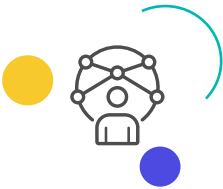
-  Information on the Alumni Referral Program

Does your company do or offer any of the following during the employee exit transition?

Formal exit interview or exit survey	83%
Emailed invitation to join the alumni network	69%
Alumni network information materials	67%

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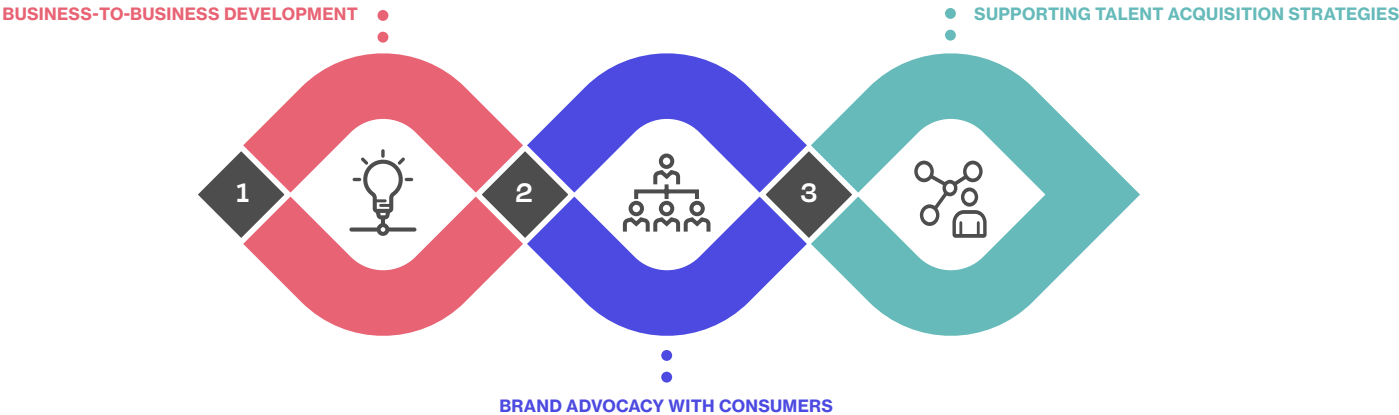




Return On Investment

Driving Business Results

While the COVID-19 pandemic influenced various aspects of organizational operations, it did not impact the overarching goals of corporate alumni programs. In line with past reports, the top three business drivers for corporate alumni programs are (1) business-to-business development, (2) brand advocacy with consumers, and (3) supporting talent acquisition strategies. Additional goals included corporate social responsibility and network development.



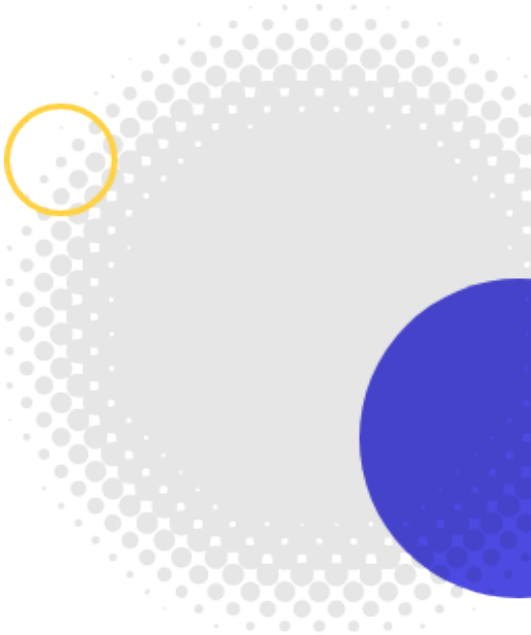
What's Being Measured?

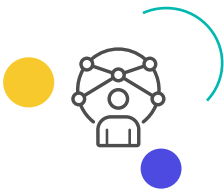
A current “hot topic” among corporate alumni managers is return on investment. Many managers want to know how to measure the value of their alumni programs and how often to track these data points. We find many alumni programs measure the health of their alumni communities on a monthly or quarterly basis.

Alumni program data	% Measuring this data	How often is this tracked?
Total # of alumni registered	88%	42% track monthly
# of new alumni registrations	88%	50% track monthly
# of alumni attended an event	82%	30% track quarterly
Email open/click-throughs	78%	32% track monthly

However, less is done to measure data tied to important business drivers:

B2B development	Brand advocacy	Talent acquisition
48% track alumni-assisted sales or revenue	26% track net promoter scores	58% track alumni rehires
	22% track Glassdoor ratings	40% track alumni referrals leading to new hires



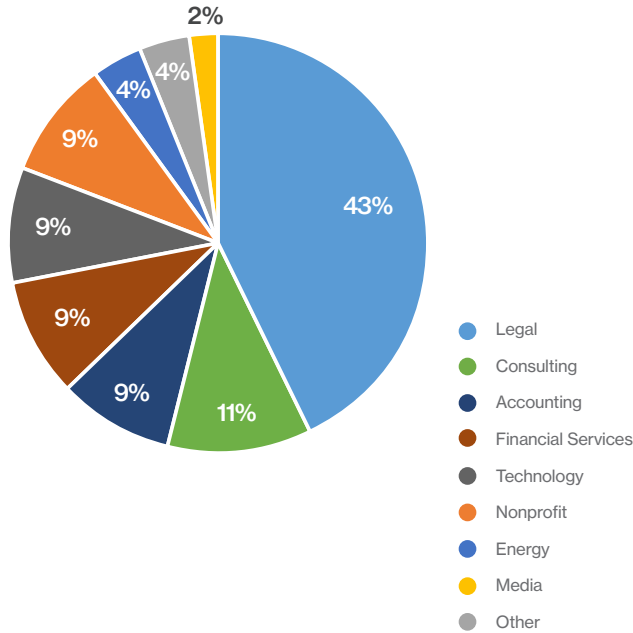


Respondent Information

This is the first year we launched the Corporate Alumni Benchmarking Report in collaboration with Dr. Rebecca Paluch, an academic expert on corporate alumni programs at the Sauder School of Business at the University of British Columbia. The survey included 36 questions in five categories:

- 1. Information about the organization and its alumni program
- 2. Integration with current employment and human resources practices
- 3. Information about managing data and measuring return on investment
- 4. Alumni manager compensation
- 5. Activities during the COVID-19 pandemic

The results of the survey are based on responses from 59 industry professionals at 54 organizations. The median age of the organization sponsoring the alumni program is 71 years with 57% less than 50 years old. Respondents worked in industries covering professional services (accounting, consulting, financial services, legal, etc.), energy, technology, media, and nonprofits.



Conclusion

As corporate alumni programs mature over time, we see them become an integral part of human resources, business development, and marketing departments. This makes them a unique offering that requires resources to manage, but has significant opportunity in the form of tangible benefits from cost savings and increased sales as well as intangible benefits from enhanced brand and culture. In our last report, we stated that if program managers could demonstrate to leadership the return on investment of their alumni activities, they would likely see an increase in budget and resources. This 2021 survey has confirmed that to be true with the overall increase in program headcount and budget.

We are beginning to see consistencies across programs through benefits offered and communications, as well as in reporting. We expect the size of alumni programs to become larger than current employee populations, which will require more resources and engagement as time goes on. We also believe now is the time to invest in a corporate alumni program as the tenure of employees begins to shrink in a post-pandemic world, and staff change jobs more frequently at all age and levels.

