



HANDBOOK and BUSINESS CASES

Global Corporate Volunteering

A strategic tool to involve companies and employees
in the fight against poverty

Co-funded by:



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CODESPA FOUNDATION

The CODESPA Foundation is a Spanish non-profit organization without political or religious purpose and with more than 25 years of experience in the field of international development cooperation.

CODESPA believes in the human capacity to build a more just and equal world. Its' mission is to provide people with work opportunities so that they can develop their own capacities and be protagonists in their own development. CODESPA's areas of specialisation are access to microfinance, markets, and job training.

Since the Foundation started its work, it has managed 730 projects in 33 countries in South America, Asia and Africa, contributing to improve the life of millions. Currently, it has sixteen international and national branches. CODESPA's honorary president is H.R.H. the Prince of Asturias.



ICEP

Institute for Development Cooperation – is a private, independent non-profit organisation based in Austria that aims at effectively contributing to global poverty-alleviation. For that matter, ICEP consults partners in developing countries in the integration of poor people into economic cycles and offers support in building sustainable structures. ICEP's strategy in developing countries is complemented by awareness raising efforts in Europe for the high-potential of synergies of business and development. ICEP puts the positive effects of such collaboration in the spotlight of Austrian businesses.



EUROPEAN UNION

The European Union is the European Community's executive body. Led by 27 Commissioners, the European Commission initiates proposals of legislation and acts as guardian of the Treaties. The Commission is also a manager and executor of common policies and of international trade relationships. It is responsible for the management of European Union external assistance.



IESE

IESE Business School is one of internationally renowned companies founded in 1958 with the mission to develop leaders who have a deep and lasting impact on business and society through professionalism and spirit of service. For 50-year history, 38,500 alumni from 100 countries have attended classes to experience IESE: a transformative impact on personal and professional level. Participants say that this experience has changed their view of business management and the way they lead their teams. This is demonstrated by the high degree of linkage they have with the school through the Association of Members. Today, IESE has campuses in Barcelona, Madrid and New York, and offices in Munich and Sao Paulo. In addition, the school has several partnerships with other universities and prestigious business schools like Harvard Business School, Stanford, MIT and University of Michigan.



THE BOSTON CONSULTING GROUP

BCG is a global management consulting firm and the world's leading advisor on business strategy. Founded in 1963, BCG is a private company with more than 75 offices in 42 countries.

BCG partners with clients from the private, public, and not-for-profit sectors in all regions to identify their highest-value opportunities, address their most critical challenges, and transform their enterprises. Integrity, respect for the individual, delivering value, and making an impact on society are just some of BCG's core values.



FUNDACIÓN ROVIRALTA

Founded in 1959 by D. Manuel and D. José María Roviralta, the foundation seeks to invest the incomes generated by their assets in altruistic and / or beneficial projects. Roviralta has supported the work of CODESPA since 2001 and collaborates in development cooperation projects, awareness, and research and social innovation.



BARCLAYS FOUNDATION

The Barclays Foundation is the institution which implements the commitment to social investment and Corporate Volunteering of the Group in Spain, set out as part of the CSR strategy and linked to the development of the business.

Its main areas of work are the promotion of economic prosperity and the provision to society, particularly youth, with the necessary skills to achieve economic independence and security. For that purpose, the Foundation works with organizations whose projects are focused on employability, improvement of financial knowledge, and promoting entrepreneurship. Barclays Foundation programmes are notable for their employees' involvement in solidarity initiatives.



FORUM EMPRESA

Forum Empresa is an inter-American network created in 1997 that unites 22 leading organizations in the field of Corporate Social Responsibility (CSR) from Canada to Chile. The organizations, which make up the network represent 19 countries in the region and have a combined total of more than 3,300 affiliated businesses.

The network seeks to strengthen national and regional organizations committed to CSR and to encourage the establishment of new CSR-based business networks in Latin American countries where it is not currently active.



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LAURA CASTÁN VISA | PRESIDENT OF CODESPA FOUNDATION

Presentation letter

CODESPA Foundation, with its personal vision of the meaning of development, was a pioneer in Spain in promoting private sector participation in poverty-relief initiatives in developing countries. We work by establishing alliances with those enterprises that pursue a greater commitment towards solving the serious social problems that affect humanity.

The spread of Corporate Social Responsibility (CSR) has opened the door wide for alliances and dialogue between the private sector and NGOs, whose purpose is to contribute towards the creation of opportunities in developing areas, something we call “Corporate Social Responsibility for Development (CSR+D).” In this sphere, there is a range of possibilities for action that can be channelled towards boosting the economic and social growth of developing countries. These initiatives range from social action to the integration of social objectives in the core of the enterprise’s business, through strategies such as creating products and services for the poor, who make up the so-called Base of the Pyramid, or integrating disadvantaged groups in responsible supply chains. However, there are many more possibilities open and opportunities for social innovation: new collaboration models that combine social and corporate objectives, driven by business as well as social leaders, and which are already being implemented worldwide.

Among these possibilities, Global Corporate Volunteering (CV) emerges as an interesting strategy for enterprises to become involved in poverty relief in one of the most active ways possible. This entails the enterprise supporting volunteer work and the action of its volunteers - professionals and specialists from the company - making a high value contribution to alleviating social problems through the transfer of their professional knowledge. In this manner, the enterprise, through its employees, obtains a vision of another reality, another culture, other needs, and other ways of understanding life.

CODESPA is well aware of the benefits of this type of initiatives. In 2001, it created the “Professionals for Development” programme, which aims to promote enterprise involvement in poverty eradication projects through the direct participation of their employees, who provide their professional skills and technical assistance to the communities and people who are most in need of them. Since the initiative was created, almost one hundred volunteers from companies such as KPMG, Grupo Antena 3, “la Caixa” or Canal de Isabel II, have become “Professionals for Development.”

In these ten years, we have witnessed how Global CV can be a great step for an enterprise to come to understand the benefits associated to a genuine commitment to fighting poverty, and even manage to change its business model.

In fact, Global CV offers excellent opportunities for social innovation. Company employees begin to understand

how their knowledge, and their company, can make a specific and real contribution that helps to alleviate situations of poverty. When the enterprise allows these idea-generating experiences to become real initiatives for social action integrated in its key skills, an impressive space emerges for innovation and the generation of value for others.

We believe that, thanks to Global CV, many cases of social innovation can become a reality. For this reason, in 2010 CODESPA started the research and training project “Global Corporate Volunteering. A strategic tool for uniting enterprises, employees, and development.”

The European NGOs ICEP (Austria), ARS (Czech Republic), HID (Hungary), and Sila Rovožja (Slovakia) have promoted this project financed by the European Commission and led by CODESPA, which has and will continue to show the potential of this type of initiatives through the creation of training material for the Spanish and European private sector, along with tools aimed at facilitating and improving the management of these initiatives. Along the process, organisations such as the IESE Business School, The Boston Consulting Group, Roviralta Foundation, “la Caixa” Foundation, Barclays Foundation, Fundar, and Forum Empresa are acting as strategic partners for the project and, beyond, to continue promoting CSR and Global CV in this same direction.

It is time for the actors involved in Global CV projects to act and prove that these initiatives can be genuinely strategic, and that the investment in time, money, and dedication they entail can be made profitable in many senses. This publication is precisely the outcome of the sizeable efforts of different reference institutions in Global CV, which in the context of the aforesaid project have joined CODESPA to contribute with their experience, knowledge, and lessons learned towards building initiatives with a higher impact to maximise quality and value for the organisations and, above all, for the people who are in a situation of poverty.

Laura Castán Visa
President of CODESPA Foundation

JOSÉ IGNACIO GONZÁLEZ-ALLER | GENERAL DIRECTOR OF CODESPA FOUNDATION
BENHARD WEBER | GENERAL DIRECTOR OF ICEP

Preface

The wager on Global Corporate Volunteering (CV) by CODESPA Foundation and the Institut zur Cooperation bei Entwicklungs-Projekten (ICEP) is based on several years of research experience and direct work on poverty relief projects in developing areas. Therefore, this wager is not risky, but based on the positive results obtained from the Global CV initiatives jointly implemented the world over by enterprises and NGOs, including CODESPA.

Starting from the conviction that Global CV can have a great impact on fighting poverty, our aim is to make the knowledge we have acquired and compiled reach all the agents who could benefit, and at the same time, to benefit society through these initiatives.

In particular, this book wishes to transfer our knowledge and conviction to the corporate world. This interest emerges from the acknowledgement of the fundamental role that the private sector can play in solving today's most pressing social problems. And also from our acknowledgement of the existence of entrepreneurs with a global conscience, who from their profit-oriented organisations nevertheless ask themselves how they can help to improve the life of the most disadvantaged in developing areas.

Against this backdrop, Global CV emerges as not only a high-impact tool for answering these questions and develop the implementation of Corporate Social Responsibility (CSR) practices, but also as a very tangible tool for driving the creation of alliances between enterprises and NGOs, essential alliances for advancing effectively and sustainably towards the eradication of poverty, the ultimate aim of ICEP and CODESPA.

And although Global CV is not the only alternative and does not exhaust the potential for an enterprise's involvement in poverty relief initiatives, it certainly represents a great start.

Some enterprises will feel more secure embarking on these initiatives if they already have some CV experience. Others will consider it as a first step. In this regard, the main thing is to have a global vision, to have interest on the development cooperation field and its possibilities of collaboration with the private sector, and to have the intention to provide a deeper contribution towards solving the social problems that developing countries face.

From the NGO sector we know that Global CV projects are more expensive and that the number of employees involved is fewer than in other forms of CV. Therefore, we understand that there are doubts when it comes to implementing programmes that are less participatory at the same time as more resource-intensive.

However, aware of this fact, our wager on showing Global CV and making it reach enterprises is based on the fact that the global impacts obtained are considerably greater. And not only in terms of fighting poverty, but also in the

different areas of the enterprise itself, from the positive impact on the corporate name, to Human Resources aspects, or the development of innovative business strategies.

These things are not easy to see, which is why the implementation of these programmes needs to be approached and presented as a wager, a wager that if made following the models, lessons, and reflections presented in this book, will provide a high value return in the cost-benefit ratio.

José Ignacio González-Aller
General Director
CODESPA Foundation

Benhard Weber
General Director
ICEP

Preface

The constant changes, ever deeper and more impatient, that are a feature of business today reflect the transformation taking place in our society under the impact of the growth in exchange and collaboration between nations, made possible by modern communication systems and new technologies.

To fully understand the role of business we must appreciate a company's natural vocation to serve the society in which it is embedded and to which it owes a large part of its human values and technical knowledge. At the same time, it has to be acknowledged that the long-term survival of companies depends to a large extent on the development and education of individuals, families, and social groups, which are the seedbed of business initiatives.

A global business school such as IESE, must keep up with these developments by offering business leaders the means to develop the knowledge and capabilities they need in order to govern the complexity of the rapidly emerging new paradigms. Against this background, there is increasing concern about the impact that companies have on the world around them and their responsibility towards the societies in which they operate. As their sensitivity to these external factors has increased, companies have set up internal units specifically to manage their social responsibilities and promote activities that will meet these new demands. One activity that has recently come to prominence is Global Corporate Volunteering.

Business schools have started to include rigorous analysis and study of these trends in their teaching programs and research activities. IESE supports and collaborates in activities aimed at consolidating and improving serious, well managed Corporate Volunteering (CV) projects launched by companies and NGOs. The scope and content of CV have been expanded to encompass needs that lie outside the normal activity of a company. As a result, companies have extended their social responsibility to include the poorest and most needy countries on the planet.

In this book, theory is combined with practice in a series of case studies that illustrate the practice of Global CV in all its dimensions. The values that drive volunteering in companies and the motivations of those who take part are explored. Serving others is revealed to be a compelling task. Not only does it broaden the company's mission; it also enriches the motivations of participants by temporarily releasing them from their everyday duties and giving them the opportunity to put their knowledge and experience at the service of the needy. In giving back generously to society, the company discovers a new aspect of its mission and benefits in various relevant forms.

The book presents a synthesis of basic concepts, set in a conceptual framework, and real-world experiences that show how, with clear vision and determination, volunteering proposals can be taken from the realm of ideas to the world of

action to develop high social as well as business impact. It brings together in the form of company case studies a variety of relevant experiences in the field of Global CV that may be useful to other companies that wish to launch similar initiatives.

In all Global CV actions it is important that the following principles be respected:

- The initiative for these activities should come from top management, which should also set the goals and drive implementation.
- Every corporate venture with a social or educational purpose should be conducted with at least as much care and professionalism as would be applied to the launch of a new product.
- Companies should work closely with public institutions and NGOs already established in the field, which may share their experience and assist with problem assessment, decision making, and task execution.

The core objective of Global CV is to improve the more immediate, or more remote, social environment, which will also enhance the image and reputation of the company.

For all these reasons, activities such as these, which provide a conceptual framework and a specific way of giving practical expression to values that society strongly demands, must be supported.

Jordi Canals
Dean
IESE Business School

RAMÓN BAEZA AND CARLOS COSTA | SENIOR PARTNERS & MANAGING DIRECTORS, THE BOSTON CONSULTING GROUP

Preface

Many companies have established Corporate Social Responsibility (CSR) programmes as a vehicle for giving back to the community. These programmes take on many different forms: From monetary donations, to gifts in kind, or pro-bono services of the company's own activities. Some organisations encourage their employees to become involved in local and global volunteering programmes sponsored by their companies.

At The Boston Consulting Group (BCG) we believe that Corporate Volunteering (CV) programmes provide a remarkably high value for the supported projects, the companies involved, employee volunteers, and participating NGOs. This is why we offer a wide portfolio of programmes that range from one hour to one year, and which work towards very different causes. Global Corporate Volunteering in particular is an excellent way of jointly involving companies and their employees in fighting poverty, constituting a great tool for generating awareness among the employees in contact with the projects, as well as among the entire private sector.

Company involvement through support with resources and key business skills allows a greater impact to be achieved, especially if there are clear objectives and continuity. Continuity of the company's involvement is necessary for two reasons: On the one hand, to make the project sustainable; and on the other hand, for there to be a positive repercussion on the company's goals in the long term.

A recent BCG survey among the "Millennium Generation" shows how they believe working in favour of social and environmental causes should be an integral part of their life, and how they wish to become actively involved by donating their time. Consequently, employee satisfaction in the work environment improves through the company's social commitment with society and the way in which it offers a portfolio of CV opportunities in line with its own skills (technology, marketing, operations, social...) and the availability/commitment of the required time.

To create a successful CV programme it is very important to partner with the right NGOs, which will allow new ideas to be debated and explored, enriching the collaboration and resulting in the appropriate development of joint initiatives and projects.

Given the young age of Global CV, the book "Global Corporate Volunteering. A strategic tool to integrate company and employees in fighting poverty" is a great aid for Management to explore this CSR option, at the same time as it offers new ideas and points of view from companies that are already implementing Global CV programmes. For this

purpose, the book introduces us to how and why multinational corporations and leaders in different sectors, with different profiles and geographical locations, support Global CV.

Ramón Baeza and Carlos Costa
Senior Partners & Managing Directors
The Boston Consulting Group

Introduction to the book structure.

How to use this book?

This book approaches Global Corporate Volunteering (CV) through a series of essays, interviews, and case studies that present good practices of companies from all over the world that innovated and resolved challenges through Global CV. The contributions are from experts and organisations with an international consolidated track record, and therefore the original articles have been written in Spanish, English, or German¹.

The book is divided into three major sections, which set out in conjunction the concepts, initiatives, discussions, reflections, and studies that currently surround Global CV.

PART I. Theoretical framework of Global Corporate Volunteering

The first part of the book consists of essays that introduce the most relevant concepts associated to Global CV: characteristics, role, potential, state of development, trends, etc.

PART II. Global Corporate Volunteering in practice

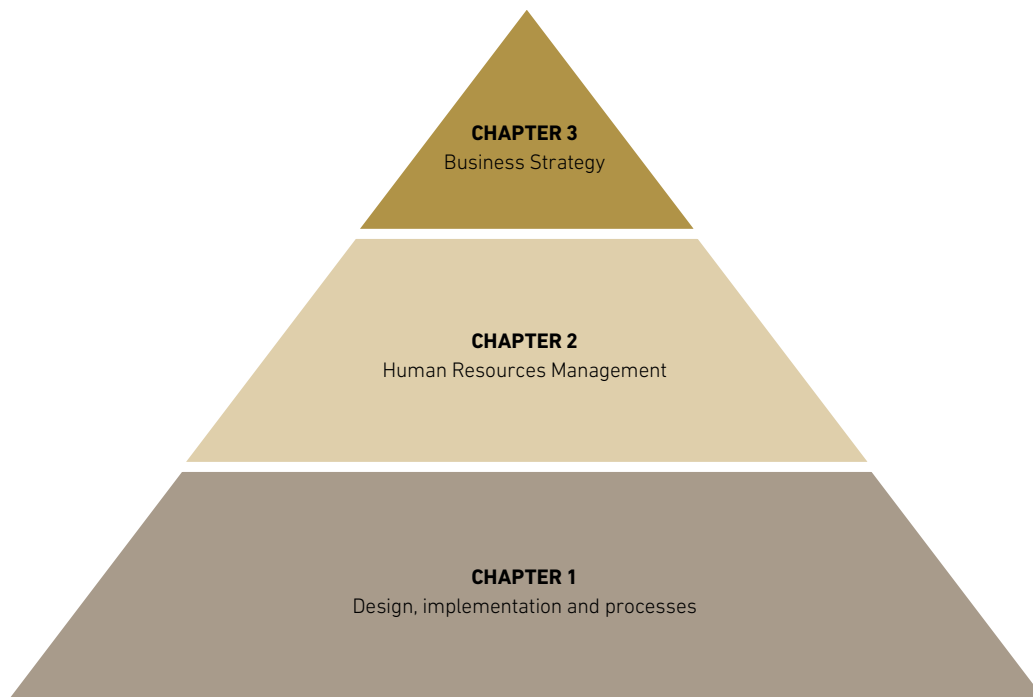
The second part includes case studies from leading companies that are introduced and framed by essays that look deeper into the concepts and ideas presented in the case studies.

Through an eminently practical approach, tools, guidelines, and inspiration is offered for company leaders, Corporate Social Responsibility (CSR) and CV managers, NGO professionals, as well as for all those people who wish to explore Global CV and embark on the creation, development, or improvement of this type of initiatives.

This second part is divided into three chapters, organised and filled with content on the basis of the level of development and demand for knowledge of most of the actors that today approach Global CV.

“Chapter 1. Design, implementation and processes of Global CV” starts from a basic level and aims to provide a wide variety of content designed to establish solid bases regarding Global CV. Following, “Chapter 2. Global CV as a tool for Human Resources management” presents a selection of case studies that have made the most of Global CV in this regard, with experts’ view on their application; Finally, “Chapter 3. Global CV contribution to business strategy” concludes with an integrated and strategic vision of Global CV that, to date, we could qualify as an “exceptional” one.

¹ In each essay, the original language in which it was originally written is specified. In this regard, only where the type of Corporate Volunteering fully coincides with what CODESPA knows as “Global CV” (including characteristics such as skills-based, international, and focused on global poverty reduction) has it been translated as such. For other types of volunteering that contain only some of the characteristics of Global CV, the term has been translated with the original name given by the author of the essay in each case.



- **CHAPTER 1.** Basic aspects: design, implementation and management of Global CV. Aimed at guiding and inspiring in a very practical manner, with specific proposals towards the implementation and management of Global CV programmes, whether to start out from scratch or to improve the impact of already existing programmes.
- **CHAPTER 2.** The potential of Global CV in the field of Human Resources. Articles that reflect on and offer guidance in respect of one of the best-known and debated strengths and potentials of Global CV: management of Human Resources in its different fields, such as talent management, skills development, or working climate improvement.
- **CHAPTER 3.** For those approaching Global CV at a more advanced level, this chapter develops and explores its high potential when linked to business strategies.

PART III. Conclusions and challenges ahead in Global Corporate Volunteering

The essays in the last part summarise the general state of Global CV as it stands today; reflecting on challenges faced, barriers to its evolution, and on suggestions about how to approach Global CV so it develops its full potential.

Aspects tackled include measurement and assessment, incorporation of CV in business schools for training future leaders, or the transformation of CV into an action that is fully integrated in the company's management and way of doing business.

Theoretical Framework of Gl

INTRODUCTION

It is a long time now since the corporate phenomenon acquired a global dimension, in line with and adapted to the international nature of our current economic system. A country's growth and wellbeing no longer depend only on its internal activity, but are entirely related instead to the international scenario. Similarly, the global nature of economic activity extends to the company as a whole, including Corporate Social Responsibility (CSR) and, as part of that, Corporate Volunteering (CV) activities. This generates CSR and CV initiatives that travel outside national borders and reach those countries where the company has subsidiaries, factories, or offices. Often, these areas are target of development projects, in which the professional work of company employees, in the form of CV, can contribute to achieving poverty relief objectives.

In this first part of the book, through five essays and one interview, recognised experts in the field offer their vision on how the global nature of business activity translates into CSR and Global CV actions that have also acquired a global dimension.

The essays

To put us in context in the first essay, “**Corporate Social Responsibility for Development and Global Corporate Volunteering,**” CODESPA Foundation introduces the concepts of CSR for Development (CSR+D) and Global Corporate Volunteering (CV), along with strategies that allow companies to get involved in poverty alleviation initiatives. Based on its own experience, CODESPA also presents tools for implementing said strategies and, among

Global CV

PART 1

them, shows how Global CV can be an interesting tool for achieving the various social innovation goals that companies may consider as part of their CSR+D lines.

Next, Amanda Bowman, Director of Corporate Relations at the International Business Leaders Forum (IBLF), presents her approach towards Global CV as a multi-tool, which depending on how it is applied, can contribute to achieving different targets. Her essay **“Making Global Corporate Volunteering your Multi-Tool for business and development”** illustrates, through numerous initiatives, how very diverse companies promote Global CV in their different spheres of influence. The essay shows how it is possible to unify social and corporate targets, support development initiatives, and achieve improvements and progress in different areas of the company.

Based on the work carried out by the Global Corporate Volunteer Council (GCVC) when preparing the first

report on the state of CV on a global scale, recognised experts Kenn Allen and Mónica Beatriz Galiano offer in their essay **“Corporate volunteersim: What for?”** their view of the challenges faced by existing CV initiatives on the different continents; presenting conclusions and key lessons learned from significant and sustainable Global CV initiatives.

As part of the current debate regarding CSR and CV, a fundamental concept is “shared value.” Shared value is the necessary and key evolution in the role of companies towards solving social problems while at the same time working on their sustainability and business growth. In his essay **“Change agents for shared value”**, Gregory Hills puts forward a series of considerations that demonstrate the potential of this concept and describe the learning processes required to promote this value-creation approach among companies and their professionals.

Forum Empresa, the CSR network of the Americas, brings us closer to the concept of “social innovation” describing each possibility opened up by this field. Using examples from Latin America, the essay **“Different concepts related to social innovation and the private sector”** shows the potential that unfolds under social innovation strategies and how CV not only fits into, but also boosts the impacts said strategies can have.

Finally, an interview with Ignasi Carreras, director of the Institute for Social Innovation of ESADE Business School, gives us his vision regarding the evolution, motivations, and benefits of companies that become involved in fighting poverty. Carreras makes proposals to maximise the value of Global CV programmes, gives his opinion on the potential of these programmes, and provides some keys for their implementation and management.

MARÍA JESÚS PÉREZ | DEPUTY GENERAL DIRECTOR OF RESEARCH AND SOCIAL INNOVATION AT CODESPA
SILVIA LORO | ENTERPRISE AND DEVELOPMENT TECHNICIAN AT CODESPA

Corporate Social Responsibility for Development and Global Corporate Volunteering

Opportunities for the company, opportunities for the people

Maria Jesús Pérez coordinates and manages the Research and Social Innovation team at CODESPA Foundation, specialising in micro-credits, social performance and development projects with enterprises. Pérez has been part of CODESPA since 2000, being Head for El Salvador and the Middle East, where she specialised in the field of micro-credits and economic development projects.

Before joining CODESPA Foundation, María Jesús worked two years for Arthur Andersen as a consultant implementing business management tools.

She is a graduate in Economics and Business Sciences of the Universidad Pontificia de Comillas (ICADE) specialising in finance, holds a Masters degree in Development and Project Planning from the University of Bradford (UK), and is a Graduate of the Management Development Programme run by the IESE Business School in Madrid.

Silvia Loro works in the Enterprise and Development department under the General Subdirector for Research and Social Innovation, where she devotes herself to programmes related to Corporate Social Responsibility for Development (RSC+D) and managing projects in development awareness and education.

Loro is a graduate in Information Sciences of the Universidad Complutense of Madrid. She has worked as a journalist specialised in Economy and Corporate Social Responsibility (CSR) for the daily Responsables.biz and as a consultant in sustainable development and CSR for Responsables Consulting (Grupo Red2Red). In the field of communication, she has worked in radio and on the development of digital platforms as well as on the design and preparation of various publications.

ABSTRACT

The following essay introduces the concept of Corporate Social Responsibility for Development (CSR+D), presenting potential strategies that incorporate the involvement of enterprises in poverty relief initiatives. In this sense, CODESPA presents Global Corporate Volunteering (CV) as one of the most interesting tools for making such strategies a reality.

Global CV, the subject of the present publication, is understood as that where the enterprise supports its employees to carry out volunteering based on their own professional knowledge with a view to contributing to the eradication of poverty. Thus, this type of volunteering is conceived as professional and technical, carried out in an international setting, and in which the enterprise materialises its commitment to the fight against world poverty.



M^{ra} JESÚS PÉREZ

CODESPA Foundation's experience in managing volunteering programmes with companies allows us to state that Global CV programmes generate a greater and more sustainable global impact overall. Therefore, the corporate return on investment in these types of programmes is much greater in the long term.



SILVIA LORO

CSR+D offers an opportunity to combine a company's social action with more integrated actions within the company, which leads to companies including the search for positive impact on their group of interests and on society, as well as in the very core of their businesses.

CSR and Leadership

A true leader is a person who knows how to get the best out of people. A true leader also has a full view of the current situation and future prospects. In a global world, a good business leader knows that he or she cannot focus his/her vision exclusively on financial returns.

The number of business leaders who believe that companies have a purpose beyond making money is growing. Good financial performance is essential, but not the sole motivation of an entrepreneur. Companies are made up of people and it is those people who innovate, have expectations, and make the necessary changes that lead businesses toward success and – ideally – toward a better society. Although it may seem obvious, it is sometimes necessary to remember that behind history-making corporate success stories there are employees – managers, technicians, workmen, directors, etc. – and that attracting, motivating, and training these people is fundamental. When one becomes familiar with these success stories, one realises that financial incentives are only one piece of the puzzle.

Yet in addition to the people who make up an enterprise, both the different stakeholders in companies and society in general have expectations and demands beyond profit-generation and a satisfactory provision of goods and services. Although Internet expansion in the 90s had already initiated a change toward the democratisation of communication, it is the arrival of social media that marks an escalation toward a complete communication takeover by users, voters, clients, consumers, and society in general. The desires or agendas of certain groups can be heard by millions of people capable of subscribing to the same cause¹. An example of the relevance of this growing trend in the corporate context is “advocacy marketing,” one of the essential strategies for relationships with customers and society which is being implemented by a rising number of corporations. By this means, the corporation recognises that the opinions of its customers (current or potential) which spread over the Internet and social media are much more powerful than traditional marketing and publicity².

Through this strategy, corporations seek to take advantage of the communication revolution to create and deepen their direct relationship with the customer base

by getting to know their customers’ opinions, managing the company’s reputation and thereby moulding the business and the enterprise’s behaviour to the expectations of a population with changing demands, in which customer sensitivity toward this behaviour plays a relevant role. Thus, non-financial aspects that affect business reputation and market opinion are taken into account as a key factor for success in the short and medium term. What’s more, thanks to advances in communication, there are tools that facilitate the exchange of information between society at large and its corporations.

On a separate note, the public sector is making a serious call for corporations to become involved in matters that until recently were under the umbrella of government or non-governmental organisations (NGOs). This means that governments are seeking new ways for corporations to increase their involvement in promoting certain social initiatives which were traditionally within their own remit. Initiatives such as the Social Impact Bonds³ pilot project launched in 2010 by the UK government, which encourage involving the private sector not only in managing but also in funding social services, are increasingly important.

At the same time, the acknowledgement that sustainability in its broadest sense is a competitive advantage for corporations as well as an opportunity to create shared value – added to innovation in other formerly “non-catalogued” business models, such as inclusive businesses or social enterprise – presents scenarios in which companies and other participants work collectively, formulating corporate targets that include not only financial objectives but also social and environmentally-related goals. These new proposals for ways of doing business embody the idea that determining objectives – or to put it differently, assigning responsibilities within organisations – is influenced by the demands of the associated stakeholders. These demands are formed, to a great extent, by a perception of the level of influence that an enterprise has on society. This doesn’t apply merely to corporations, but also to social and administrative organisations as a whole.

1 Social protest movements such as “15-M” (2011), initiated using social media in Spain and regarding the management of the crisis; or the so-called “Arab Spring” (2010), a movement that was also coordinated over social media and that has managed to overthrow regimes, are examples of this new collective power.

2 Knox, S., Pralle, A., Sayre, K. & Visser, J. (2011) “Harnessing the power of advocacy marketing”, Focus Report, Marketing on the Digital Economy Series, The Boston Consulting Group.

3 Social Impact Bonds take the form of a service contract between a public administration and a social services provider whereby funding is conditioned on obtaining specific results or social objectives. The novelty of this model lies not only in that funding is results-based, but also in that by committing to pay in exchange for results the government manages to encourage private investor participation in its programmes. Another aspect is that services are funded, resulting in cost-saving for the public sector. Through Social Impact Bonds, private investors agree to fund certain social initiatives promoted by organisations with proven results in their field. The genesis of this model was proposed by New Zealand economist Ronnie Horesh in the year 2000.

Porter and Kramer approach CSR from the perspective of “shared value:”

“Business decisions and corporate policies must follow the principle of shared value. If enterprises and society adopt policies that benefit their own interests at the others’ expense, they are on a dangerous path”

New objectives, new relations

In October 2011, the European Commission presented its new strategy on Corporate Social Responsibility (CSR), which includes its definition of the concept as: “the responsibility of enterprises for their impacts on society.” This definition of CSR incorporates the iron rule of responsibility stated by Keith Davis in 1960: “the social responsibilities of businesspeople need to be commensurate with their social power.”⁴

In this sense, CSR emerges from a reflection on the role of enterprises: What society expects from them and what opportunities they have for generating value as the main social and economic players of the 21st century. As part of this global vision, there are urgent challenges that require a joint response from the various social actors. If we place poverty and exclusion (especially in poor and developing areas) at the root of society’s problems, we can say that there is an impressive opportunity for enterprises to be at the forefront of major social change given the relevance and dimension of the problem and the presence and influence of enterprises in countries where it is rife.

Worldwide, and in relation to the possibilities available for enterprises to do something in this regard, actions that align a CSR strategy with targets to reduce poverty and create development are generally known as Corporate Social Responsibility for Development (CSR+D).

CSR for Development

CSR+D is defined as the group of policies and social or environmental actions carried out by enterprises in order to contribute to human and sustainable development and the reduction of poverty in developing areas⁵.

Slowly and gradually, corporate involvement in cooperation projects for development or business-integrated social action is evolving from sporadic participation through financial contributions from the enterprise and its employees, toward a more active, direct, and strategic contribution. At the same time, in some cases, a move has been made from “correcting negative impact on society” toward explicitly pursuing the achievement of a social goal with a further reach than enterprises’ traditional accomplishments.

Many companies feel that they can only contribute to solving social problems through social action or philanthropy, understood as contributions of a financial nature or of another type to social causes probably not directly related to the business, but relevant in terms of solidarity. However, others acknowledge that it is also possible to promote a more strategic CSR policy aligned with the business (without this entailing abandoning social action of a philanthropic or other nature) and thereby achieve great success in poverty relief through their own corporate activity.

In this regard, CSR+D offers an opportunity to combine an enterprise’s social action with more integrated actions, which leads to enterprises including the search for positive impact on their groups of interest and on society at large in the very core of their business philosophy. Thus, CSR+D can become a powerful drive for strategic business practices that really do generate more inclusion, less poverty, and more sustainable growth.

Many enterprises are facing the challenge of exploring how their resources and skills can be used in this sense. And this has impressive potential, given that other substantial impacts on poverty reduction could be obtained, as well as achieving inclusive development.

4 Davis, K. (1967), “Understanding the social responsibility puzzle” *Business Horizons*, Volume 10, Issue 4, Winter 1967, Pages 45–50.

5 Adapted by CODESPA (2012) from Domínguez, 2008.

Strategies and tools for CSR+D

In broad terms, there are three main spheres in which an enterprise can develop its CSR+D strategy⁶:

- **Through the main activity of the enterprise.** For example, by designing new products and services or adapting existing ones to markets for Base of the Pyramid or poor communities, providing an improvement in their quality of life.
- **Through supply chains.** In this case, an example would be the creation of CSR and social capacities in a company's supply chains or the inclusion of cooperatives or associative enterprises formed by people with meagre resources as suppliers.

- **Through the business operating context and environment.** Here, the strategy would involve improving the economic, environmental and social context, by contributing, for example, to community and social development programmes, to the institutional reinforcement of certain sectors to achieve legitimacy or a "social licence" to operate, and/or make structural changes in a particular field or sector.

CSR + D STRATEGIES

THROUGH THE MAIN ACTIVITY OF THE ENTERPRISE | MICRO-INSURANCE FOR DEVELOPMENT

The alliance between DKV Seguros and CODESPA is to develop a Health Micro-insurance designed for the Base of the Pyramid population in the Dominican Republic, where barely 50% of the inhabitants have access to these services. The two aforementioned institutions, along with their local partner Adopem (a Dominican micro-finance bank) and the Dominican insurer Universal, are considering creating a novel micro-insurance product for maternal health and early infancy, with the potential to reach more than 100,000 people.

them in return with an area to process the product before it is sent to market. Having seen that this distribution system was already in place, the promoters of the project realised that there was a sizeable market of immigrants from Ecuador in Spain who would consume products imported from their country of origin not produced in Spain, known as "nostalgic products." They combined these two realities and managed to establish a link between the fair traders and Carrefour.

THROUGH SUPPLY CHAINS | FAIR TRADE

The Fair Trade project promoted by Carrefour and CODESPA was created on March 2005 as a result of participation by company volunteers in CODESPA's projects in Ecuador. There, they discovered the so-called "fair traders," corporations such as MCCH and Camari which buy products from the country's poor farmers and provide

THROUGH THE BUSINESS OPERATING CONTEXT AND ENVIRONMENT

Unión Fenosa joined CODESPA's initiative to train rural electricians in Guatemala. The power grid had just been extended to rural zones in the country, but there were not enough people trained as electricians. Through a joint project design, almost 600 young people were trained, helping to improve the operating context thanks to the creation of qualified professionals as a potential work team for the corporation and the generation of employment opportunities for young people in rural areas.

⁶ CODESPA and ICEP (2008), "Global CSR Casebook: Business and Poverty. Innovative Strategies for Business and Poverty."

Meanwhile, the tools that can be used to implement these strategies are many and can be combined. The main tools include:

- **Enterprise – NGO alliances.** This involves cooperation between these two types of organisation to work on a development or social project jointly, adopting the same strategy and mode of operation. Thanks to this tool, enterprises can play an active role in projects for poverty-eradication implemented by NGOs, providing their own resources beyond financial ones, such as knowledge-transfer from their sector to the development project. At the same time, NGOs provide their own knowledge and make contact with the social base, acting as mediators and helping the enterprise to identify social problems in the environment where the corporation operates. NGOs can also intervene with their own set of skills. In this regard, it is normal for a corporation deciding to embark on a CSR+D programme to want to have firsthand knowledge of the needs and characteristics of the population in poverty. For this, in most cases, collaboration with an NGO is fundamental and also guarantees the success of the social initiative⁷.
- **Public – private partnerships for development.** The UN defines this concept as the “establishment of shared agendas and combined resources, risks and rewards. They are voluntary and collaborative relationships built on the respective strengths and skills of each partner, optimising the allocation of resources and achieving mutually beneficial sustainable results. They entail interactions that magnify resources, scale and impact.” In this case, public sector participation would add to the partnership between enterprises and NGOs. This would create a suitable regulatory framework and legislation for creating growth – rules and laws for protecting vulnerable groups and investment incentive policies among others, and, therefore a scenario of stability and a guarantee for the sustainability of the accomplishments. The motto of these public-private partnerships is that for these types of collaboration, the actors may have different interests, but must share the same goals.
- **Global Corporate Volunteering (CV).** Defined as “volunteering promoted by enterprises and their employees and implemented in developing areas, with a view to improving the living conditions of groups with meagre resources,” these initiatives are among the best tools for enterprises to transfer their professional and technical knowledge to remote areas. They also allow enterprises to have firsthand knowledge of social needs while reinforcing corporate values, the development of skills, corporate sentiment, employee retention, and staff contribution to the company’s CSR strategy.

Global CV is precisely the main subject of this publication and the reason is that among CSR+D activity, Global CV is beginning to play an increasingly prominent role, and not in vain. As we will see throughout this book, Global CV offers much potential in a wide range of fields, from Human Resources management to the creation of new business strategies, products and services, including an improved corporate image and reputation.

CONTRIBUTIONS IN NGO – ENTERPRISE ALLIANCES

CONTRIBUTIONS BY THE ENTERPRISE	CONTRIBUTIONS BY THE NGO
Sector knowledge	Knowledge of the target public (needs, customs, etc.)
Specialised workforce – staff base	Social legitimacy and trust
Financial resources	Contacts with the social sector and with Base of the Pyramid populations
Capacity to invest in R+D	Capacity for Social Innovation
Economic power and capacity to influence	Social power and capacity to mobilise

Source: CODESPA Foundation / Own experience

⁷ CODESPA, (2008), “The strategic relationship between NGOs and enterprises. Alliances for Development”, Technical Notes for Development.

Global Corporate Volunteering. What is it and how can it be described?

Through Global CV companies encourage their employees to volunteer in projects aimed at poverty relief. This form of CV may have an international component, when volunteers travel to developing areas, or it may be local/national, in cases where the company is present in the developing area. Although there are various dimensions to CV in general and to international CV in particular, this publication refers mostly to international Global CV, incorporating several specific aspects:

- **Professional and technical volunteering**, whereby employees transfer their professional knowledge and skills to poverty relief projects. Although not always a feature of international CV projects⁸, the case studies contained herein do have this characteristic because it is considered fundamental to expand the potential impact of a programme.
- **Higher investment and duration of action** than in other types of CV initiatives, given that for volunteering to generate a substantial impact, the action has to take place over a sufficient amount of time and must include a previous preparation period of several months for the volunteer force and the action plan. Given that on many occasions these volunteering actions are international, travelling costs are also greater. In exchange, as explained below, the impact on the employees who take part is longer-lasting.
- **Corporate commitment to development**, emphasising the term “corporate”, whereby it is understood that the enterprise is the promoter of its employees’ volunteering action. In fact, to make the most of these initiatives, it is important for the enterprise to be sensitive toward the situation in developing environments and to maintain a firm and long-term commitment toward making a business contribution that results in the alleviation of poverty among developing populations.
- **Higher level of training and awareness of volunteers** than in other types of CV because, in most cases, it is not only enough for an employee to have great professional knowledge. In addition, one must also guarantee that the person is

prepared to face complex situations, and to become familiar with surroundings, problems and situations of poverty that he or she has probably never experienced, in places that he or she may have never seen, but that will have a definite personal and professional impact on him or her.

- **Requiring dialogue and coordination between different social actors** and persons with a very diverse background and vision of reality, who work on the same team toward the same goal. The international nature of Global CV programmes demands careful coordination because it produces an encounter between very different social realities.

It is important to highlight these features because CV programmes contemplate very different approaches (volunteer day, virtual volunteering, technical assistance, etc.). However, experience shows that although all types of CV have an impact, they don’t all have the same impact, and the key to achieving a greater impact is directly related to the characteristics that define the structure of the CV programme itself. CODESPA’s Foundation experience in managing CV programmes allows us to state that Global CV programmes for development generate a greater and more sustainable impact overall, meaning that the corporate return on investment in these types of programmes is much greater in the long term⁹.

This is the premise on which we have based this publication and the case studies it contains. In practice, there are numerous challenges and barriers to spreading the implementation of this type of volunteer programme; however, the associated benefits can be so immense and transforming, and true catalysts of CSR+D processes, that they make the corporation become a fundamental player in the fight against global poverty.

Responsible collaboration and leadership

As it will be seen through the case studies and try-outs conducted for this publication, Global CV requires the collaboration between a company and an NGO that creates a link between a social need and a company (throughout the publication we refer to the NGO as the “facilitator”). Often both parties become partners by working as a team and bringing in their own specific capacities to guarantee the success of a joint project.

⁸ This refers to the fact that there are international CV programmes that do not focus on a transfer of knowledge from the employee to the social project in which the employee takes part; instead, the objective of these programmes is to generate awareness and/or support for social causes, irrespective of the volunteer’s professional qualification.

⁹ See Part III of this publication.

In Global CV initiatives in particular, enterprises find that the facilitator offers key support in project selection and volunteer training; a safety and quality guarantee in executing the project and managing volunteers in the country of destination, and a broad expert vision for subsequently evaluating and measuring results. The NGOs that become facilitators, on the other hand, find that the enterprise is a partner with initiative, capacity and commitment that places its own professional skills and resources at the service of development and that can become a strong ally for social change, not only through the Global CV programme, but also through future action.

As we will also see throughout this publication, to achieve success in Global CV initiatives, two things are necessary. Firstly, collaboration with other actors, as already mentioned, especially between the larger civil society and the NGOs, which have a close understanding of

the social needs associated with poverty and know how to work to alleviate them in a constructive and participatory manner that provides long term results. Secondly, referring back to the beginning of this article, corporate leaders with a high sense of global responsibility and awareness of the real potential that humanity and corporations have to reverse this situation are also needed. Leaders who are both brave enough to believe that it is possible to alleviate poverty – even from the very core of their corporate strategy – and to put their ideas into practice, involving their employees.

The good news is that there are a growing number of corporate leaders who realise that maximising financial profits is not the only way of measuring business success and that it is feasible to pursue other benefits that can be shared with society – especially benefits that affect the poor.

AMANDA BOWMAN | INTERNATIONAL BUSINESS LEADERS FORUM

Making Global Corporate Volunteering your Multi-Tool for business and development

How to use Global Corporate Volunteering as a universal tool for uniting the company, employees and development

Amanda Bowman is Corporate Partner Relations and Programmes Director at International Business Leaders Forum (IBLF). Over nine years at IBLF, Bowman has brought her experience and awareness of strategic and operational business issues and expertise in social investment and employee community engagement strategy to work with over 100 companies in more than 20 countries. She joined IBLF from Diageo, where she was responsible for helping Diageo businesses across Europe develop strategies for community involvement and to develop partnerships with NGOs and the public sector. Prior to Diageo, Bowman was a senior member of staff at Business in the Community, the UK's leading organisation on Corporate Social Responsibility.

ABSTRACT

Recent research has shown enormous growth in Corporate Volunteering (CV) in all parts of the world, and one of the fastest growing approaches is international, skills based volunteering; that is, Global CV.

The following essay presents examples of how companies from all industry sectors and all parts of the world leverage Global CV through their varied Spheres of Influence – to support Leadership and Management, the Workplace and Marketplace, a company's Supply Chain, its Communities, and the Enabling Environment in which it operates.

Global CV has grown enormously over the last few years as companies see the opportunity to leverage their Corporate Social Responsibility (CSR) approaches, improve employees' leadership skills, support market and business development activities, improve ability to innovate, and make a social and economic impact in markets important to the company. It can truly be utilised as a multi-tool to develop both business benefit and community development.

Companies approach these schemes in different ways; but employees are engaged in an activity that is outside their normal assignments and responsibilities and most often they are invited or put themselves forward to take part. The projects they work on are non-revenue generating for the company and are intended to provide economic or social benefits to the local organisation, community, or country¹.



AMANDA BOWMAN

Global CV can help you build your business, build your people, and build your licence to operate.

¹ Adapted from CDC Development Solutions. See www.cdcdevelopment-solutions.org

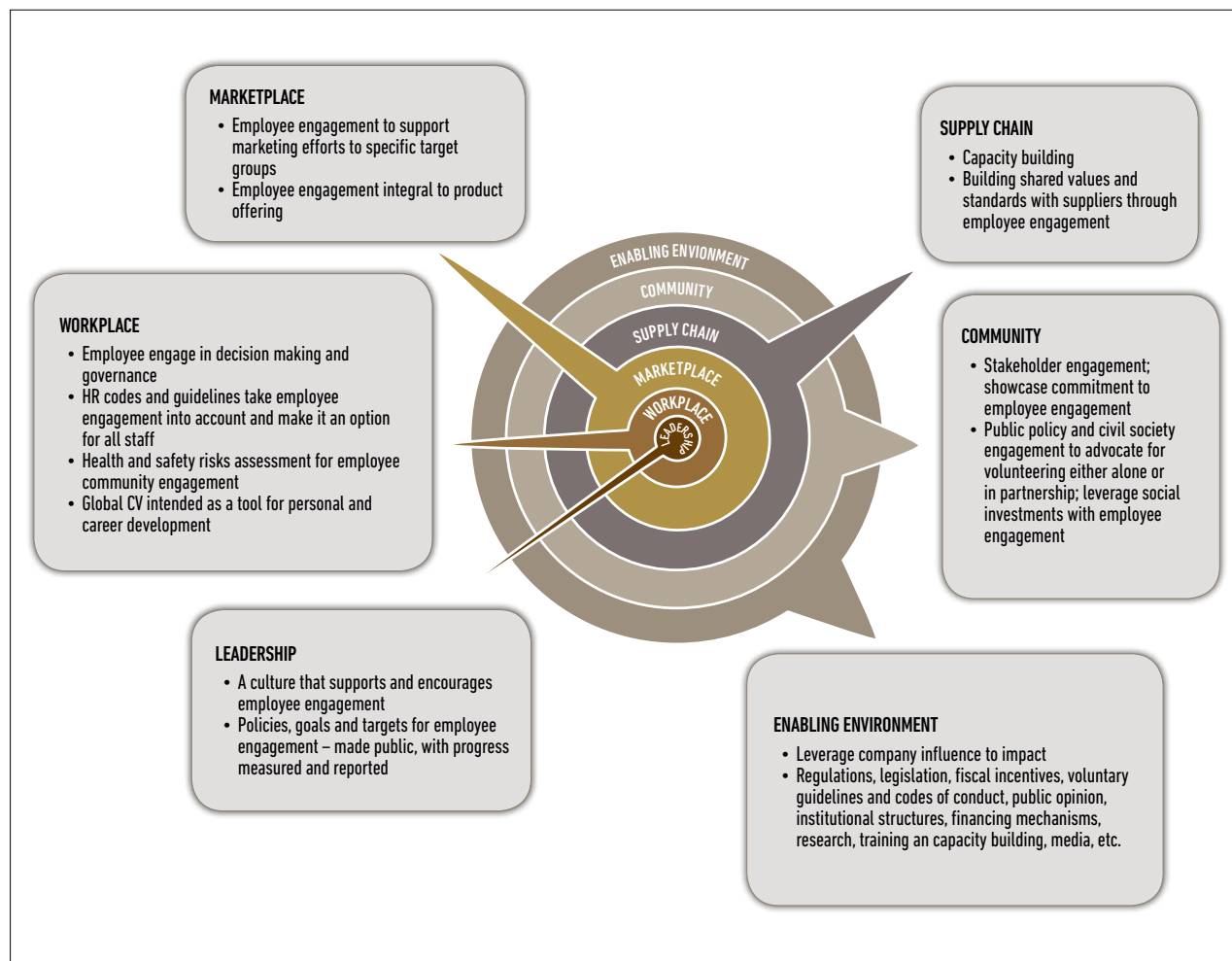
Spheres of influence model and Global CV

The Spheres of Influence model was created by IBLF² almost 20 years ago and has been used in many different settings in that time. In this case, I have adapted it to fit the Global CV paradigm.

The first four rings at the heart of the circle represent the company's core business and the place where the company has most power or influence and impact. Going further out in the circle, the company can still leverage impact, but has less influence and needs to work differently, often in partnership with others to have the most effect. At the centre of the chart is leadership and values; moving out to workplace, the marketplace, supply chain, community and finally the enabling environment for business. And so we can explore Global CV within the paradigm of the company's spheres of influence.

Many Global CV programmes are designed to demonstrate how the company lives its values and how the company leadership recognise the importance of not just the corporation, but also its employees' relationship and shared destiny with those communities in which it operates.

Within the workplace ring, personal, career and leadership development is a critical component of Global CV programmes and used in many different and creative ways by companies. The same can be said of Global CV for market development and the understanding of customers that can be gained through immersion in a different setting. Building from a customer focus to the others in the supply and value chain, the role that Global CV programmes can make in capacity building for suppliers and through the development of shared values and standards can be truly beneficial for all. Many examples look at how



² Source IBLF 1992, adapted by A Bowman 2010

Global CV can impact community development; providing opportunities for stakeholder engagement, for partnership development and leveraging of charitable donations and other social investment initiatives. Although there are fewer documented examples, there is a real chance to make a lasting difference in countries when Global CV is leveraged into programmes to support changes in the enabling environment – to support legislation change, build new institutions, undertake research and training, work with the media, among others.

Global CV truly is the Swiss Army Knife or multi tool to deliver business and development

Global CV truly is the Swiss Army Knife or multi tool to deliver business and development. By looking at each of the Spheres of Influence and Global CV programmes that exemplify how at their best, these programmes can positively impact the company, the employees and the communities they serve.

This paper seeks to make the case for Global CV as a multi-tool. The following pages include several examples of companies that are achieving interesting results. The examples are organized around the spheres of influence in which Global CV initiatives impact the most.

Following, the next section of the paper examines the business case for Global CV more closely, to explain why the number of companies undertaking programmes like those already mentioned has nearly quadrupled over the last five years³.

Finally, the essay presents ten steps to success when implementing Global CV programmes.



Corporate volunteers of the Spanish media group Antena 3, during a training session with microentrepreneurs of a Community Tourism initiative of CODESPA.

3 Source CDC Development Solutions ICV Benchmarking Study 2011

EXAMPLES OF GLOBAL CV AND THEIR FOCUS IN RELATION TO THE SPHERES OF INFLUENCE

LEADERSHIP AND VALUES

Employee engagement is often used as a tool to build commitment and morale, buy-in to strategy, values and mission.

Marriot's branded volunteer program, Spirit To Serve Our Communities⁴, is an important part of their core values and culture, which has been integrated into how they do business. To help fulfil Marriott's pledge that "every community will be a better place to live and work because we are there" their volunteer activities center around five focus areas aligned with their core business including readiness for hotel careers. One example is the Renaissance Hotel in Sao Paulo. Brazil is known for its "street kids," a large population of orphaned and abandoned children who live in the streets. To provide these children with opportunities for better lives, the hotel invests significant time and resources to the Youth Career Initiative (YCI)⁵, a six-month educational program that provides at-risk children with life and employment skills.

As a charter member of IBLF's Youth Career Initiative, the hotel's managers and associates serve as mentors and trainers in ten of the thirteen countries where YCI operates. In Brazil, the team also works with the YCI Institute to encourage the participation and support of other hotels in the region. One associate from a graduating class who started her Marriott career doing laundry was recently promoted to the Club Level, working directly with the hotel's most valued VIP customers.

When Mark Benioff established **Salesforce.com**⁶, he pioneered the 1/1/1 model of integrated philanthropy – with the company contributing 1% of product, 1% of equity and 1% of employee hours back to the community. In fact, the company gives employees four paid hours per month or six days per year to volunteer. They believe the high rate of participation (85%) is because employees come to the company knowing its philosophy and wanting to be part of it. The company promotes international volunteering but leaves it in the hands of their employees to organize. Volunteers can use up all of their six days a year permitted for "Volunteer Time Off" but must pay costs associated with their participation. Such employee-driven efforts may result in a new, sustained partnership – for example, a single employee in Ireland began working at a distance to meet the IT needs of a school in Kenya, and then recruited other employees to join in a trip that led to creation of a scholarship fund for Kenyan girls.

WORKPLACE

Global CV is certainly used by companies as a Workplace tool: a strategic tool for staff development.

The Young Corporate Responsibility Fellows programme from **Ernst & Young** sends high-performing employees to work with high-impact entrepreneurs - in Central and South America for multi-week assignments, designed to improve the integrity and effectiveness of the entrepreneurs' key business processes and to use the unique skills of each of employee. It's a competitive programme only open to for the Manager – Assistant Director levels with consistently high performance ratings and a minimum two-year employment. Employees have to be self-starters that can thrive in an environment where they need to think creatively, demonstrate leadership and teamwork. The Program has a significant impact — both on the Fellows, by offering them a world-class professional growth opportunity, and on entrepreneurs and their communities, by helping to catalyse economic growth.

For example, Alene, a Transaction Advisory Services manager, helped Buin Zoo in Chile improve their processes for budgeting and cash flow monitoring. The zoo started off as a makeshift animal shelter and now houses more than 2,000 animals and is the largest zoo in Chile. Coming back to one of the company's main objectives for the programme, skills development, Alene found the work at the Zoo helped her strengthen important professional skills such as adaptability, problem solving and working independently.

Microsoft's award winning Front Lines programme demonstrates that companies can adapt a Global CV programme in many ways to meet their particular company needs – in this case to inspire and stretch Microsoft leaders while at the same time to support their partners and customers working in international development to address important strategic challenges. Front Lines develops leaders by providing meaningful, impactful hands on learning experiences for high potential managers to improve their readiness for leadership.

Microsoft needs leaders that are agile, responsive to customers and external forces and able to react quickly but appropriately to new and uncertain conditions. Front Lines has three elements. It starts with a day and a half immersion process in which participants are grounded in issues facing local people and organisations. For example, in one workshop, leaders visited an education project in the Mukuru slums in Kenya and heard from local nonprofit leaders and toured a flower farm just outside Nairobi. These experiences build team cohesion and encourage participants to open up before they begin work on the partner challenges.

For the rest of the week, problems are identified, discussions facilitated and solutions identified. The in-country workshop is then followed by a 4-6 week period of virtual work, as the groups support the partner in delivering on the commitments they have made, reflecting on their progression. The programme is measured and evaluated in the same way as other Microsoft learning projects and feedback has shown that it has had an immediate and profound effect on participants in terms of the key learning areas identified. Longer-term feedback has shown that there was no significant deterioration over time and that Front Lines provides strong evidence of changes in behaviour and performance.

⁴ www.marriott.com

⁵ www.youthcareerinitiative.org

⁶ www.salesforce.com

MARKET DEVELOPMENT

The **Intel** Education Service Corps is another competitive programme with employees requiring a performance rating of successful or higher and at least a year in tenure. Intel is looking for people with a service motivation, adaptability, flexibility and proactivity. Last year the programme operated in 7 countries, with 52 volunteers. They worked with 7 NGO partners including CARE, BRAC and Save the Children, and reached over 40,000 students and 1,000 teachers. The Education Service Corps provides employees with 2-week projects supporting NGOs using Intel-powered Classmate PCs. Similar to the Microsoft project, this is a three phase, two month programme that includes training, deployment in country, and a debrief.

Government, Education Departments and NGOs are an important customer market for Intel and they all benefit from the engagements through high quality engagement that gives teachers get new tools and techniques to leverage the power of ICT in education. For employees, the benefits are clear. They get cross-cultural skill-building and exposure to emerging markets; global teaming and leadership development, a rewarding and refreshing break from the traditional cube, plus the opportunity to work at the intersection of business, technology and society and importantly, the recognition of a strong past and promising future at Intel.

In terms of market development, the employees provide the company with great feedback on their product's performance in real conditions with insights that can improve future products and services.

SUPPLY CHAIN

The following supply chain example was brokered by CODESPA. This is an example of **Carrefour** Spain working to create a line of Ecuadorian grain and bean products for the Spanish market in project Comercio Solidario. They worked with two Ecuadorian partner organisations: Camari and MCCH, who acted as intermediaries between the farmers and the market, helping the farmers to create small associations and therefore achieve greater volumes. Comercio Solidario aimed to commercialise the MCCH and Camari products so that they could be sold at a competitive price in Carrefour stores in Spain. In addition, they aimed to build management capacity within the two partner organisations and to match supply in Ecuador to demand in Spain.

A key element of the programme has been the work that employees have undertaken, as part of their summer vacations, to work with the two partners to improve the quality of their products, their planning and logistics. Leveraging the expertise and support of the Carrefour Solidaridad Foundation has been important to help smooth out potential problems and ensure that each area of the project yields good results. Through its programme Professionals for Development, CODESPA managed volunteer efforts to guarantee the maximization of their support to the project. The employee's support was well received, resulting in a regular supply being achieved and good sales of product in store. Through the project, the line is supporting 2500 families and up to 10,000 people.

COMMUNITY DEVELOPMENT

GlaxoSmithKline's PULSE is an initiative that empowers employees to make a sustainable difference for communities and patients in need. Employees are given an opportunity to use their professional skills and knowledge during a three or six month experience within a non-profit or non-governmental organisation. Once again, through this experience, volunteers both address a clear partner need as well as developing their own leadership capabilities.

So far, PULSE has successfully placed a total of nearly 200 employees from 26 different countries, working with 58 nonprofit and NGOs in 39 countries. From Canada to Bolivia, Kenya to China, Haiti to India, PULSE has a global focus contributing to nonprofits and NGOs all over the world.

In Part II of this same publication the PULSE initiative is studied in detail, presented in the form of a case study and analysed with a practical focus.

ENABLING ENVIRONMENT

By identifying issues or problems that are central to successful business operations, Global CV can help to make a difference to the environment for doing business in emerging and developing markets. Often Global CV will be focused on building capacity and self-sufficiency of NGOs and governmental organisations and will aim to make change to the underlying conditions in a country.

The Executive Service Corps runs in parallel with the **IBM's** Corporate Service Corps. It has been designed to dovetail with IBM's Smarter Cities Challenge – to help 100 cities to address some of their most pressing challenges by contributing the time and expertise of IBM top experts from different business units and geographies, and putting them on the ground for three weeks to work closely with city leaders and deliver recommendations on how to make the city smarter and more effective.

Why Global CV?

Global CV can help you build your business, build your people, and build your licence to operate.

Global CV provides an ideal opportunity for the CSR and Human Resources teams to work together to deliver leadership and skills development for people at all levels

The paper has cited examples of how Global CV can help to reinforce the company culture and values and brings both to life. By giving employees a chance to work with civil society partners, they have the opportunity to understand the reality of how products and services are seen in the community, and relationships between the company, the employees and their partners are deepened. Global CV provides an ideal opportunity for the CSR and Human Resources teams to work together to deliver leadership and skills development for people at all levels to create a workforce fit for today's challenges.

Creativity, adaptability, negotiation and emotional intelligence, communication, presentation, the list of skills is endless... And then there's the opportunity to demonstrate, internally and externally the company's serious intent and approach to society. And companies are using these programmes as tools for internal and external communications, improving their company image, and brand loyalty – as well as employee loyalty and pride.

Employee benefits complement those of the company. Importantly, employees want to work for a company that understands that they don't need to leave their values at the front door when they come into work every day. Global CV programmes allow them to develop and build a whole range of skills and behaviours that make them better employees, better teammates and colleagues, better leaders, better people. And they give them a better understanding of the company's mission, objectives and corporate responsibility as well as increasing awareness and knowledge of the realities of doing business in emerging and developing economies.

In relation to civil society partners, at their best, Global CV brings no cost support from leading global experts with access to best practice, skills and expertise. One

can estimate⁷ that each year at least 2000 employees are deployed through Global CV programmes and add a conservative value to business of \$25m per year (excluding staff time). This represents a significant level of support to NGOs. But in all cases, beyond the financial value of the support and the new ideas and approaches that NGOs learn from the engagements, the real value is in the solutions provided to the issues and challenges they face, the efficiency savings that they make, and the improvements to processes that result in real benefits to the communities they serve.

⁷ Extrapolated from CDS ICV Benchmarking Study

GLOBAL CV AS A WAY TO REACH BUSINESS GOALS

New Business Development

The **IBM** Corporate Service Corps is a great example of how Global CV can be leveraged for new business development. It was launched in 2008 and by the end of 2011 over 1500 IBM employees had participated. Participants spend four weeks in groups of 10-15 to help solve economic and social problems for community driven economic development projects in Africa, Asia, Eastern Europe and Latin America.

In 2009, a team of 12 IBM volunteers arrived in Nigeria's Cross River State to help the government improve public services. The IBM volunteers assisted state agencies with two ambitious programs: Project HOPE, which provides free health care to mothers and young children, and Project Comfort, which provides financial assistance to people in disadvantaged households with the goal of helping them to educate family members and establish small businesses. "With these two programmes, the government hopes ultimately to reach 750,000 women and children and support 12,000 very poor households who will be promoted to a safe place where they can fend for themselves," said the Cross River commissioner for Social Welfare and Community Development. And when the four-week Corporate Service Corps assignment ended, Cross River officials were so pleased with the results that they engaged IBM Global Business Services to launch a biometric identification system, its first contract for services in West Africa.

Product Innovation

One of the newer programmes is the **Dow Corning** Citizen Service Corps. The company sends teams of 8-10 employees to countries where the company does not yet have a business presence. This adds a different dimension to how Global CV can contribute as employees not only make a contribution to communities in emerging and developing economies, but they also serve as a living laboratory for the company to explore potential future business opportunities in new markets and with Bottom of the Pyramid customers. On their return, they continue to work as a group to feedback to the company with strategic insights, new business ideas, models and service opportunities. The assignments allow the company to frame new proprietary business opportunities in a faster and more cost effective way than has been possible before.

Customer Relations

Pfizer's Global Health Fellows programme is one of the longest standing Global CV programmes. Since 2003, over 270 Pfizer Global Health Fellows from around the world have participated in three to six month assignments, working in over 40 countries. Assignments are focused on enhancing the core building blocks needed for strong health systems and include efforts such as building health information systems, training health workers, improving service delivery and enhancing the management of medicines, vaccines and technology. Benefits to the company are clear and 84% of employees report a dramatically increased understanding of the global marketplace and customers needs on completing the programme.

Brand reputation

From one of the most established Global CV programmes to maybe the newest, **Pepsicorps** is a new leadership development programme from **Pepsico**. It sends teams of seven to eight associates drawn from across PepsiCo business units, functions and company locations all over the world to partner with NGOs and work on projects related to one of three areas: Clean Water, Nutrition & Fitness, and Sustainable Agriculture. Another competitive programme, 168 applications for the first team were received and each application was read and scored by at least four reviewers from the Pepsicorps team, leading to a shortlist of 38 that were interviewed by phone by senior executives of the company who volunteered

to help with the selection. The final group represent the diversity of the company in terms of geography, business function and seniority.

The first group has just finished its assignment in Ghana and have delivered their recommendations to the elders of the communities in which they've been working. Tweets, blogs and YouTube videos have kept "followers" up to date with all their activities and the company has leveraged a strong brand linkage to build their corporate reputation from the programme. Although new, it's a good example of strong branding.

Stakeholder Engagement

Through the Volunteer Service Trip programme, **Beckton Dickson** (BD), a large medical equipment company, leverages its employee resources with financial support and product donations. BD employees have the opportunity to apply to participate in three-week assignments that address global health issues. The trips provide valuable insights into how BD products are used on the ground. They work alongside NGOs in rural health-care facilities, provide nursing and laboratory science support, refurbish facilities, and train local healthcare providers. By working closely with a wide range of stakeholders they bring insights back into their daily work that improve processes, product and relationships.

Morale, Motivation, Pride

The **Telefónica** Vacaciones Solidarias program gives the opportunity to 100 employees, selected from over 600 applications from all over the world, to volunteer each year for the company's Proniño programme, which combats child labour in Latin America. Volunteers give their vacation time and pay for their own meals while the company pays air fare, hotel and project costs. Volunteers develop and run educational and social activities and run workshops for families, schools and communities that help towards the goals of eliminating child labour by encouraging a good use of free time and thus avoiding the risks of child labour. The company aims to connect employees from all parts of the Telefónica group emotionally with the company and its social action goals by offering them this unique life experience. It also seeks to build a bridge between the business and the community, generating a significant social impact and transforming lives and the improving relations with the communities where Telefónica operates.

All the examples above demonstrate the possibilities that Global CV programmes offer. Each programme is uniquely placed to deliver against the specific objectives that the company has set for it

Steps to success of a Global CV programme

There are some simple enablers that will make the development of a programme simple and that will help to ensure that any programme a company either creates, or builds upon has a greater chance of effectiveness and impact – and that the return on investment is as great as possible.

10 PRACTICAL STEPS TO SUCCESS

1. Set tangible, clear and SMART objectives for your GCV programme.
2. Start small. Find a champion inside the business to sponsor the programme.
3. Allocate appropriate resources to project management.
4. Work with NGO partners you know well and trust.
5. Establish a process for selection and programme implementation that fits your company culture.
6. Get the assignments right.
7. Seeing is Believing.
8. Communicate, communicate, communicate.
9. Measurement and evaluation.
10. Consider scale at the outset.

external) to project management. The devil is in the detail and these programmes need dedicated support to define projects, shape the assignments, prepare volunteers and support them on the ground – and when they return. Some companies manage this themselves internally. Others work through a specialist NGO or for profit advisers. In terms of financial resources, don't compare the cost of a Global CV programme with the "average" cost of an employee-volunteering programme – compared this way, it can look expensive. But compared with a human resource leadership development initiative, Global CV can be a cost effective alternative.

4. **Work with NGO partners you know well and trust.** Programmes are more likely to go well when you know each other well. The company will understand the limitations and expectations of the NGO and in turn they will be more responsive to your needs and able to be clear if they are unable to meet them. It is important for your partners to be highly skilled at managing the volunteers on the ground. The deeper the knowledge you have of each other, the more likely that your initiative will be successful. Internal partnerships are important too and need the same level of attention and partnership building as partnerships with external stakeholders. The principles of equity, transparency and mutual benefits are important for all partnership building: Equity leads to respect for the added value that each partner brings to the project; transparency leads to trust where partners are more willing to innovate and take risks, and mutual benefit leads to engagement and a likelihood that projects will sustain and build over time.
5. **Establish a process for selection and programme implementation that fits your company culture.** Do you want to work with teams or individuals? Agree your criteria for volunteer selection; how the application process will be managed; how long people will be out of the business; how they will keep in touch when away; whether employees will be paid in full, in part or not at all while away. For instance, many pay in full; Accenture Development Partnerships offer a reduced salary while people participate in the programme, and Telefonica pay travel and accommodation plus language classes where necessary.
6. **Get the assignments right.** CDC's benchmarking study identified that clearly defined, consistently understood project objectives and scopes made for assignments that worked. Make sure that everyone

involved knows what is expected and that their role is clear. This reinforces the need for partners having an in-depth knowledge of the way your company works and the skills and competencies that your volunteers can bring. Preparation is managed in different ways in different programmes – one off orientation programmes, regular conference calls in the weeks running up to departure; story telling; blogs; in person inductions, are just some of the approaches.

7. **Seeing is Believing.** Talk to people who have been there before you. The companies mentioned here are always willing to share their experience of what works and what doesn't. There are several NGOs that now have experience of hosting Global CV programmes too. Their experience will help you design the right programme for your company. But as you develop your own programme, conduct field visits to understand at first hand what is working well and what can be improved.
8. **Communicate, communicate, communicate.** You can never communicate too much. Use as many mediums as you possibly can - blogs, You Tube, Facebook, media releases, company website and intranet, and so on.
9. **Measurement and evaluation.** You are likely to have processes in place to measure the impact on your partner or its beneficiaries. But in addition, plan for measurement and evaluation of the learning and development of your employees. Once again, there are arguments for managing this internally or working with external organisations to undertake evaluations. Think about when to take feedback – immediately afterwards will undoubtedly give you the freshest responses, both positive and negative. But it's only six months on that you will see whether any changes in behaviour or new knowledge is lasting.
10. **Consider scale at the outset.** While number 2 is start small, think about whether you want this to be an exclusive, small programme that delivers a high return on investment for a limited number of employees, or whether you want something that can be accessed by hundreds or even thousands of employees.

Global CV can help develop diverse aspects of a company, foster its human capital, and reinforce corporate culture and values to bring them to life. At the same time, Global CV can contribute to pursue business goals whilst contributing to social causes.

The progressive growth of this type of programmes shows that every day more companies find out about the benefits that come along with the implementation of Global CV initiatives. Doing a good work depends not only on good will, but also on real internal support and good understanding of the key aspects needed for an appropriate management.

The 10 practical steps of IBLF present a road map that will make easier the path toward a successful programme with social and business impact. Hopefully, there will be many companies that will soon become successful examples as the ones presented in this essay.

MÓNICA BEATRIZ GALIANO AND KENN ALLEN | IAVE

Corporate Volunteerism: What for?

Emerging trends and inspiring cases of employee engagement

Mónica Beatriz Galiano has been for the last fifteen years, and is currently, one of the main leaders of the fast development of Corporate Volunteering (CV) in Brazil, conducting the first research on the subject in this country. Pioneer in new techniques of training and mobilization, including the creation of the “V-Day”, the most successful corporate day of service in Latin America, and author of several books on the matter, she received from the Brazilian Government the Orden de Rio Branco award in the degree of Comendadora, as recognition for her efforts in the field of volunteerism.

Dr. Kenn Allen is the founder and president of the Civil Society Consulting Group LLC, a global consulting firm based in Washington DC. A primary area of specialty has been Corporate Volunteering (CV). He led the first research in the United States, in the 1970s, which defined CV as a field of activity and has been instrumental in spreading the concept throughout the world. He served as Director of the Global Corporate Volunteering Research Project, a special project of IAVE (International Association for Volunteer Effort) and its Global Corporate

Volunteer Council. Dr. Allen is the author of several books and numerous articles and resource tools.

Together with Sarah Hayes, Galiano and Allen conducted in 2009 and 2010 the first worldwide research on Corporate Volunteering in global companies.

ABSTRACT

All around the world, committed companies have made efforts to motivate and engage employees in volunteering programmes. After so much invested, a question arises: What for? In June 2011, The Global Corporate Volunteer Council (GCVC) released its Final Report on Global Volunteering Research, the first study of Corporate Volunteering (CV) at a global level.

In the following essay, the authors present us the conclusions and learnings extracted from that study, offering examples of projects and good practices that illustrate the great potential of Global CV, highlighting the features of skills-based and cross-borders volunteering. The essay shows how companies are learning to globalize their community engagement and volunteering in the same way they are learning how to globalize their business.

After all management systems, all declarations of value, all skills development strategies, all communication efforts to motivate and engage employees in companies' volunteering programmes, this is the very important question after some 30 years of experience: is it worthwhile? What for? This is the question.



MÓNICA BEATRIZ GALIANO

The value of NGOs as partners has grown steadily as companies have sought to bring greater focus and impact to their volunteer efforts.



KENN ALLEN

CV appears as a big “tent” that encompasses a broad range of activities, philosophies, approaches, and managerial structures.

The big “tent” of Corporate Volunteering

In June 2011, The Global Corporate Volunteer Council (GCVC) released its Final Report on Global Volunteering Research¹. This is the first global study of Corporate Volunteering (CV) of its kind, and the first report of such dimension based on a qualitative research project that draws on the experience, perspectives and insights of worldwide CV leaders. The report has three components: the State of Health of CV around the world, seven findings based on interviews with 48 global companies, and a general overview of CV in six regions: Latin America, Asia Pacific, Europe, Africa, The Arab Nations and North America.

Through this research, we have found committed companies and their enthusiastic groups of volunteer employees who address very serious community problems – sometimes crucial ones – leading to the effective development of local communities.

In this article, extracted and condensed from the research report, we present several conclusions, findings

CV appears as a dynamic, global force, driven by companies that want to make a significant difference in relation with serious global and local problems

and examples of these extraordinary efforts to empower people and grassroots organizations all around the world. We particularly focus on those experiences that refer to volunteering programs which are skills-based and cross-borders.

CV appears as a dynamic, global force, driven by companies that want to make a significant difference in relation with serious global and local problems. It is a big “tent” that encompasses² a broad range of activities, philosophies, approaches, and managerial structures.



¹ “Global Companies Volunteering Globally - The Final Report of the Global Volunteering Research Project.” Released in June 2011 by the Global Corporate Volunteer Council (GCVC), an internal body of the International Association for Volunteer Efforts (IAVE), as a major contribution to the celebration of the 10th anniversary of the United Nations International Year of Volunteering.

² Kenn Allen (2012), “The Big Tent. Corporate Volunteering in the Global Age.”

A CLASSIFICATION PROPOSAL: NONEXCLUSIVE MODELS, COMBINABLE CHARACTERISTICS

To establish a background context, we first mention the four, broad conceptual models for CV programmes emerging from this research. None is “pure.” Some programmes fit primarily in one; some embody elements of all four. None is “better” or “worse” than the other. They simply “are.” One utility of models is to ask where one now fits, whether that is where one wants to fit; and, if not, to where one wishes to move.

Model	Key Concept	Purpose
Business Focused	Adding value to the company	Helping achieve strategic business goals
		Building employee leadership and skills
		Sustaining, managing, creating corporate culture
		Strengthening brand and enhancing reputation
Social Services	Helping those in need	Identifying target audience (people who are marginalized, poor, disabled, in ill health)
		Focusing on delivering services
		Aiming at alleviating immediate need
		Often expressed as “charity”
Social Development	Changing systems	Identifying target issues or problems
		Building capacity and self-sufficiency
		Aiming at changing underlying conditions
		Building on existing assets at work on the target issue and/or the people affected by it
Human Development	Empowering people	Increasing awareness and knowledge of social realities
		Aiming at building engaged, active citizens
		Fostering personal development through volunteering
		Demonstrating how people, individually and collectively, can change communities and society

By listening to and analyzing companies’ stories, experiences, challenges and innovations we observe how skills-based volunteering and international (cross-border)

volunteering are significant new trends with a great deal of potential impact that have enjoyed large-scale visibility over the last few years.

Skills-Based Volunteering: Real barriers for scaling

Skills-based Volunteering – the conscious use of professional and personal skills to benefit the community – is as old as CV itself. However, in recent years, it has emerged as one of the “hot” topics in CV. Proponents argue that it should be at the core of what companies are doing, raising interest and – in some cases – anxiety about doing it. As one company put it, “the skills-based volunteering train is leaving the station and we aren’t on it but we want to be.”

There is general agreement on the value of skills-based volunteering as a way for companies to increase their impact on specific problems; as a capacity-building resource for NGOs and communities; as a way to better engage their employees and leverage their skills, and as an opportunity for employees to practice their existing skills and learn new ones.

But it is also clear to companies that there are very real barriers to bringing it to scale:

1. **Employee Interest.** In some cases, employees may prefer activities that build new social connections or develop knowledge or skills unrelated to their employment.
2. **Resource Requirements.** A significant investment is needed to recruit, select and manage the volunteers; define projects, shape specific opportunities, prepare volunteers; and, most importantly, ensure satisfactory completion of the committed work.
3. **Size Limits.** Because of resource limitations, it may be possible to offer skills-based volunteering opportunities to only a relatively limited number of employees.
4. **Time Limits.** When skills-based volunteering is done within the framework of released time policies, there are limits, based on the time available, to the kinds of activities that can be undertaken and to what can be accomplished.

The observation by a company that “we are still trying to get our heads around the model” does not suggest that skills-based volunteering does not have high potential for future development. It does, however, underscore the reality of the challenges that exist for bringing it to a desirable scale. Nevertheless, this type of CV – combined with other characteristics such as “cross-border” – is a trend with a high return on investment and great potential for impact. Further research is required in this sense.

Volunteering “cross-borders”

The work being done by corporate volunteers in international (cross-border) programmes is uniformly impressive and inspiring – from improving healthcare in Africa to reforestation in Asia; from combating child labour in Latin America to developing employment opportunities in Eastern Europe. However, the reality is that international CV is in its early days with only a relative handful of companies with significant programmes. Within that group of companies we have observed that these programmes tend to fit a corporation’s business interests, their corporate culture and the specific skill sets of their employees.

With the prominent exception of the IBM Corporate Service Corps, the programmes are relatively small. Because of the high costs of travel, living, project management and – for some of the programs – the need to “fill-in” for missing workers at home, only a small number of employees are able to participate.

Thus, they may remain niche programmes with a high potential impact but a limited scope.

Five companies have made commitments to building significant, sustained international programmes: BD, Dow, GSK, IBM and Pfizer. They share a series of traits:

- **Aligned with the company.** In each case, there is clear alignment with the core competencies of the company.
- **Skills-based.** All are clear that their programmes are about using the professional skills and work experience of their employees.
- **Problem-focused.** By being focused, they are able to clearly define the scope of their programmes, attract volunteers with the necessary skills, leverage a variety of resources within the company, and build long-term partnerships with NGOs in the field.
- **Leadership and skill development.** These programmes are overtly about developing future leaders for the business, giving employees a “better understanding of the complexities of worldwide realities and of working with and leading multi-cultural teams,” as in IBM.
- **Rigorous process.** These companies take their programmes seriously and manage them to high standards. Dow did four pilot projects, recognizing the need for a strategic approach, to put the right infrastructure in place and to get the mechanics of the programme organized. BD brings participants in Volunteer Service Trips together two to three months in advance for a four-day

training that ranges from logistical preparation to skills training and practice “teach backs.” At Pfizer, all Global Health Fellows participate in a comprehensive four-day programme orientation and training session at corporate headquarters in NYC. The curriculum covers everything from assignment preparation and logistics to relevant issue areas related to public health and emerging trends. Each of the programmes also has clear policies that guide their human resources framework – who pays for what, how “fill-in” workers are put in place, job protection for the volunteers, etc.

- **Partnerships.** None of the companies would claim that they can implement this programme on their own. All work closely with NGO partners that have demonstrated expertise and extensive experience in “on the ground” organization and management of overseas volunteer projects; from assessing needs and selecting local hosts to cultural training when volunteers arrive to managing the entire in-country process.
- **Learning.** More than in any other type of programme seen in this study, these companies are deliberately seeking to learn about and from the experiences of their employee volunteers. GSK does internal surveying of volunteers six months after their return to learn about their perceptions of the assignments given to them and about the personal value of participation.

These five companies stand out among those that participated in this study. What they are doing should be seen as only the beginning of what companies throughout the world can do if committed to international volunteering.

The results are impressive:

- In February 2011, IBM’s Corporate Service Corps, created only in 2008, sent its 100th team and 1,000th IBMer on an overseas project. Employees from over 50 countries have volunteered, in teams, in 20 countries.
- Since its launch in 2003, Pfizer’s GHF programme has fielded over 270 fellows. It has consistently attracted top talent from technical and functional areas across Pfizer and is recognized as a “best-in-class” programme model for its impact on global health as well as its value to colleagues and the business.
- Only two years old, GSK’s PULSE has placed almost 120 volunteers in 33 countries, serving 42 different partner health care organizations.
- Since BD’s Volunteer Service Trips began in 2005,

a total of 95 volunteers have made three trips to Ghana, two to Zambia and one to Haiti. In addition, as part of BD’s participation in PEPFAR (The U.S. President’s Emergency Program for AIDS Relief), 27 highly skilled volunteers have made 12 trips to Sub-Saharan Africa to train lab technicians in quality control systems and testing and to improve blood handling processes.

- Dow’s Sustainability Corps was launched in 2009. By the end of 2010 it had seven active projects, with volunteers contributing 630+ hours, and plans to expand to 12-14 by the end of 2011.

In addition to the specific findings about issues such as skills-based and the cross-border perspective of global corporate programmes, there are other key discoveries and conclusions that have emerged from our study. Although referred to all types of CV, some of them are particularly relevant in skills-based and international volunteering programs, what we call “Global Corporate Volunteering.”

Partnering with NGOs as an essential element of Corporate Volunteering

The value of NGOs as partners has grown steadily as companies have sought to bring greater focus and impact to their volunteer efforts. It is now understood that partnerships with NGOs, whether it is at the global, country or local level, offer opportunities for companies to leverage the commitment of their people, money, expertise and representational strength to make a greater impact on issues of importance to them.

As an example, through BD’s Volunteer Service Trip Program, all BD associates are invited to apply for three-week assignments to help improve healthcare in medically underserved regions. For example, in 2009, BD associates – in collaboration with Direct Relief International – leveraged their expertise to improve capacity among local healthcare workers in Ghana.

BD volunteer efforts include training in infection control, obstetrics, emergency care, blood bank management, recordkeeping, healthcare worker safety, and supporting outreach clinics in neighbouring areas.

Standard Chartered Bank’s approach to community investment focuses on generating high social returns and strengthening economic health to address challenges facing disadvantaged populations. These include tackling avoidable blindness (Seeing is Believing), HIV and AIDS education (Living with HIV), the empowerment of women (Goal) and malaria prevention (Nets for Life). Seeing is

Believing began when the bank celebrated its 150th anniversary in 2003 and asked its employees how it should celebrate. The answer was to make a significant contribution to the community. As a company serving primarily Africa and Asia, the bank chose a problem – visual impairment – that has devastating economic impacts on those continents.

Pfizer's Global Health Fellows (GHF) is the company's flagship volunteer initiative – an international skills-based programme that engages colleagues with medical and business expertise in three to six-month team

assignments with international development organizations designed to address global health issues, particularly those affecting underserved populations. In the program's first eight years, some 270 volunteers have served in over 40 countries. Its success has led Pfizer to implement pilot projects involving short-term, team-based, skills-based volunteering with health non-profits in sites near Pfizer's US and Latin American operations. The team projects create opportunities for colleagues with different backgrounds to work together to tackle strategic challenges in strengthening health service delivery.



SOME INNOVATIVE AND INTERESTING EXPERIENCES

Close collaboration for development: volunteers from several companies

A new trend is growing: organizations or programmes that convene volunteers from different companies. It is necessary to explain the benefits of this approach: why are they doing so?

One example is “Fundación El Cinco” in Colombia with their Model of Productive Solidarity in which agricultural projects try to prevent migration from the countryside to the cities and to contribute to lessening the food crisis in Colombia and worldwide. Fundación el Cinco addresses rural poverty and the lack of economic opportunities by convening volunteers from several companies to work together to help small farmers turn into rural entrepreneurs. It also contributes to the reduction of unemployment and poverty, working with thousands of volunteer employees from several companies. Currently, it is running two projects benefiting 680 families of small, rural producers: some 2,700 people belonging to 15 community social businesses in 15 municipalities.

In the ENGAGE Key-Cities initiative, one of the projects supports three special migrant schools in Beijing with corporate volunteers from several companies mentoring and sharing new experiences with school children aged between 12 and 16.

Other examples: The NGO Glasswing, from El Salvador, connects employees from several companies to address community needs; Fundación Dividendo in Colombia operates with volunteer employees from several companies to address childhood education.

Technology can improve volunteers' efforts

There are emerging examples of the innovative use of technology to support both the practice and process of CV. Even though most of their use is rather routine and limited, online portals can serve a variety of functions such as providing access to tools that improve the quality and impact of volunteering, the sharing of stories, discoveries and new opportunities for others to volunteer, etc.

The IBM On Demand Community (ODC) leads the field as the model for online volunteering support. Aimed at both the company's 400,000 employees and their 16,000+ retirees worldwide, ODC is now the “home base” for IBM's volunteer efforts. Its 180,000 registered users come from 84 countries. Its immediate goal is to drive significant and measurable change within agencies and organizations that would have never had access to this level of volunteer support. It is a resource center to substantively support IBM volunteers, with around 200 tools and resources, some in 17 different languages: state-of-the-art online presentations, videos, website reference links, software solutions and documents that support volunteers working in IBM's main areas of interest. These areas include advancing scholastic achievement, closing the digital divide, and improving business strategies and outcomes for not-for-profits through technology.

Determination and focus for impact maximization

Increasingly, companies are seeking to focus their volunteer efforts on specific priorities, leveraging all of them to maximize their impact across a broad range of human, social, and environmental problems. They bring to this work their professional and personal skills, their ability to organize and manage projects, their understanding of how to set and meet work goals and their personal passions and commitment.

Vale, the mining company headquartered in Rio de Janeiro, Brazil, is an engineering company with a strong culture of a logical, disciplined approach to work. The “Engineers at School” project grew out of this process. Diagnostics confirmed that the quality of education is a major issue in the Maranhão state in northeastern Brazil and it was discovered that some municipalities did not

have the expertise available to complete the required engineering analysis of their schools and thus could not receive government funding for renovations.

Vale took on the challenge of completing assessment of the schools in a single month. The task takes about four hours on-site at a school and requires an additional online entry of the physical plan of the school. Volunteer engineers were recruited both from within the company and from four of its suppliers. They were deployed over two weekends to do the assessments and then in the following week developed the blueprints, organized the material on CDs, and delivered it to the municipal departments of education.

AXA has conducted research to understand and prevent risks related to the environment, human life and the community. More precisely, the company wants to help prepare vulnerable communities, particularly in developing countries, to confront the emerging risk by raising

awareness of disaster prevention and preparation. To do that, they have established a partnership with CARE, the international humanitarian NGO, to help deliver the program on the ground. AXA's entities around the world will contribute to this global initiative for risk education by implementing partnerships with local NGOs to help communities reduce risks. The next steps include designing opportunities to involve the company's top employees, helping the company incorporate volunteer experience in emerging countries in the career paths of senior managers, and developing a pro-bono volunteering scheme.

Corporate Volunteering as a force for development

All of these actions and many more like them, performed by enthusiastic employees and supported by their companies, give us confidence that not only the government, not only the NGOs, not only the philanthropic resources of international agencies, are the "forces for change" in the developing world. Committed and compassionate men and women contributing their time, talent and energy are one of the most valuable and legitimate assets for development.

Global CV, both skills-based and across-borders, can bring impressive results. This is a new trend with a

Committed and compassionate men and women contributing their time, talent and energy are one of the most valuable and legitimate assets for development

high return on investment and with a great potential for impact. For many companies, however, so far it is a type of volunteering that is part of niche programs, since the investment required in terms of funds and management does not allow for the mass engagement of employees. The potential of what companies and employees can do if committing their resources and expertise to development is enormous. As for now, just as companies are learning to globalize their business, so too are they learning how to globalize their community engagement and volunteering efforts. Since companies are at different points in that process, Global CV is far from mature and is still in active development.

The inspiring examples presented in this article could be just the beginning. The challenge ahead is to bring all this potential to scale.

GREGORY HILLS | MANAGING DIRECTOR, FSG SOCIAL IMPACT CONSULTANTS

Change agents for shared value

How CSR professionals can champion a paradigm shift within corporations

Greg Hills is a Managing Director at FSG, a global social impact consulting firm specializing in strategy, evaluation, and research that advises on developing, executing, and evaluating international Corporate Social Responsibility and shared value strategies. Hills has nearly 20 years of experience advising corporations, foundations, governments, and nonprofit organizations on strategy, program design, evaluation, and operational improvement, and has worked professionally in countries throughout Africa, Asia, and Latin America.

Prior to joining FSG, Hills worked as a manager with Archstone Consulting and as a senior consultant with Deloitte Consulting.

ABSTRACT

The following essay does not specifically approach Global Corporate Volunteering (CV). However, it presents an approach to Corporate Social Responsibility (CSR) that is transposable to the vision on how Global CV programmes

shouldn't be isolated but part of companies' strategies for social value generation.

Align with this, a concept very present in the current debate on CSR and CV is "shared value." However, there is still a knowledge gap among professionals who are not aware of its potential.

Throughout the next pages, the same questions that open the essay are analysed with an invitation for reflection: When your CEO asks about how your company is creating "shared value," what will you say? As a CSR professional, how are you navigating this sea change from traditional CSR approaches to creating shared value? Do you understand the key tenets of shared value and how they differ from CSR/sustainability concepts? How might your role change and how do you position yourself as a leader and not a follower of this paradigm shift?

Written for CSR professionals, the following reflections will accelerate your learning process and broaden your capacity to lead and further the focus of shared value in your company.



GREGORY HILLS

Creating shared value refers to a company's ability to drive profitability and competitive advantage while simultaneously creating value for society. It suggests a proactive and intentional strategy to innovate by seeing societal challenges not as business constraints, but as business opportunities.

Original text: English

When your CEO asks about how your company is creating “shared value,” what will you say? As a CSR professional, how are you navigating this sea change from traditional CSR approaches to creating shared value? Do you understand the key tenets of shared value and how they differ from CSR/sustainability concepts? How might your role change and how do you position yourself as a leader and not a follower of this paradigm shift?

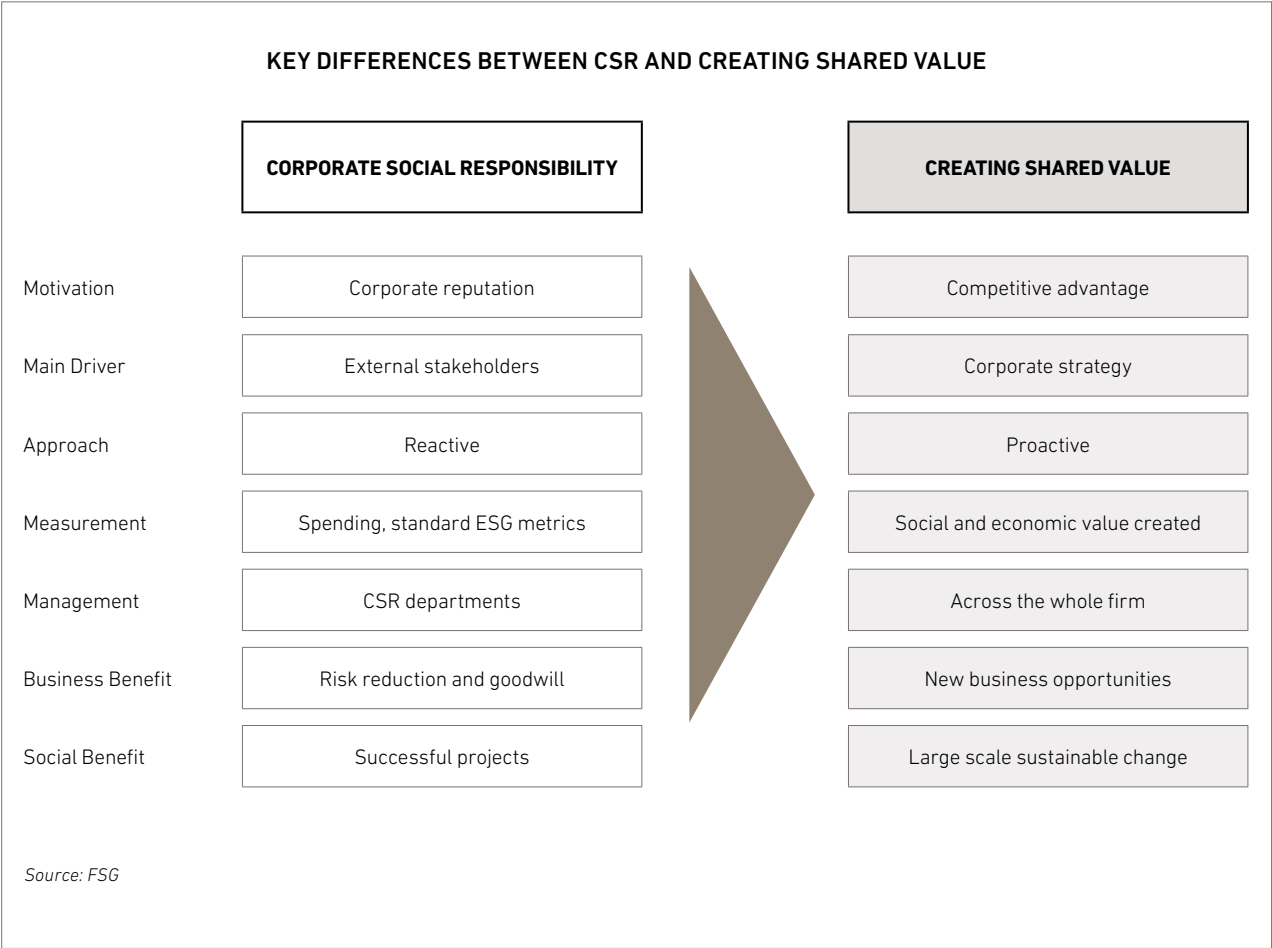
Creating shared value refers to a company’s ability to drive profitability and competitive advantage while simultaneously creating value for society. It suggests a proactive and intentional strategy to innovate by seeing societal challenges not as business constraints, but as business opportunities.

The concept was first introduced by FSG co-founders Michael Porter and Mark Kramer in the 2006 Harvard Business Review (HBR) article “Strategy and Society” and was expanded upon in their 2011 HBR article “Creating Shared Value.” Shared value moves beyond traditional

Creating shared value refers to a company’s ability to drive profitability and competitive advantage while simultaneously creating value for society

notions of compliance (obeying laws), philanthropy (grantmaking), and sustainability (preserving resources for future generations) to articulate how companies create large-scale sustainable change within their business strategies.

The following graphic highlights the key differences between CSR and creating shared value.



Creating shared value presents an attractive solution to social problems because the private sector is particularly adept at achieving both dramatic scale and economic sustainability – two notions that resource-poor governments and sub-scale nonprofits struggle to deliver. These characteristics, combined with the continuous improvement and innovation inherent in successful businesses, make corporations well-suited to solve some of this generation's most pressing social challenges.¹ Corporations can create shared value in three ways:

- **Reconceiving products and markets:** Companies can meet social needs by better serving existing markets, accessing new ones, or through new products and product innovations that create social value.
- **Redefining productivity in the value chain:** Companies can improve the quality, quantity, cost, and reliability of inputs, production processes, and distribution systems while they simultaneously act as stewards for essential natural resources and drive economic and social development.
- **Enabling local cluster development:** Companies do not operate in isolation from their surrounding economies. To compete and thrive, they need a strong competitive context that includes reliable local suppliers, access to talent, and a functioning infrastructure of roads and telecommunications.

This essay is written for CSR professionals who aspire to be shared value leaders in their companies. The challenges and opportunities CSR professionals face across a range of industries are strikingly similar – creating shared value suggests a paradigm shift in mindset, approach, expertise, and potential impact for a CSR professional. The following reflections will accelerate your learning process and maximize your ability to simultaneously drive business success and social impact.

Corporations can create shared value in three ways:

- Reconceiving products and markets
 - Redefining productivity in the value chain
 - Enabling local cluster development
-

Building on the success of traditional CSR roles

The CSR/sustainability role in corporations has matured significantly in the last decade with full-time professionals dedicated to addressing global and local issues. Spawning new networks, affiliations, and conference circuits, CSR has emerged as a common function in major corporations and has delivered social value across a spectrum of issues.

While CSR/sustainability professionals are housed in different company functions (marketing, corporate affairs, legal, operations) and operate under different department names (sustainability, community relations, community affairs, corporate philanthropy, and social innovation), typically their roles include some or all of the following responsibilities:

- **Philanthropy/Grantmaking:** Signature initiatives, programs, regional and local giving.
- **Employee Engagement/Volunteering:** Skills-based volunteering, event volunteering, dollars for doers, matching gifts.
- **Sustainability:** Supply (chain), environmental, health, and safety tracking.
- **Evaluation/Reporting/Communications:** CSR/sustainability reports, GRI, impact assessments.

¹ For more on the above shared value concepts and a range of company examples see several recent FSG publications: Michael E. Porter and Mark Kramer, "Creating Shared Value," *Harvard Business Review* (January-February, 2011) and the FSG-published white paper Valerie Bockstette, and Mike Stamp, "Creating Shared Value: A How-To Guide for the New Corporate (R)evolution," (2011).

Historically, however, even the best executed CSR programs have found true business impact to be elusive. In fact, this has largely been by design. CSR functions and corporate foundations have traditionally been motivated by a combination of social impact objectives along with general reputation goals for the company, both in local communities as well as with key stakeholder groups. Even sustainability reporting, which tracks the broad social and environmental footprint of the business, typically responds to external stakeholder needs (i.e., standardized reporting) rather than unique business strategy needs.

The institutionalization of the CSR function has erected barriers to change. Organizational silos combined with ingrained expectations, responsibilities, and processes hamper the innovation and realignment necessary for CSR professionals to lead companies on a shared

value journey. In many companies CSR executives understand the promise of shared value but are asking how to “cross the chasm” into mainstream business conversations. They are too often thought of as a separate part of the company with an eye on social issues, but lacking a “license” to engage in business-related conversations.

Extreme makeover: Becoming a change agent for shared value

Shared value has ushered in new thinking that more closely integrates social and business strategies. Successfully executed shared value efforts include ten key building blocks, spanning dimensions of Vision, Strategy, Delivery, and Performance (see graphic below on the “ten building blocks of creating shared value”).

TEN BUILDING BLOCKS OF CREATING SHARED VALUE



Source: Bockstette and Stamp, "Creating Shared Value."

To foster powerful shared value solutions, however, expectations for the CSR role need to change significantly. In fact, based on FSG's research and advisory work with leading companies, it's clear that marshaling a shared value strategy requires a CSR professional to wear many different hats.

THE TEACHER

Creating shared value is not a universally known concept in the business world. While the philosophy of shared value has gained significant traction among thought leaders and increasingly in C-suites, shared value champions are far outnumbered by those who don't know about it or don't understand it.

This knowledge gap represents a significant barrier but also an opportunity for CSR professionals to educate colleagues and build broad awareness of the benefits of shared value and how it differs from traditional CSR approaches. For example, Nestlé, a pioneer in imbedding shared value throughout the company, has launched a training program aimed at educating all 280,000 employees worldwide so they can recognize and act on shared value opportunities. Intel's CSR leaders proactively conducted introductory training sessions for its global Corporate Affairs Group in an effort to seed transformative shared value concepts throughout the company.

In meetings, workshops, and other communications, CSR professionals must convey the fundamental differences between traditional CSR and shared value approaches in order to reinforce the paradigm shift and encourage new mindsets and behaviours.

THE BUSINESS STRATEGIST

Developing a shared value strategy is not the same as getting executive approval for a signature initiative or a grantmaking budget. You can't just create a theory of change or an impact framework and start executing toward your goals. In fact, shared value opportunities

In order to make the business case, the shared value opportunity needs to be well informed. For example, a multinational chocolate company's investments in cocoa sustainability efforts in West Africa were driven by the commercial need to ensure a viable supply of quality, affordable cocoa, not by pure social impact objectives

require a strong integration with business strategy development – they should happen together in pursuit of aligned business goals.

For some CSR professionals, the prospect of calculating ROI, NPV, and pro forma budgets and potentially competing for resources with a range of other business opportunities requires flexing new muscles. In order to make the business case, the shared value opportunity needs to be informed by a range of evidence and data, including opportunity assessments, market size, social need data, and business models. For example, a multinational chocolate company's investments in cocoa sustainability efforts in West Africa were driven by the commercial need to ensure a viable supply of quality, affordable cocoa, not by pure social impact objectives.

THE INNOVATOR

Fostering shared value innovation requires companies to think differently about the business they are in and how that can benefit society. It suggests changing from a typical business mindset of selling products and services to delivering enduring solutions. For example, Syngenta positions itself as a sustainable agriculture and food security company, not a company that sells seeds, pesticides, and fertilizers.

With a solutions-oriented positioning, the opportunity exists for CSR professionals to help inform and guide business leaders about new areas of investment that will create future value for society and the business.

Case Study

LILLY NCD PARTNERSHIP

In September 2011, Eli Lilly announced the Lilly NCD Partnership, a 5-year, \$30 million investment by Eli Lilly to fight non-communicable diseases in four emerging markets – Brazil, India, Mexico, and South Africa. The effort resulted from a multi-year collaborative planning process led by Lilly's CSR professionals and the Eli Lilly Foundation along with a number of business leaders throughout the company.

The President of the Eli Lilly Foundation, Rob Smith, reflected on several elements of their shared value journey. He indicated that the CSR team driving a business initiative was a "counterintuitive notion" in the company, as most people perceive the CSR function as having primarily altruistic motivations. In order to broker between the Diabetes Business Unit and the Emerging Markets Business Unit, the CSR team moved out of its traditional "satellite orbit" in the company and worked closely with the different internal divisions. Additionally, he indicated that establishing "deep buy-in" with the business was required in order to achieve success.

THE FACILITATOR

Unlike a siloed CSR initiative, a shared value initiative by definition requires cross-functional involvement from design through execution. Shifting from having authority and ownership for a program area to needing to influence a range of colleagues in other divisions represents a significant leadership shift for CSR professionals.

In order to unleash the full power of the corporation to address social problems at scale, a CSR leader must be comfortable relinquishing ownership and authority for programs/issues. At the publishing company Houghton Mifflin Harcourt, the CSR team recognized the ultimate measure of its success was shared value adoption by the business units and therefore sought to accommodate the needs of the market-facing teams. The most successful shared value champions are the well-connected insiders who know the power centers and influencers and who have the soft skills to appeal to both hearts and minds. At the enterprise software company SAP, the CSR team increased its likelihood of driving a successful shared value strategy by involving key company leaders who drove business strategy and had the CEO's ear.

THE COLLABORATOR

Shared value solutions cannot be solved solely within the four walls of a company. As companies evolve to problem solving mindsets with a range of social issues, effective multi-stakeholder engagement is required, including partnering with government, nonprofits, and other private sector actors.

Often CSR professionals are the best positioned within companies to lead these efforts given their existing relationships and backgrounds. However, creating shared value represents a different flavor of collaboration, as external partnerships will not be solely altruistic in nature, but motivated by business growth and profitability. CSR professionals can help navigate those external stakeholder relationships through developing a common vision of the problem, establishing clear roles and goals, and ensuring transparent communication throughout the partnerships.

As companies evolve to problem solving mindsets with a range of social issues, effective multi-stakeholder engagement is required, including partnering with government, nonprofits, and other private sector actors

THE KNOWLEDGE AGENT

For shared value to take root in companies, it requires robust tracking and measurement of both the business value and social benefits. Proper measurement of shared value outcomes will inform and guide future internal capital allocation decisions and will allow for transparent communication to external shareholders and stakeholders.

However, in contrast to the traditionally separate approaches for tracking business performance and social/environmental metrics, shared value measurement suggests an integrated approach to measurement – conducting a side-by-side assessment of business and social value. CSR professionals can provide strong stewardship of these knowledge needs by championing this integrated measurement approach and serving as a “bridge” between the technical disciplines of financial analysis and social impact evaluation. Leading companies such as Nestlé, Intel, and InterContinental Hotels Group are currently piloting shared value measurement approaches with an eye toward ultimately making shared value measurement more institutionalized throughout their companies.

Implications: Evolving the CSR profession

Porter and Kramer declare that “shared value holds the key to unlocking the next wave of business innovation and growth.”² This implies an exciting opportunity for the CSR profession to evolve and adapt to meet the changing needs of business. To meet these opportunities, we will likely see several fundamental shifts in the CSR profession:

- **Portfolio Focus:** While current responsibilities will not go away – companies will always maintain a portfolio approach to engaging in social issues, which will include community-level philanthropy and employee volunteering – the paradigm shift suggests that shared value activities should represent the lion's share of a CSR professional's time going forward. Therefore local community investments will likely become more transactional in nature as they become rationalized into a smaller portion of the portfolio.
- **Qualifications:** To play the above roles, today's CSR professionals will need to draw on their previous business experience and/or fill gaps in their capabilities. Naturally, the backgrounds and professional training of CSR professionals will change

2 Porter and Kramer, “Creating Shared Value.”

over time and we'll likely see more companies looking for people coming from business backgrounds who are interested in tackling this angle of value creation. As opposed to classic social sector or foundation backgrounds, shared value leaders will need to speak both the language of business and social value creation.

- **Integration:** Ultimately, if the company truly embraces an enterprise-wide shared value approach, then the CSR leader can be a subject matter expert assisting with integrating initiatives across the business. It will require working shoulder-to-shoulder with business leaders, acting as a

partner, and harvesting best practices across the organization to bring them to bear on different business units and regions in order to ensure strategic relevance and ongoing success.

Driving shared value throughout a company undoubtedly transforms a CSR professional's typical roles and responsibilities. Wearing the hats of teacher, business strategist, innovator, facilitator, collaborator, and knowledge agent could represent a daunting challenge, but it also implies an exciting opportunity for CSR professionals to foster scalable, sustainable solutions to social problems and to contribute to a company's growth and competitive advantage.

THE EUROPEAN COMMISSION'S PERSPECTIVE ON CORPORATE SOCIAL RESPONSIBILITY AND CORPORATE VOLUNTEERING

Extract from the essay "Developing Employee Volunteering Programmes as an Essential component of Corporate Social Responsibility Strategies," 2011

Martijn Pakker

Former Director at the European Volunteer Center

The EU defines Corporate Social Responsibility (CSR) as "a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis." According to this definition, CSR is about "enterprises deciding to go beyond minimum legal requirements and obligations stemming from collective agreements in order to address societal needs. Through CSR, enterprises of all sizes, in cooperation with their stakeholders, can help to reconcile economic, social, and environmental ambitions. In Europe, the promotion of CSR reflects the need to defend common values and increase the sense of solidarity and cohesion."

Important objectives for the European Commission (EC) are the promotion of active citizenship and the development of a cohesive and inclusive European society. To achieve these goals, the EC has brought forward the concept of CSR in recent years, to encourage companies to integrate social concerns into their work and strategies. Therefore, the EU believes that it should play a role in raising awareness for CSR, facilitating exchange of best practice across Europe, and organising discussion on CSR-related topics, leading to further debate and action.

In accordance to the increasing emphasis on CSR, in 2001 the EC produced a Green Paper entitled "Promoting a European framework

for corporate social responsibility." This document sets out the principles underlying CSR and introduces some of the sustainability tools at the disposal of companies and governments. It also raises questions regarding the role of companies in respect to issues such as CSR or the role of the EU. This Green Paper was followed by a EC Communication in 2002 on "Corporate Social Responsibility: a Business Contribution to Sustainable Development", in which the EC presents a EU strategy to promote CSR on the basis of the consultation done through the Green Paper, and it confirms and recognizes the voluntary nature of CSR.

In 2006, the Communication of the EC on "Implementing the Partnership for Growth and Jobs: Making Europe a Pole of Excellence on Corporate Social Responsibility" recognised that enterprises can, beyond their contribution to European economic competitiveness and growth, also contribute to addressing certain social challenges and promoting cohesiveness and solidarity through voluntary activities.

In 2007, in the "European Parliament (EP) resolution on corporate social responsibility: a new partnership," the EP highlighted the importance of the EU budget lines for projects, such as those involving employee community engagement. Moreover, it called on the EC to fulfil its commitment to develop policies to encourage its staff to engage in voluntary community activities.

In addition to these legal developments, the EC launched in 2006 the European Alliance for CSR, an open alliance of European enterprises, which will serve as a political umbrella for new or existing CSR initiatives by companies and their stakeholders. Its aim is to promote the positive voluntary engagement of European enterprises with social and environmental issues. The EC also hosts meetings between Member State CSR specialists and other stakeholders. Regular calls for proposals are opened for projects to promote exchanges and sharing of good practice.

The underlying idea to all these initiatives is that CSR and Corporate Volunteering programs, can contribute a great deal to the building of trust between the public, private and voluntary sector(s). It is not about making artificial philanthropic gestures – it is all about creating shared value.

YANINA KWOZYK, LAUREN DEMATES | FORUM EMPRESA

Different concepts related to social innovation and the private sector

Strategies and Case Studies for Latin America

Yanina Kowszyk has worked as an independent International Consultant since 2012, year in which her tenure as Executive Director of the Forum Empresa Network expired. She currently continues as Strategic Advisor for the Network. During her time at the Network, Kowszyk was in charge of, amongst other things, implementing the strategic guidelines issued by the Network's Board of Trustees. Previously, she was Knowledge Management Director at Acción RSE (CSR Action) in Chile, and prior to that she was a member of PROETICA- Gestión Ética Empresaria, of the Universidad Católica de Córdoba, in Argentina, where she coordinated the production of GestionRSE 2004 and GestionRSE 2006.

Lauren Demates is a graduate in social sciences of the Polytechnic State University, San Luis Obispo, specialising in international development. Demates is currently studying for a Masters degree in International Relations at the University of California, San Diego, centred on environmental policy. Her professional interests are Corporate Social Responsibility and clean technology, with a focus on Latin America.

ABSTRACT

Forum Empresa is a hemispheric alliance between organisations and associated companies that promote Corporate Social Responsibility (CSR). Organisations and companies within the alliance share a common idea that business management ought to be approached from the perspective of sustainable development.

In this essay, Forum Empresa introduces us to the concept of "social innovation" and looks into each of the possibilities opened up by this field. Using examples from Latin America, it reveals the potential arising from social innovation strategies, applicable in any developing context, and how Corporate Volunteering not only fits into, but also boosts the impacts these strategies can have.



Social innovation as the key to development

The Economic Commission for Latin America and the Caribbean (ECLAC) defines social innovation as “new processes, practices, methods or systems for carrying out traditional processes or new tasks with the involvement of the community as well as the beneficiaries. These become protagonists of their own development, thereby strengthening sense of citizenship. Social innovation must be sustainable over time and replicable in other places”. Thus, social innovation changes business and interactions between society’s members in a way that extends beyond a long-term vision, carrying it into the dimension of sustainable development.

Through social innovation, organisations (enterprises, NGOs, communities, governments, etc.) can develop new technologies and ideas, and fine tune economic and social structures. It is an effort aimed at renewing traditional businesses that do not take social effects into account and that perpetuate problems such as poverty and environmental destruction. In this regard, social innovation acknowledges and promotes the role and power of private enterprises in contributing to social and environmental improvements, a role that is embodied in an enterprise’s Corporate Social Responsibility (CSR) policies. An enterprise’s implementation of a CSR policy must therefore generate integral changes in its values and include social and environmental impacts; only then, will changes be reflected in the enterprise’ structure, actions and management.

The goal of strategic CSR is to generate a change in the corporation’s relationship with society creating a more involved role in efforts aimed at sustainable development. Through CSR, companies can adopt one or more social innovation strategies and contribute to sustainable development and the Millennium Development Goals proposed by the United Nations (UN). Consequently, CSR should be viewed as the micro perspective that contributes to sustainable development on a macro level.¹

The objective of social innovation projects is to promote capacities aimed at achieving sustainable development. These programmes may relate to a wide range of issues, such as youth, community health, basic education, agricultural and rural development, food safety and nutrition, among others.²

IDEAL CHARACTERISTICS OF SOCIAL INNOVATION

Social	It benefits a significant number of people, contributes to poverty relief, promotes a better quality of life for groups at social risk and/or defends the right to a better environment.
Genuine	It emerges from the interested parties’ themselves and their supporting organisations in a process that is verifiable.
Original	It is not a repeated experience, although it is not necessarily radically new.
Up-to-date	It is recent and up-to-date.
Consolidated	It has passed the trial phase.
Expansive	It can be reproduced in another place and/or on a larger scale.
Transforming	It has an impact on social development variables, such as costs, coverage, income, employment, participation, performance, culture, quality of life, managing and creating new opportunities. ³

Numerous social innovation strategies have been developed, often closely related to each other and occasionally overlapping. However, it is possible to outline the distinct features of the main social innovation strategies to determine the possibilities they can offer to companies. The main strategies that are currently being implemented in terms of social innovation in the private sector are:

- Philanthropy
- Corporate foundations
- Social investment and social impact funds
- Fair trade
- Social enterprises
- Base of the Pyramid businesses or inclusive businesses
- B Corporation

1 Silva, Verónica (2009), “Negocios inclusivos o de base de la pirámide. Una oportunidad de desarrollo en el marco de la RSC”, Universidad Alberto Hurtado, Chile.

2 Herrera, Adolfo; Alvarado, Hernán (2008), “Claves de la innovación social en América Latina y el Caribe”, CEPAL.

3 Astorga, E. (2004) cited in Herrera, Adolfo; Alvarado, Hernán (2008), “Claves de la innovación social en América Latina y el Caribe”, CEPAL.

PHILANTHROPY

Philanthropy was initially the way in which the private sector worked towards improving social conditions. It occurs when companies offer financial contributions to charitable organisations or NGOs. It can also include the provision of other resources, such as time, knowledge

or services. In this way, the enterprise supports a social cause, but is not necessarily involved in it; i.e. a donation is made but there is no subsequent follow-up as to how the money is managed, nor is the impact of this financial contribution assessed.

TYPES OF PHILANTHROPY	
Corporate donations	Financed through an annual operating budget. Companies reserve a certain amount of money each year for donations.
Corporate funds and community foundations	These are funds that enterprises allocate to other organisations. They occur when there are local foundations with a track record in activities that the company wishes to support, but for which it does not wish to create its own fund or invest more time or resources.
Employee matching gift programs	The company encourages and helps its employees to make donations to programs supported by the company. In general, the company provides donations that equal or cover most of the money raised.
Corporate foundations	These may be private, independent or tax-exempt. In this type of philanthropy, the company allocates money to a foundation in which it can take decisions in respect of how the resources are managed. It is usually governed by company executives, but may include community representatives.
Social investment	This consists of a combination of multiple actions: corporate donations, voluntary donations from employees, transfer of management experience and technical assistance. This vast model is a response to growing demand for CSR actions by corporations.
Strategic philanthropy	Charitable donations that reflect the needs of the employees, shareholders and consumers. These donations are compatible with the business interests.
Global philanthropy	International donations that make the company more competitive on a global level and helps to maintain good relations with governments.
Venture capital	These are funds allocated to incipient NGOs. Once these organisations meet their targets and demonstrate good financial management, the company increases the amount of the donation. In general, this model rewards effective project implementation and encourages innovation through monetary incentives. ⁴

⁴ IDB, Environmental and Social Unit Private Sector Department (2006), "Community Investment Programs associated with Private Sector Infrastructure Projects."

It may be that philanthropy is the easiest way for companies to contribute to society. However, current practice is to adopt a strategic approach to corporate donations which means that philanthropic giving has greater impact when it is constantly and progressively distributed as opposed to sporadically donated. Similarly, when philanthropy forms part of the culture and values of a company and its employees, it is easier to focus efforts over the long term. Therefore, it is advisable for philanthropic activities to be communicated internally, with a view to encouraging commitment by all stakeholders. In this way, philanthropy can be a company's first step towards social innovation, and paves the way for the integration of other more complex strategies.

BANAMEX | MEXICO

Banamex or the National Bank of Mexico is a longstanding financial institution that carries out several philanthropic projects through various programmes and foundations. The bank has built its reputation for philanthropy through social development programmes and donations to communities in fields such as education, production and employment projects, housing, infrastructure, and health. The bank has given 197.1 million pesos in donations plus more than 801.9 million pesos in loans to financially inclusive production projects in rural Mexico. Banamex also provides scholarship funds for people with scant resources to attend the Universidad Nacional Autónoma de México.

CORPORATE FOUNDATIONS

In general, corporate foundations are created to manage the funds that a company wishes to use to collaborate on specific social causes in a direct relationship with the community or through an NGO. The closeness of the relationship between the company and the trust may vary, but in general, the company is more involved in the way in which the funds are used than under the philanthropic model.

CHARACTERISTICS OF THE CORPORATE FOUNDATIONS

- Non-governmental
- Non-profit
- Possessing a principal fund of their own
- Managed by their own trustees and directors
- Promote social, educational, charitable, religious or other activities serving the common welfare⁵

⁵ OECD, Development Assistance Committee (2003), *Philanthropic Foundations and Development Co-operation*.

The success of corporate foundations lies in their long-term planning and the existence of sufficient and constant funds to develop their activities. This requires permanence and commitment from the board of trustees and for policies to be periodically revised to ensure that they are relevant and effective.⁶ The most successful projects under these trusts are not only based on good ideas, but also have good strategies, incorporating research to develop and respect local capacities in a way that is effective.

The independence of corporate foundations allows them to support social projects and initiatives and provides them with the opportunity to finance innovative projects.⁷ Additionally, corporate foundations can unite efforts, resources and information in partnerships with governmental agencies, NGOs and other foundations, to boost synergies.

PANTALEÓN FOUNDATION | GUATEMALA

Pantaleón Foundation was created in 1992 by shareholders of the company Grupo Pantaleón, a company from Guatemala that works in sugar production in several Latin American countries. The Foundation has projects in Guatemala, Nicaragua, and Honduras. Its projects aim to develop the skills of the people involved. In the field of education, Pantaleón Foundation offers programs to combat illiteracy, scholarships for basic school level and university education, small production projects, support for street children in the municipality of Guatemala, and many other initiatives. The statistics show that Pantaleón Foundation projects affect 10,000 people on average each year.

SOCIAL INVESTMENT, SOCIALLY-RESPONSIBLE INVESTMENT OR ETHICAL INVESTMENT

Social investment is normally carried out by the enterprise in the community or region where it operates and pursues a strategy that takes social considerations into account. The goal is to create benefits for society whilst at the same time generating financial and economic returns on funds invested. Ideally, the investment is made to provide a link between actors, tools and resources, and to achieve self-sustainability through skills development.⁸

The enterprise can make a social investment through an organisation, a fund, or another company (large,

⁶ Gast, Elaine (2006), "Policymaking Made Clear: Eleven Foundation Policies Your Board Should Consider". Association of Small Foundations.

⁷ OECD, Development Assistance Committee (2003), "Philanthropic Foundations and Development Co-operation."

⁸ Peru 2021, "Inversión social", available at: Peru2021.org.

medium, or small). The types of social investment may be related to education, training, culture, health, revenue-generation, infrastructure development, or access to information.⁹

It is important to highlight that market opinion and the expectation of a return is what distinguishes social investment from traditional philanthropy. The enterprise makes the investment in line with social considerations, but also seeks to obtain benefits reflected in direct profit, an increase in customers, or an increased demand for its products or services.

The ideal version of social investment not only involves providing capital, but includes an approach that aims to both overcome barriers and develop an infrastructure that is open and transparent to ensure and make visible the outcome of the investment. To choose the best option of social investment, enterprises must consider the specific needs and conditions of the community and research the details and requirements that make an investment productive. There are many networks and organisations that connect social investment options with investors who can contribute with capital and carry them out. These networks maximise the potential for success.

However, it is important for enterprises to accept the fact that most returns on a social investment are gained in the long-term and not the short-term. Further, resources are needed to design methods and indicators that monitor and measure the impacts of the investments; and this is the most difficult aspect to achieve. It is therefore advisable that investments are made in environments where good communications between investors and stakeholders can be built.

VIVA TRUST AND AVINA FOUNDATION | LATIN AMERICA

Viva Trust is a corporate foundation that was created by Stephan Schmidheiny in 2003 through the donation of all the shares of his business group GrupoNueva, along with an investment portfolio. This trust is irrevocable and its goal is to promote cooperation between private sector companies and civil society. Through its action in Viva Trust, the GrupoNueva business group makes investments following social considerations, but also has a conceptual framework for managing the funds and making them provide a return in a continuous manner and over the long term.

Most of Viva Trust's investments are allocated to the Avina Foundation. Through this foundation, Viva Trust facilitates partnerships and resources to promote sustainable development in a systematic manner. Avina invests directly in social investment opportunities and forms partnerships with other actors to support and facilitate businesses with Base of the Pyramid populations, among other initiatives. Through its efforts, Avina carries out numerous activities and has many successful experiences of social investment in the region.

SOCIAL IMPACT FUNDS OR SOCIAL INVESTMENT FUNDS

In addition to offering financial returns, social impact funds offer the possibility of investing in proposals aimed at sustainable development. Less directly than through social investment, social impact funds are offered by specialised venture capital and private equity firms. Through these funds, a company can invest in growing social enterprises, micro enterprises, and small and medium companies (SMEs). This effort provides the beneficiaries with the capital that they need, and the company with returns. It is a beneficial relationship for everyone (the win-win strategy) following market rationale.

In recent years, the number and type of institutions offering social impact funds has grown. It is increasingly easier to make this type of investment, which does not necessarily require many changes in the enterprise, merely a redirection of funds towards valuing social outcomes.

SOCIAL INVESTMENT FUND AUREOS CAPITAL | LATIN AMERICA

Aureos Capital is a private equity firm that offers social investment funds for the sustainable development of small and medium enterprises in developing countries. The firm was created in 2001 and now has offices in Costa Rica, Mexico, El Salvador, Colombia, and Peru. The investments through social investment funds have created direct jobs and income for people in these countries, and have also contributed to growth in the SMEs sector receiving said investments.

These impacts have a sustainable goals and take into account environmental, social, and governmental aspects (ESG Management). The funds emphasise the importance of a close and long-term relationship between SMEs and their local communities. Aureos Capital subscribes to the United Nation's Principles for Responsible Investment.

FAIR TRADE

Fair Trade is closely related to the product. It is a question of ensuring that goods are produced and sold in line with social, environmental, and cultural considerations. The goods can be manufactured without official seals of approval, but there are systems that certify manufacture in accordance with fair trade regulations.

Fairtrade International (FLO), made up of twenty four international organisations, creates fair trade standards and provides support to producers. FLO-CERT is an independent organisation that certifies compliance with FLO standards and provides official certification. For that purpose, FLO-CERT audits producers to ensure compliance

9 ANDI, "Inversión Social", available at: Andi.com.co.

with fair trade standards, which cover the benefits of fair trade for developing skills and capabilities aimed at sustainable development.

Fair Trade proposes a change in relations between producers and consumers by reversing the trend to exploitation that can occur in the context of certain employment relations. Thus, when an enterprise subscribes to a fair trade strategy as part of its business plan, it produces a transformation that benefits producers with scarce resources and supports the development of communities' skills and capabilities.

NON-CERTIFIED FAIR TRADE – EL ARCA PRODUCTORES + CONSUMIDORES | ARGENTINA

El Arca Productores+Consumidores began in 2005 in Argentina. It sells its products in compliance with social considerations of fair trade. Its products do not bear an official fair trade seal, but its production and interaction with other companies demonstrate that trading can be based on social considerations and succeed at the same time. The entity has created businesses with public institutions or major firms such as Arcor, leader in the food sector, and the Minetti cement producer.¹⁰ Its success is associated to a long-term perspective, the ability to generate markets for its projects, and the delivery of direct funds to producers, without assuming the losses associated to a long value chain.

CERTIFIED FAIR TRADE – PRODECOOP | NICARAGUA

Promotora de Desarrollo Cooperativo de las Segovias S.A. (PRODECOOP) is a cooperative organisation that groups together 38 cooperatives and 2,300 small coffee producers in the north of Nicaragua, of which 30% are women. The organisation was created in 1993 and currently issues a certificate accrediting that 100% of its members work according to fair trade rules and that 50% of its products are organic. The cooperative has 18 clients in Europe and the US – for example, the company CaféDirect. Its certification means that the products are harvested and sold following FLO standards. The result is coffee harvested and produced with respect for social and environmental conditions. The companies pay the cooperative fair trade prices. This allows producers to receive more money for their products and this surcharge is subsequently invested in the community.

therefore reinvested in a specific social cause. This approach understands social enterprise as a process or opportunity for creating value for society, whether through the creation of products and services, new business models, or the formation of new organisations.¹¹

The company may be run by an NGO, a community, or a private enterprise. The important fact is that social enterprises involved people who try to help and support each other. By involving the community in a business, for example employing neighbours, increases the skills within the company as well as the community.

In Latin America, to date, there are two types of social enterprises:

- Type 1: Enterprises that reduces barriers to access for critical products and services for people who are vulnerable or in a situation of social exclusion. These companies put mechanisms into place to provide access to health, education, decent housing, energy and drinking water, among others.
- Type 2: Enterprises that play a critical role in generating employment, because throughout their production or distribution process they generate employment opportunities or improve the income of people who are in a vulnerable situation.¹²

Social enterprises can become familiar with a community's needs in detail because of their experience working with and in the community. As a result, the business adapts accordingly. By applying business strategies, these enterprises can achieve the required competitiveness to apply for competitive grants or loans.

Enterprises' potential to provide funds and technical assistance towards developing a social enterprise or an NGO that is already installed in the community facilitates the transition towards the self-sustainability aspect that characterises a social enterprise. Finally, an enterprise can absorb a social enterprise that already exists in its area within its value chain to make the most of its knowledge and economies of scale.

SOCIAL ENTERPRISES

Social enterprises operate like businesses that pursue profit, but prioritise the social approach; profits are

¹⁰ AVINA, "Más logros en Argentina", available at: Avina.net.

¹¹ CORFO, InnovaChile, Concurso Programa de Innovación y Emprendimiento Social (2012), "Glosario de términos referenciales", Chile.

¹² ASHOKA, ASHOKA Changemakers (2011), "El rol de las empresas sociales en la generación de empleo", available at: <http://www.changemakers.com/es/blog/el-rol-de-las-empresas-sociales-en-la-generacion-de-emp> [Latest update: August 2012].

TYPE 1 SOCIAL ENTERPRISES - FONDO ESPERANZA | CHILE

In 1966 Fondo Esperanza started out as an organisation to improve the conditions of the neediest, but since 2002 it has set itself the goal of providing financial services to people with low incomes. Currently, it is one of the largest micro-credit entities in Chile. In 2010, it already had 30 offices throughout Chile, 39,000 customers, and a repayment rate of 99%. Fondo Esperanza offers micro-enterprises small loans, following the same method of micro-credits as Muhammad Yunus and his Grameen Bank. In this case, the Fondo Esperanza Community Banks offer loans to groups of 25 people in the same sector, to help them develop their business and employment skills.

TYPE 2 SOCIAL ENTERPRISES - HECHO EN BUENOS AIRES | ARGENTINA

The magazine Hecho en Buenos Aires (Made in Buenos Aires) has been published since the year 2000. It is linked to a social enterprise because the magazine is sold in public places by people who are unemployed or marginalised.

The magazine is written by professional journalists, and covers subjects of general interest, current affairs, the environment, social issues, art, shows and culture, but also reports on issues that affect people on low incomes. The people who sell it receive 70% of the sale price and the remaining 30% is used to cover administrative costs and product maintenance.

Its company mission is to generate employment through sales of the magazine and to help sellers' social reintegration.¹³ More than 2,400 people have passed through the organisation, for whom selling the magazine is a bridge towards a better life.

Furthermore, Hecho en Buenos Aires works on other community projects and directly offers its salespeople basic services that improve their social and economic situation, such as: emergency accommodation, legal advice, showers, internet, support, Human Rights and citizenship workshops.

BASE OF THE PYRAMID BUSINESSES (BOP) OR INCLUSIVE BUSINESSES

Base of the Pyramid (BoP) businesses or inclusive businesses are the way in which companies change their operations and business model to include and create benefits for people in a situation of vulnerability. The BoP is made up of the poorest segments of society, especially people who live below the world poverty line.¹⁴

These businesses adopt market strategies that offer poverty relief to BoP communities. Their interest lies in understanding poverty as a consequence of exclusion from globalised markets, meaning that their focus is on

inclusion and insertion. These strategies seek to make BoP communities market participants in three ways:

- As consumers of the company's goods/services
- In the company's value chain as suppliers
- In the company's value chain as distributors or employees

The first definition of Base of the Pyramid businesses included BoP populations solely as consumers. It was based on the definition by Prahalad and Hart, established more than 10 years ago. Recently, the definition has been extended; the University of Cornell has evolved the model by viewing the most vulnerable not only as consumers, but also as agents for change in the production chain.

BOP AS CONSUMERS – SODIMAC | CHILE

Sodimac is a company based in Santiago de Chile which commenced operations in 1952. The company sells tools to make Do It Yourself improvements. Its inclusive business is called Círculo de Especialistas (CES, Circle of Specialists), and was created in 2005. The CES, which includes contractors and specialists with no formal qualifications, offers courses and programmes to the unqualified specialists to instil good trade and commercial practices and to enable them to become familiar with the products sold by the company. In five years since the start of the programme, through various fairs, more than 20,000 members have been trained, and more than 3,300 university scholarships issued to professionalise the members' trades. Since 2008, additionally, if a specialist demonstrates a commitment to the Sodimac brand, he can obtain further benefits by joining the CES PRO program.

The company's image improved for 93% of the specialist beneficiaries. Due to improvements in their skills, some specialists have become entrepreneurs who generate employment in their communities. Sodimac has managed to assist 55% of surveyed specialists hire other people to strengthen their own business activities.¹⁵

BOP AS SUPPLIERS – NATURA | BRAZIL

The company Natura was founded in 1969 in São Paulo, as a small beauty products shop. The company's Ekos line included BoP in its business strategy by making rural communities in Brazil and other Latin American countries its suppliers. Now, there are more than 20 groups of small rural producers that harvest the resources for Natura products and local craftsmen who assist in manufacturing the finished product.¹⁶ Relations with the communities and the environment are based primarily on respect. Natura has a relationship with its suppliers that is not based on exploitation and that prioritises a long-term vision. Natura also has its own certification process guaranteeing joint production with BoP communities.

13 Fundación Argentina de Las Empresas Sociales, available at: EmpresasSociales.org.

14 According to the World Bank, 2 US dollars per day.

15 SNV/WBSD (2010), "Negocios inclusivos: Creando Valor en América Latina".

16 Salamon, Lester (2010), "Rethinking Corporate Social Engagement: Lessons from Latin America", Kumarian Press.

BOP AS EMPLOYEES AND DISTRIBUTORS – BIENESTAR EN CASA DE NESTLÉ | PERU

The Bienestar en Casa de Nestlé Peru initiative began in 2009 and includes BoP in its value chain as distributors. The company made an investment and changed its sales structure to adopt a multi-level strategy with a view to including BoP. Nestlé offers people from BoP the opportunity to generate income by selling its products; many choose to do so directly and by catalogue. Integration between the company and the BoP is supported by the Dutch Development Cooperation Service (SNV).

Nestlé's good results are due to the fact that it opened a new sales channel for its products, generating a cost saving in its regular distribution processes. In 2010, it supported more than 350 people to develop and improve their sales capacities generating an increase in their monthly income with an average profit margin of 19%. At the same time, the programme promotes the credit culture among women, providing them with greater opportunities to access the official financial sector in future.¹⁷

B CORPORATIONS

B corporations are a new type of enterprise that adopts a system of transparency that is not usually taken into consideration by CSR. B corporations seek to change the business system to facilitate the inclusion of social considerations. In this sense, they have a legal structure that encourages decision-making that is not only well-viewed by shareholders, but also by society.

B Lab in the US is responsible for the certification process and is working with Sistema B towards its implementation in South America. B Corporation certification implies:

- A free assessment of the company with information regarding the perception of other actors, including local authorities, employees, the community, and environmentalists.
- A more complex assessment with a B Lab employee (or Sistema B in South America), and the presentation of supporting documentation regarding the company's social and environmental policies.
- Adoption of the B Company legal framework, which usually requires an amendment to corporate documents to incorporate social interests.
- 10% of a B company's operations are visited at random for a company inspection.

The GIIRS (Global Impact Investing Rating System) is carried out by the B Lab organisation, which rates companies using corporate analytical methods. These ratings

are available on their website so consumers can support corporations that represent their values, and to encourage investors to allocate their capital to investments with the greatest impact. The website encourages governments and multinationals to implement sustainable policies.¹⁸

B Lab offers tools for implementing social and environmental considerations in enterprises as well as social investments. B corporations are growing in Latin America, and the B System organisation is currently working towards the adoption of B Lab certification agreements and their legal acknowledgement in each country. To date, the plan is to cover Chile, Argentina, Brazil, and Colombia.¹⁹

CO2 BAMBÚ | NICARAGUA

CO2 Bambú is a company that designs, manufactures, and builds eco-housing in impoverished areas of Nicaragua. The company receives contracts to build bamboo houses from governments, international institutions and NGOs, with a view to mitigating pre-disaster risks and promoting post-disaster responses and social housing. Finally, the company develops local economies. For example, in RAAN, an indigenous region in Nicaragua, it created a source of employment when unemployment rates were 85%. The company unites the efforts required for generating positive impacts: job and wage creation, cultural preservation and shelter, and environmental impacts for reforestation and CO2 capture. In this sense, CO2 Bambú places social considerations ahead of profitability.

¹⁷ SNV/WBSD (2010), "Negocios Inclusivos: Creando Valor en América Latina".

¹⁸ Certified B Corporation, available at: BCorporation.net.

¹⁹ Goldmark, Alex (2012), "B Corps go Global: System B certifies South American Social Enterprise", Good Business.

Corporate Volunteering for social innovation

Social innovation strategies are ideal opportunities for combining with Corporate Volunteering (CV) programmes. This type of programme seeks, among other objectives, to change the relationship between a company and the community in which it operates; attending to the company's and community's needs. In addition, social innovation strategies pursue a change in the relationship between enterprises and communities, seeking to change prior notions which rarely took the proactive role of communities into account.

CV contributes to this approach by offering opportunities to innovate, since collaborators can voice their opinions on the development of each project, abandoning the traditional practice of designing innovations from behind a single person's desk. Thus, social innovation can amplify the results of CV as in general it deals with more ambitious objectives.

Including a CV programme in the context of a larger CSR strategy offers visibility and multiplies the social impacts of CV programmes. At the same time, volunteers perceive that their work forms part of a transforming long-term activity, adding meaning to their job, through a goal linked to sustainable development on a major scale.

In short, CV can be considered not only as transversal to social innovation, but also as a factor that fosters

innovation. Designing and applying CV programmes in the context of social innovation strategies allows employees to focus their talent and energy on making the company innovative, not only in terms of the products and services that it offers, or its business strategy, but also in respect of social issues, representing a leap increasingly valued by society and even by the corporate world.

There are many opportunities for private companies to play an active role and develop CSR by including social innovation strategies. Any strategy can improve a company's image and its effectiveness on the path towards sustainable development; however, every company must review the possibilities to assess which strategy will work best for itself and its sector.

At the present time, it is necessary to incorporate the actors who provide knowledge and research into networks that articulate, offer training and incubation, and support the process of generating new companies or social initiatives which foster social innovation.

The ideas and the actors are available; now it is necessary to join forces and for the private sector to assume its role in implementing and making the most of the opportunities available. Lack of experience cannot be an obstacle: it is an opportunity to lead. The integration of social innovation strategies changes relations with the actors in society and promotes sustainable development as well as the creation of value.

IGNASI CARRERAS | INSTITUTE FOR SOCIAL INNOVATION | ESADE BUSINESS SCHOOL

“The involvement of senior management and the ability to evaluate and learn are two key factors for the success of Global Corporate Volunteering”

Ignasi Carreras is the Director at the Institute for Social Innovation at ESADE Business School, one of the leading centers for knowledge dissemination and training in the fields of Corporate Social Responsibility (CSR), leadership and social organisations management.

Carreras has been Executive Director of Intermon Oxfam, a reputed international relief and development NGO, where he worked for 17 years. Carreras is the author of books such as “Vivir Solidariamente” (Living in a spirit of solidarity), “Líderes para el cambio social” (Leaders for social change), and “Transformar con éxito las ONG” (Successfully transforming NGOs).

ABSTRACT

In 2012, the Institute for Social Innovation published a Study on Corporate Volunteering (CV) models in Spain.

In the same line, it organized a round table, “Lights and Shadows of Corporate Volunteering”, with the goal of discussing what was working and not working in the different existing initiatives of CV. That same year, the Institute also organized a workshop under the title “Added value of Corporate Volunteering: experiences and learning.” In this workshop, the companies VIPS, DKV Insurance and PricewaterhouseCoopers presented their learnt lessons on design and management of CV initiatives.

During the research process for the elaboration of the present publication, Carreras gave an interview to CODESPA in which he exposed the most important keys that, according to the conclusions of the work carried out by the Institute of Social Innovation, make CV initiatives successful.

Throughout the interview, Carreras talks about the evolution process of CSR for Development (CSR+D) and how it gets to the potentiality of Global CV.



IGNASI CARRERAS

It's a matter of achieving a suitable match between the NGOs speciality and the company's experience; the NGO's culture and that of the company; and in cases where they do not just work together periodically, but rather on a series of projects that share the same strategy.

Original text: Spanish

QUESTION: *In recent years we have seen an increase in the number of companies involved in development projects through different CSR initiatives. What is your view of this evolution?*

CARRERAS: I think companies were initially getting involved in development initiatives through some type of personal connection or motivation. It was a case of corporate professionals driven by some personal motivation to help combat poverty and in the development of societies, professionals who already were in contact with NGOs in a personal level; they identified where and how their companies could play a part and it was these professionals who convinced their companies to get involved in development projects. What used to be a personal initiative is becoming firmly established within the corporate sphere.

What used to be a personal initiative is becoming firmly established within the corporate sphere

This is a positive change, provided that the company's contribution is in response to a specific need which has been identified by an NGO working on the ground and requires the experience that the company can bring. Further, the company must understand that in order to meet these specific needs requires a senior, specialised professional to be expatriated for a period of time.

I understand that there are companies that get involved in development projects because they have specialised professionals, they are interested in helping NGOs, particular causes and countries... However, I also understand that companies are starting to realise that they can acquire experience in other cultures and in very different settings; this is fantastic for developing managerial skills, technical competencies and especially for reinforcing people's motivation and their sense of being part of the company. And this is where I see this shift from personal to corporate initiatives.

QUESTION: *To what extent do you consider it beneficial for companies to incorporate initiatives that aim to combat poverty into their CSR strategy? What motivates companies to get involved in development cooperation initiatives?*

CARRERAS: Companies are interested in extending their knowledge and their presence. Many of the companies that develop initiatives to combat poverty are global and are present in areas where the development project is going to be carried out. This is the case especially for

projects in Latin America and Asia whereas in Africa the motivation is somewhat different.

Carrying out CSR work in these areas gives companies local presence and offers the opportunity, through Global Corporate Volunteering (CV) to combine the skills of expatriate personnel with local skills. Companies in turn acquire experience, recognition and reputation.

Companies increasingly want to go beyond making solely financial contributions. They want to focus their community projects on issues that are related to their strategic position, to what the company knows about and wants to do. And therefore, they want to work with fewer organisations but in a more strategic way and they want to contribute more than just money: their knowledge and experience.

In this transformation of the company's vision, Global CV, which is more professional, works very well. It has an epic, singular quality which at the same time allows the company to be strongly associated with the contribution it has made. And the company can publicise its Global CV activities and use them both internally and externally as something that sets it apart from other companies, since it reinforces both the company's reputation and an employee's sense of being part of the company and the pride they take in it.

QUESTION: *In recent years, terms that are intimately related to corporate business strategies such as inclusive business, responsible supply chain management, Base of the Pyramid products, etc., have become part of the CSR debate at international level. What can motivate companies to put these ideas into practice as part of their business strategy? Do they know how to go about it? What can they do to begin to create this type of initiatives?*

CARRERAS: I think it can be interesting to view Global CV as a tool for creating an inclusive business strategy; however, this is not the approach companies adopt at the outset.

The major advantage of Global CV is that it provides a different way of looking at things compared with that of NGOs. Undoubtedly, the contribution made by corporate professionals to the work of NGOs brings creativity and

I think it can be interesting to view Global CV as a tool for creating an inclusive business strategy however this is not the approach companies adopt at the outset

innovation to the solutions that are formulated to tackle new, or not so new, social challenges.

In response to social challenges a tool known as “cross fertilization” is very effective. This involves people from different backgrounds, cultures and experiences getting together to discuss, debate and jointly devise and develop ways of tackling social challenges. People from NGOs come into contact with corporate professionals on the ground, with pressing issues at play in a development setting and this combination of profiles generates a great deal of creativity.

Therefore, based on this, the company has a lot to work on. One of the elements that the company can take advantage of is discovering its potential to develop new products and services as well as new markets among low income categories where the company is not present. However, I think this is a spin-off, I don't believe that companies' intend from the outset is to discover their potential for inclusive business. I believe it's more a case of the company's employees having spent a period of time responding to certain social needs in a non-profit setting and these professionals, who after all, come from the corporate world, come up with business ideas based on how their companies could meet these needs. And when they come back from their mission or when a civic mass of employees has been on a volunteering assignment, this generates discussion about business opportunities and how the company's products could contribute to development.

QUESTION: *What do you think differentiates Global CV from other types of CV?*

CARRERAS: It is certainly the form of CV that requires the most planning. This type of volunteering has a great deal at stake. It entails coming into contact with people in very difficult situations and requires significant effort all-round: from the intermediary NGO, the corporate volunteer, and the local host organisation. If it is successful, the benefit can be a major advancement. However, if it fails, it can hinder further cooperation between the company and the NGO.

This means there can be a great deal of added-value in this type of CV. It is in highly adverse situations that

the potential for transformation and radical change is greatest.

Therefore, combining experienced corporate professionals that work hand in hand with organisations that allow them to get to know other cultures and other settings in a context of cooperation, can have a huge impact on the project.

I very much believe in a type of professional volunteering that is more profound, where a need is discovered which requires a specialised solution that the company has the capacity to provide.

QUESTION: *What do you think is necessary for Global CV programmes to work better? How do you think this differentiating factor could be maximised?*

CARRERAS: The initiative must come from the NGOs. If the NGO specialises in certain areas and skills and identifies a series of challenges and innovations that it wants to incorporate into its approach to development, the NGO will be careful to find companies that are working in these areas with CSR policies and a corporate culture in favour of providing professional volunteers. This generates strategic cooperation whereby the NGO and the company think about the challenges jointly.

It's a matter of achieving a suitable match between the NGOs speciality and the company's experience; the NGO's culture and that of the company; and in cases where they do not just work together periodically, but rather on a series of projects that they all share the same strategy. And when I say NGOs, I am referring to both intermediary NGOs and local organisations that work on development cooperation projects.

QUESTION: *In a recent study that was conducted by ESADE, the impact of the different CV models is discussed and 5 success factors emerged: How do you think these success factors apply to the Global CV model?*

CARRERAS: Through this research on CV we came to the conclusion that there are five success factors:

1. Involvement of senior management
2. Allocation of resources
3. Action based on real needs
4. Properly devised processes and implementation
5. Ability to evaluate and learn

We could say that when the first factor, the involvement of senior management, and the last, the ability to evaluate and learn, are both present, the other factors automatically fall into place.

I very much believe in a type of professional volunteering that is more profound, where a need is discovered which requires a specialised solution that the company has the capacity to provide

If senior management is involved but there is no ability to learn, a lot can be done, however, no real progress is made. On the other hand, if senior management is not involved, the CV activities carried out may lack content.

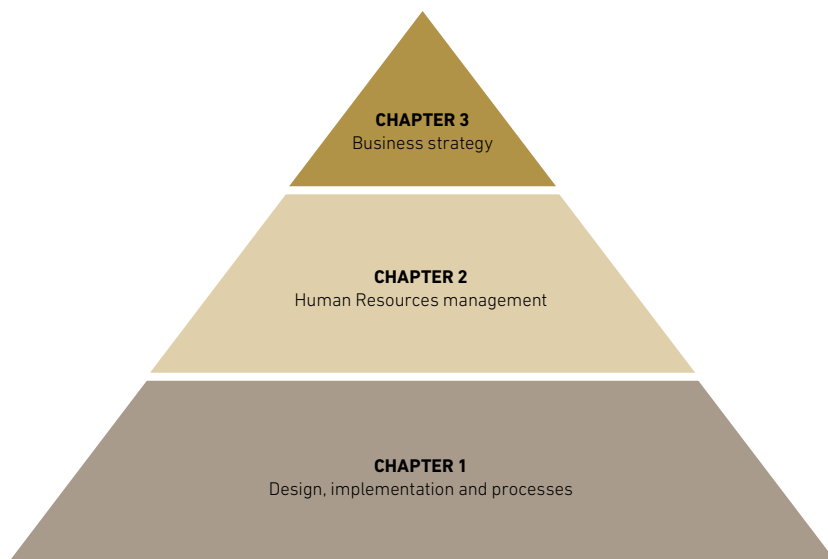
However, if both factors are present, it follows that the company will ultimately provide sufficient resources; it is very clear that the aim is to achieve social impact and to cater for real social needs and not just what the company wants to do; and finally, emphasis is placed on having a well-devised plan to create adequate processes. The main challenge is combining the first and the last factor because this means that the company wants to improve and do so sustainably.

QUESTION: *To conclude, what do you think is required for companies to get involved in development initiatives?*

CARRERAS: Companies of the future are competitive, innovative and have a global, international vision. And at the same time, they want not only to be competitive but also responsible.

I believe that Global CV programmes reinforce this international dimension of the company's employees: It allows them to be creative and innovative in very different settings and reinforces the sense of making an impact to improve society. And this entails making a contribution to building a better world but also to creating more competitive companies.

Global Corporate Volunteering in P



ractice

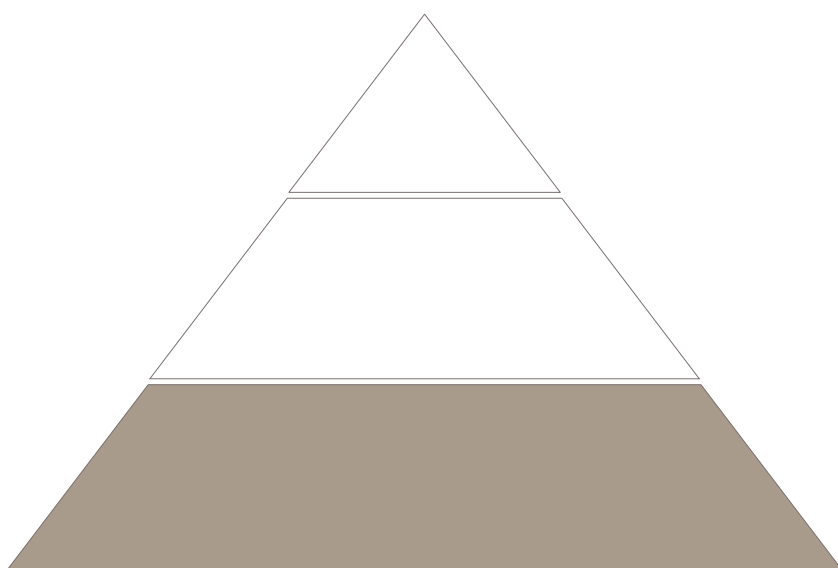
PART 2

INTRODUCTION

Following the introduction to the most general concepts and context of Global Corporate Volunteering (CV) in the first part of this book, we now look into three key aspects of the practice and debate surrounding Global CV:

- how to begin exploring, implementing, and starting up a programme of this nature
- what potential is available regarding Human Resources management and how to make the most of it
- how to maximise programme outcomes by aligning them with business strategy

Through the experience and vision of experts in the subject and using real examples presented in the form of case studies, this second part of the book deals with critical questions, difficulties, challenges, and opportunities that Global CV initiatives can present. All with an emphasis on the good practices that leading companies in different sectors have learned, developed, and successfully put into practice.



Design, implementation and processes in Global CV

CHAPTER 1



Introduction

How to build a Global Corporate Volunteering programme from scratch

Ever since the corporate sector started to become involved in finding solutions to the world's major problems, one of the keys to improving companies' contribution to development has been dialogue and the nearing of approaches between the private sector and the third sector. Under Corporate Social Responsibility (CSR) strategies, Corporate Volunteering (CV) positions itself as one of the initiatives that offers a higher potential for impact on solving problems and on raising society's awareness and involvement.

Given the benefits, impact, and attractiveness of CV as a whole, and especially of Global CV, a growing number of companies are exploring and incorporating this type of initiatives into their CSR policies and activity.

Having made this decision, there are many options to be considered, and the steps to follow are full of uncertainty; especially, because CV tends to be a new and different field for the managers and persons responsible for implementing CSR programmes in the company.

Therefore, it is fundamental to have guidance on how to begin studying and implementing VC programmes in general, and Global CV programmes in particular.

The essays

When CV is approached with an international perspective, we are speaking of the possibility for Global Corporate Volunteering. This model's high potential impact also entails a high level of organisation and coordination. From its vast experience working on Global CV programmes, CODESPA Foundation offers in its essay **"Practical guide for implementing Global Corporate Volunteering programmes. The model of Professionals for Development of CODESPA"** practical and didactic advice about the stages to follow and the keys to success in implementing a Global CV project, underlining critical aspects for achieving success and impact on each and every participant.

When the company has no experience or prior CV initiatives of any type running, an approach from the base is required. In this respect, Jarvis and Parker, experts in CV and founders of Realized Worth, offer us through their essay **"Seven steps for success. A guide to start CV from scratch"**, essential guidelines to begin exploring this type of programmes and achieving successful implementation. Using tools and language from the business world, they present a self-analysis and inspection procedure where each step includes specific actions, milestones, and resources.

In their essay, Jarvis and Parker mention that to guarantee extensive participation in CV programmes, it is fundamental to identify the key group of employees needed to succeed.

In this regard, the third essay, **“The key role of the Supervolunteer. Ambassador, source of inspiration, and motivator”**, introduces the figure of the “Supervolunteer”, that person within the company who is dedicated, committed, and who drives volunteering work thanks to his/her enthusiasm and skills. Through an interview with a Supervolunteer and an example of supervolunteers from Barclays in Kenya, the essay reflects on the potential of these supervolunteers to boost and influence the work environment and the image of the company. With their capacity and enthusiasm to lead and encourage, supervolunteers become key partners for CV managers when it comes to implementing CV initiatives that will benefit all participants.

And the fact is that the key for any project to succeed is for all participants to benefit. To achieve this, the enterprise and the NGO need to find a meeting point where their interests converge. Poyatos, Deputy Director of Fundar, a reference NGO in volunteer management in Spain, presents in his essay **“Corporate Volunteering from the perspective of NGOs and beneficiaries. Proposals to boost its impact and benefits”**, the point of view of the NGOs and beneficiaries of CV, offering guidance on how to achieve understanding and guarantee the sustainability of the relationship between the company and the NGO, key to pave the way to a partnership with a high social impact.

Along the same lines of building and nurturing that relationship between company and NGO, based on her broad experience with Business in the Community as a facilitator and intermediary agent, Todd presents in the essay **“The role of matchmaking initiatives. A bridge between business and social world”** how employee participation in the community is one of the most successful ways of achieving an interesting dialogue between the company and the community. In this sense, she highlights the orientation towards long-term partnerships between companies and NGOs, and the key role played by organisations that facilitate understanding between the different terrains and languages of companies and communities.

To end this chapter, in the last essay, **“Global strategies, local projects. Design of CV initiatives adapted to employee contexts, interests, and motivations”**, Telefónica Foundation offers ideas that can serve as reference and inspiration for CV managers. These are lessons learned through experience with the Voluntarios Telefónica programme, the initiative that channels and promotes the social commitment of Grupo Telefónica employees, and that has become a reference institution for its CV initiatives in general, and Global CV in particular. The essay deals with questions such as managing CV from a business foundation and on a global and local scale, and presents keys to achieve success in the implementation and development of CV.

Case Studies

Three case studies help us to learn in detail how very different companies have created and succeeded with their Global CV programmes. Each case shows how their managers have implemented and developed these programmes adjusting them to their own circumstances and goals.

The **“la Caixa”** financial institution case study presents the creation, implementation, and evolution of a programme whose main objective is to maximise the social impact of volunteers’ actions. For this reason, volunteer coordination and motivation constitute key elements.

The **NH Hotels** hotel chain reflects through its programme on how an enterprise can learn about and develop the potential of its involvement in poverty relief initiatives through Global CV, and how a particular positive experience can give rise to a new strategic line of Corporate Social Responsibility for Development (CSR+D).

Finally, the analysis of the **Canal de Isabel II** initiative, a company responsible for the water-cycle management in Madrid, Spain, shows how to coordinate a group of volunteers available for emergency interventions as well as development cooperation, and how to manage expectations when there is a discrepancy between the number of volunteers available and the number of opportunities for volunteering.





CODESPA FOUNDATION

Practical guide for implementing Global Corporate Volunteering programmes

The model of “Professionals for Development” of CODESPA

The **CODESPA Foundation** is a non-profit organization without political or religious purpose and with more than 25 years of experience in the field of international development cooperation. CODESPA believes in the human capacity to build a more just and equal world. Its’ mission is to provide people with work opportunities so that they can develop their own capacities and be protagonists in their own development. CODESPA’ areas of specialisation are access to microfinance, markets and job training. The Foundation manages over a 100 projects in 17 different countries in South America, Asia and Africa through nine international branches.

ABSTRACT

The particular features that underpin Global Corporate Volunteering (CV) also generate its greatest benefits and potential for impact on all participants, both in developing and developed countries. At the same time however, those same features and the participation of multiple agents require these programmes to have a high level of planning and coordination among all the actors involved. With a practical focus based on more than ten years of experience working on Global CV programmes, CODESPA presents in this essay the different steps to follow in order to successfully implement a Global CV project.

With this clear model as developed by CODESPA and The Boston Consulting Group, the essay becomes a guide for Corporate Social Responsibility (CSR) and CV managers, as well as for NGOs willing to embark in the partnership that these type of initiatives entail. For each of the phases of the process, from project and actors assessment to final evaluation, the guide includes the activities to be carried out and the success factors to be taken into consideration to make the process smooth and ensure the desirable successful outcome and impact.



In 2001, CODESPA developed the Global CV programme “Professionals for Development”. After more than 10 years of experience, CODESPA wants to share the main learning outcomes of this initiative, in which almost 150 employees of companies such as PricewaterhouseCoopers, Carrefour, and KPMG have participated. These employees have contributed their professional skills to improve the quality of life of thousands of people who work with CODESPA.

The Professionals for Development programme was created as one of the pioneer initiatives in Spain in the field of Global CV.

Through this programme, companies and employees join to carry out volunteering work in CODESPA projects aimed at the eradication of poverty and the improvement of quality of life for people in developing countries.

The programme has a twofold objective: to involve enterprises and employees in the fight against poverty; and to generate awareness among the rest of the organisation and society as a whole of the problems faced by developing countries, and how their potential solutions are within the reach of any enterprise.

After 10 years of implementing the programme and numerous enterprises and volunteers taking part, the project has been revised with a view to maximising its impact as it brings together the values and objectives of enterprises, employees, local communities, and CODESPA. The pro-bono collaboration of The Boston Consulting Group has provided a full revision of the programme's procedures and the roles of each party involved. The goal was to systemise and formalise the process that has been developed, and to identify the key factors that guarantee the success of these type of programmes. The experience of managing more than 20 programmes with different companies in different sectors is the basis for the presentation of our model below.

The model we have produced consists of four phases that describe the path to follow to guarantee good management of a Global CV project. Next, we describe the steps involved in each of these four phases and mention critical factors to be taken into account to maximise the impacts and benefits that Global CV can generate for all parties involved.

Global CV: Characteristics, benefits and potencial

Global CV is a type of volunteering that is promoted from within enterprises and their employees, and implemented in developing areas with the intention of improving the quality of life of impoverished communities. These initiatives are one of the best tools for transferring to these zones the technical and professional knowledge of enterprises' and their professionals, whilst at the same time, reinforcing the values of the enterprise, employee skills development, and integrating employee contribution and participation in enterprises' Corporate Social Responsibility (CSR).

PARTNERS FOR DEVELOPMENT

An example of a win-win partnership

In Global CV initiatives, the enterprise and the facilitator NGO become partnerships for development, working as a team and each one bringing in their own specific capacities to ensure the success of the joint project

Unlike other types of volunteering, Global CV is characterised by several specific elements:

- **Professional volunteering.** The activities of the volunteer are directly related to his/her knowledge and professional experience, aimed at promoting the transference of knowledge and capacities.
- **Length of the volunteer's intervention and greater investment per person.** In order to guarantee that the employee's volunteering produces a greater impact, the action's length has to be no less than two weeks. For this reason, in the cases in which volunteers have to travel, investment per employee is relatively higher in comparison with other kinds of volunteering.
- **Company's commitment to the eradication of poverty.** The companies which incorporate these programmes have evolved towards the establishment of a comprehensive and permanent commitment to with the development of impoverished zones. Moreover, it would be desirable for the NGO or social programme and the company to get to know each other and have a reliable relationship, based on previous joint work experiences.
- **Volunteering with a high level of training and awareness.** The employees involved in this initiative are volunteers with a high commitment, trained to face reality and the context of poverty in which they will implement their action. This way, prior to travelling to the intervention area, the volunteer is involved in the definition and planning of the work on the spot and receives training and awareness focused on cooperation.
- **Communication and coordination between the different social actors and people is required.** Communication and coordination are key among the parties involved, which are people and organisations whose profile and view of reality is highly diverse but who will be working together toward the same objectives.



A Global CV programme has to be shaped by different related actors. Likewise, the organisational structure between them can have different shapes and their interrelations can flow in several directions.

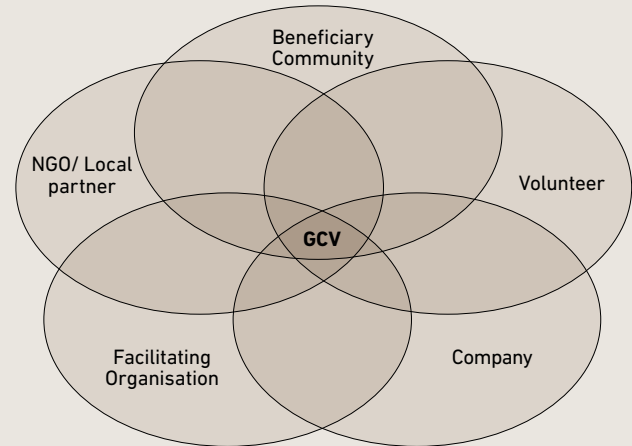
Even though the actors can change in terms of the possibilities of the programme, the ideal perspective of the roles of the interrelated actors should be as follows:

- **Employees of the company**, who become corporate volunteers. They are employees who offer their professional knowledge and experience at the service of development.
- **Company**, the organisation which supports and incorporates volunteering in its social action. The agent who represents the point of view of the company is usually the CV programme manager or the person in charge of CSR. Taking into account the point of view of the company and its relationship with the developing country, different starting points for the management of Global CV programmes can be considered:
 1. Multinationals which are present in the developing country and want to broaden their CSR in the interest groups of the area¹.
 2. Companies with no presence in the developing country which, within their social action, believe that poverty is a global problem and act driven by their commitment to its eradication.
- **Facilitating organisation**, represented by an international NGO with experience in cooperation and with a working structure linked to developing countries. This organization coordinates the whole process and the different actors.
- **NGO or local partner**, which works as the counterpart of the facilitating organisation in the developing country. Occasionally, the facilitating organisation works directly in the community and thus, its own staff substitutes this actor.
- **Beneficiary communities**, the people for whom the project is carried out and who will benefit from the impacts of the programme.

Despite the fact that actors can vary, there should be a common feature of the Global CV programme to be implemented successfully. This premise concerns the two actors who usually begin the process: the company and the facilitating organisation.

¹ A variant would be those companies with headquarters in the developing country that, within their social action, dedicate efforts to the eradication of local poverty in the environment in which they are settled. In this sense, the exchange of culture and realities would not be as significant as it is in Global CV where the experience is transnational.

ACTORS INVOLVED IN GLOBAL CV PROGRAMMES



Source: BCG interviews, CODESPA experience

Taking into account the programme model and what it entails, all participating agents are at the same time, beneficiaries in one way or another. In several specialised meetings and forums, the organisations working in Global CV field have agreed on the idea that these initiatives, when managed correctly, offer interesting benefits for the stakeholders.

BENEFITS OF GLOBAL CV PROGRAMMES FOR THE DIFFERENT ACTORS

Beneficiary community and local NGO	Company	Volunteers	Facilitating organisation
<ul style="list-style-type: none"> • Contribution to the improvement of quality of life • Learning of new knowledge and skills • Becoming familiar with different realities and cultures 	<ul style="list-style-type: none"> • Improvement of the organisational environment: motivation, satisfaction, and sense of belonging of the employees • Attraction and preservation of talent • Differentiation and improvement of corporate image • Positioning in the CSR field • Possibility of discovering new markets and environments in which the company can develop • High involvement of the employees in the social action of the company 	<ul style="list-style-type: none"> • Increased satisfaction in work • Learning of new skills: leadership, management of work in unusual environments, adaptation • The experience of working in other culture and in a developing country 	<ul style="list-style-type: none"> • Possible starting point of a deeper collaboration with the company • Use of specialised human resources for technical assistance in projects • Increased satisfaction of the staff due to sharing knowledge

Phases and keys for setting up Global Corporate Volunteering programmes

The Professionals for Development programme promotes CV actions that allow enterprises' to participate actively in poverty relief initiatives by contributing with their qualified employees. The programme seeks to optimise the opportunities provided by CV, as part the enterprise's CSR, as a tool for making a substantial contribution to development. At the same time, volunteers obtain an extremely valuable professional and life experience and the enterprise gains access to a social reality that it is capable of transforming and that can be a source of social innovation.

As we will see below, the benefits of the working philosophy that permeates the Professionals for Development programme are many and the experience and learning of more than 10 years of work in this field confirm the model's potential.



Volunteers of the Spanish media group Antena 3 developed promotional materials for a Community Tourism initiative of CODESPA



MANAGEMENT PROCESS OF GLOBAL CV PROGRAMMES

As already mentioned above, combining experience, research and analysis, CODESPA and The Boston Consulting Group have formalised the implementation process of Global CV programmes based on a structure of four phases:

CODESPA and BCG have formalised the implementation process of Global CV programmes in a structure of 4 phases and 11 success factors



Each phase covers several groups of activities and tasks that constitute the main pillars of the process and throughout the **four phases eleven success factors** have been identified: integration into the company, potential impact of the project, communication throughout the

whole process, understanding the context and environment of the intervention, profile of the volunteers, commitment with objectives, management of expectations, periodic monitoring, permanent information flow, formalising the evaluation, and promotion of awareness.

Key success factors in the implementation of Global CV programmes

Integration into the company: To take the maximum advantage of the Global CV initiative and its social change potential, the programme must be integrated in the CSR policies and have the back-up of senior management, as well as the involvement of several departments in the company (Human Resources, Communication, Operations, etc.).

Potential impact of the project: The goals, impact and resources needed must be clear. The project must address social needs that can benefit of the specific capacities and know-how of the company.

Communication throughout the whole process: Good management of all communications as well as the elaboration of a complete and comprehensive internal and external communication plan is necessary.

Understanding the context and environment of the intervention: to adjust expectations and understand and manage the intervention.

Profile of the volunteers: Considering their key role, volunteers must have the necessary technical and personal skills as well as appropriate information and training.

Commitment to objectives: Volunteers must be involved in the planning process of their work as well as in the identification and assessment of needs, committing to the objectives of the project.

Management of expectations: to guarantee that both company and volunteers understand the potential as well as the limitations of the intervention.

Periodic monitoring: The establishment of points of reference and measuring systems facilitates the monitoring of the project and its final evaluation.

Permanent information flow: Constant and fluent communication among the different actors guarantees the quality of the work as well as the involvement and trust of the company.

Formalising the evaluation: The process of collecting inputs, analysing information and elaborating reports provides key tools to improve processes and future projects.

Promotion of awareness: Once the volunteering action has finished, it is essential to convey the experience to the whole company. It is also important for the volunteers to have the possibility of internally channelling any ideas or projects that, once integrated in the CSR area or even in the business side, could contribute to a bigger social contribution from the company. This implies creating the spaces for CV to contribute to promoting and giving dynamism to social innovation company processes.

This structure is key to making implementation easier and guaranteeing that the programme achieves its objectives in an organised and adequate way, considering all the important aspects.

Taking into account all the actors involved in Global CV (enterprise, volunteers, international facilitator NGO, NGO or social project in the country of destination, and beneficiaries), it is fundamental for all these actors be present in approaching the process.

The role of the international or facilitator NGO is particularly relevant when it comes to conceiving and managing the process. The NGO will act as the link and coordinator between the enterprise and the social project, and guarantee appropriate identification of the needs of the NGO in the destination country optimising the matching of needs with what the company can offer².

PHASES AND ACTIVITIES OF THE PROCESS

Below we present each one of the implementation phases of a CV programme, including the key activities to be carried out.

1. Identification phase

In this phase, the potential of the Global CV programme is defined and its coherence with the strategy, profile and policies of the company is determined.

The activities carried out in this phase are organised in three blocks of consecutive tasks:

1.1. Definition of priorities and objectives of the company

Although this work is mainly carried out by the company's managers and people responsible for the Global CV programme, the search for the maximum coherence of the programme with company strategy entails the support of the facilitating organisation to specify the objectives and benefits that the company pursues with the Global CV programme; define what kind of project is preferred regarding the field of intervention, geographical area and beneficiary community; adjust expectations to the reality of the environment and the potential of the intervention; define the resources that the company wants to dedicate, and plan the integration of

Guide for the implementation of a Global Corporate Volunteering programme

CODESPA Foundation has developed a "Guide for the implementation of a Global Corporate Volunteering programme" in which more information is presented on this type of initiatives and their implementation process; detailing the activities involved, highlighting the key success factors, emphasizing good practices, and including work template and tools to support and guide step by step the implementation of Global CV programmes.

the Global CV programme into the processes and different areas of the company.

1.2. Identification and analysis of the specific project

The facilitating organisation is responsible for building the basis of the Global CV programme by choosing an adequate project and a reliable local NGO. The facilitating organisation is in charge of looking for a project that fits in with a volunteering activity and with the objectives and priorities defined by the company; guaranteeing that the chosen project will be able to maintain a sustainable impact on the beneficiary community; defining the necessary resources and the contribution expected from volunteers, including knowledge and experience; defining the specific objectives expected from the collaboration with the company, and specifying a basic macro-schedule for the process.

1.3. Analysis of the coherence of the specific project with the strategy of the company

Company and facilitating organisation must analyse and specify the coherence and integration of the chosen project with the CSR of the company, particularly with the business strategy of the company, the existence of employees with the necessary technical skills, the suitability of the geographical area of the project with the international strategy of the company, the consistency of the type of intervention with the philosophy and internal values of the company, and the potential of the project for the company in terms of internal and external communication. It is also the moment to outline a work plan that guarantees that the programme fits with the resources made available by the company.

² In other countries, the facilitator NGO is referred to as the matchmaking NGO. However in our opinion, that definition is restrictive in the context of this essay because it does not convey the value that the international NGO provides and generates in the process.



2. Preparation phase

This is the phase in which the specific objectives of the project are aligned and specified. Six activity blocks are identified primarily mainly aimed at formalising agreements and preparing the necessary resources, both material and human, in order to carry out the project.

2.1. Formalising the collaboration agreement between the company and the facilitating organisation

Formalising the terms of the collaboration agreement implies defining the specific objectives of the programme and the resources available; specifying and defining the duties and roles of each agent, and assigning tasks and responsibilities; looking for resource leverage options, and defining the participating conditions of the volunteers.

2.2. Defining the communication plan

Communication work in Global CV programmes is a key element, both at an internal and external level. Communication management is a critical factor to achieve the common objective of raising awareness pursued by this kind of initiatives.

2.3. Choosing candidates

A selection process will be carried out in order to find volunteers personally and technically prepared to face the personal and professional challenge that a Global CV programme entails. The facilitating organisation and the company collaborate to define the particular profile of the volunteers; provide information in the company about the profile of volunteers and the initiation of the selection process; develop an interview guide; interview and choose candidates, guaranteeing the constant involvement of the company and the facilitating organisation decisive role in the final election of candidates; communicate the results of the selection process, coordinate volunteers for their training and subsequent work, and formalise their incorporation to the NGO.

2.4. Preparing the logistics and the trip of the volunteers

One of the crucial responsibilities of the facilitating organisation is to guarantee that the logistics of the trip are organised in a detailed and meticulous way. One of the main concerns of the companies has been the security of the volunteers during their stay in the developing country.

Guaranteeing the security of the volunteers, as well as ensuring they receive training and information and that their activities and working plan are adjusted to the context, are the main tasks of the facilitating organisation.

2.5. Managing the expectations and defining the specific objectives of volunteers

The experience and capacity of the facilitating organisation when preparing volunteers is one of the important added values of this collaboration. The facilitating organisation carries out an essential role training the volunteers who will be facing an unknown environment of poverty; guiding their role and attitude while working with impoverished populations; providing information about the country of destiny and about the NGO which carries out the facilitating task; organising volunteer meetings; explaining the project in detail; specifying the global aims of the work in a performance plan for each volunteer, and managing expectations about the project, the context, and the development of skills.

2.6. Informing the local partner and the beneficiary community

The communication and collaboration with the developing country actors and stakeholders is fundamental to guarantee the sustainability of the project and the expected impact. This impact has to be considered not only in terms of benefit for the community but also in connection with the goals of satisfaction and awareness of volunteers and, ultimately, of the company.

3. Implementation phase

In this phase, the different parts work to achieve the objectives established in the identification and preparation phases. The local partner and members of the facilitating organisation working in the country adopt a more active and direct involvement with the volunteers.

3.1. Welcoming and receiving the volunteers at their destination

Support the volunteers to help them adapt as quickly as possible, organizing their arrival to the country and their incorporation to their work.

3.2. Project management

The implementation of the volunteering action implies coordination among the facilitating organisation, the local partner and the

volunteers, and activities such as the introduction to the members of the beneficiary community; the call of meetings; reviewing and adjusting, if necessary, objectives; setting up field visits and monitoring meetings, as well as scheduling completion and project's closure meetings.

3.3. *Supporting the volunteers during their stay*

In order to guarantee the achievement of the goals of the project, personal development aims and subsequent involvement in awareness raising tasks, it is important that volunteers feel comfortable and in a safe and supported environment. For this purpose, the facilitating organisation at headquarters will have to commit itself to maintaining a periodic and direct communication with volunteers.

3.4. *Providing regular information and feedback to the company*

During the time volunteers spend overseas where the project is being developed, the facilitating organisation is responsible for informing the programme manager periodically of progress and changes in project development and volunteer conditions.

4. Monitoring and assessment phase

This is the phase in which the project is assessed. The facilitating organisation is responsible for the coordination and leadership of the process. For the company, it is the moment to focus on the implementation of the external communication plan.

4.1. *Collect and evaluate information and feedback*

The responsibility of the facilitating organisation implies grouping the project's objective and opinion information; analysing data, and preparing evaluation reports.

4.2. *Discuss reports and identify improvements for future actions*

As part of the learning process, the different agents who have participated in the Global CV programme have to meet to check results and impacts of the whole programme and the specific action of the volunteers. It is highly recommended to set up evaluation meetings with volunteers when they are back from their experience, to know first-hand their comments on the potentiality of the programme and the work done, compiling information on ways the project can be improved, and commenting on any issues identified during the evaluation process.

4.3. *Implement the internal and external communication plan of the company*

The implementation of the internal communication plan entails communicating the results of the project inside the company and measuring the scope and impact of internal communication at the different levels and areas of employees.

The adequate implementation of the external communication plan is essential for the culmination of the process. This phase entails communicating project results to the company's environment and measuring the scope and impact of external communication.

The management of the corporate image is a key element in the CSR area, and raising awareness and spreading the potential of the company as an agent for change is one of the most interesting factors of Global CV programmes.

Finally...

The successful implementation of a Global CV programme needs a reflection process carried out by the company.

Far from it being a sporadic action within or outside the CSR of the company, if maximum benefit is to be achieved from this economic, institutional and personal investment, aims and strategies for achievement must be established and defined. Some business decisions will have to be taken following corporate philosophy and culture.

In summary, some of the ideas to be taken into account when designing, implementing and assessing a Global CV programme are:

- Adaptation and alignment between the company and the facilitating organisation that will support the development and implementation of the initiative.
- Provide opportunities for the facilitating organisation to raise awareness and integrate Human Resources, communication and /or marketing departments.
- Commitment and joint work of the company and the facilitating NGO.
- Selection of volunteers in accordance with their professional abilities and technical skills and the needs of the project.
- Training and information of volunteers.
- Image and communication agreements between the company and the facilitating organisation.
- Monitoring and evaluation to incorporate the knowledge and improvements.





CHRIS JARVER AND ANGELA PARKER | REALIZED WORTH

Seven steps to success

A guide to start Corporate Volunteering from scratch

Chris Jarvis and **Angela Parker** are the co-funders of Realized Worth, a consulting company based in Toronto and Indianapolis that works with corporations to engage employees in citizenship programmes. The goal of Realized Worth is to elevate employee volunteering from a task-oriented activity to a transformative experience. Jarvis and Parker work with numerous companies of U.S.A and Canada, but also among their clients are the National Commercial Bank of Saudi Arabia and the Hong Kong company Text 100.

Jarvis and Parker write on several websites and have collaborated in numerous publications on Corporate Social Responsibility, citizenship and volunteering.

ABSTRACT

Volunteering is increasingly becoming one more part of the Corporate Social Responsibility strategy of companies. Though one may think that it is little more than traditional philanthropy, its exponential growth steams from its promised potential as a business tool. But adapting Corporate Volunteering (CV) to obtain the expected benefits for the business, community and employees, requires that companies plan and strategize their approach to CV from the beginning.

Through seven consecutive and detailed steps, this essay will guide managers to ensure they are taking into account all necessary considerations and actions to explore and implement CV programmes that return the anticipated benefits. From the very initial stage of internal and external research, including benchmarking, through keys to building teams and finding leaders, developing a prototype that fits and engages the company, to measure not only the outputs, but the impacts.

This paper is key to companies that for the first time want to look into CV, as well as for those companies who want to make sure their CV programmes are a success for employees, communities, as well as for business.



CHRIS JARVIS

Employees who volunteer are consistently more engaged than their non-volunteering colleagues. This insight translates into real dollars.



ANGELA PARKER

Corporations are full of people who long for meaning and autonomy in their lives, on both a personal and professional level. Companies can offer those values to their employees while simultaneously addressing the negative patterns of society.

Why the trend

Employee volunteering is fast becoming an expected part of a company's Corporate Social Responsibility (CSR) and Corporate Citizenship profile. The casual observer may conclude that this trend is little more than traditional corporate philanthropy with a new name. Certainly such an assessment would have some merit. There are numerous examples of corporations encouraging and even organizing volunteering activities for their employees over the past century. Yet the exponential growth of this current trend of employee volunteering is not due to philanthropic roots but rather the promise of unique and powerful business benefits.

For example, employees who volunteer are consistently more engaged than their non-volunteering colleagues. This insight translates into real dollars. Gallup estimates that in the UK, employees who feel unengaged at work cost employers upwards of \$64 billion every year. In the United States, that number jumps to \$350 billion. Employee volunteering can be an effective tool mitigating the costs associated with unengaged employees. Employee volunteering is also an effective recruiting tool. According to the 8th Annual Deloitte Volunteer IMPACT Survey, more than half (61 percent) of recent graduates surveyed said that they are likely to factor a company's commitment to the community into their decision if choosing between two jobs with the same location, responsibilities, pay and benefits. Surprisingly, that was true even among those graduates surveyed who rarely or never volunteer.

Yet these business benefits are not automatic; they won't magically appear through just any programme. Given that a successful employee volunteering programme requires significant time, effort and money, companies must consider whether the programme will be worth the potential return. If so, what then? How can companies, each with unique backgrounds and brands, determine the appropriate type and scale of a strategic programme? Finally, when all of these problems are put in their place, how does one begin? What are the first steps of implementing a Corporate Volunteer (CV) programme?

How to design and implement a successful programme

From the beginning, it is important that businesses strategically plan a programme that takes into account the specific goals and realities that their company faces. The following seven steps to employee volunteering success will guide your work to ensure your employee volunteering programme achieves the anticipated benefits for your business, your community and your employees.

- Step 1: Define Objectives
- Step 2: Match Corporate Volunteering with the Company
- Step 3: Design the programme
- Step 4: Designing for Engagement
- Step 5: Make Employees Participate
- Step 6: Set up Engagement Teams
- Step 7: Measure and Improve

STEP 1: DEFINE OBJECTIVES

As with any new venture, it is important to spend time becoming educated. When planning for a strategic employee volunteer programme, the first step is simple research. An online search of the term "Corporate Volunteering" will bring up a plethora of examples of the kinds of programmes in which companies are currently engaged. Read through these examples and list which ones pique the most interest; bookmark those articles to reference later. Consider calling one or two of the most interesting companies. Many managers of functioning volunteer programmes will be happy to have a conversation explaining their process.

Remember, this is just simple research. Others have already done intensive research and they're offering their findings for free. For example, Bea Boccalandro¹ of Boston College's Center for Corporate Citizenship has produced a report called "Mapping Success in Employee Volunteering: The Drivers of Effectiveness for Employee Volunteering and Giving Programmes and Fortune 500 Performance." Another essential read is Elaine Cohen's book "CSR for Human Resources." In the chapter dedicated to employee volunteering, there is a continuum that can assist companies as they're working to determine what type of programme to begin building.

Another key piece of information to start with is employee perceptions and understandings of the company's

¹ See in Part III of this publication Bea Boccalandro's essay "A productive end to employee volunteering."



CSR and community commitments. Often companies make assumptions regarding what employees know and feel about the company's CSR programmes that are woefully wrong. This misinformation will doom any programme from the very beginning. Similarly, external stakeholder's perceptions of the company's values and the expression of those values are essential to understand.

Gathering this information is not as difficult as might be imagined. Here are some actions that are relatively easy to perform:

A simple survey of several questions regarding personal volunteering, internal and external perception of the company's role in society and ideas for improvement will offer some very important insight.

You may also want to consider hosting a small number of focus groups comprised of six to ten employees. Ask questions similar to the ones above, but spend more time facilitating the discussion between employees. Make sure to take copious notes. A handful of phone calls to non-profits and community organizations will also be very helpful. They understand the issues and are aware of the complicating factors standing in the way of easy solutions.

Finally, be sure to compare your findings with other companies of similar size and industry. This information can be found online or through organizations such as ICEP, CODESPA Foundation, and the IESE Business School. For example, a widely accepted benchmark for employee participation in volunteering programmes in the UK, Canada and the United States is twenty percent. This information becomes helpful when attempting to set reasonable goals for your programme.

A way to define the objectives of a CV programme could be to compile a list of objectives; separate the list into the three categories that will be affected by the programme (company, employees and community), and choose the 3 or 4 top goals that appear to be beneficial for everyone

Once the CV space feels relatively familiar and you have a vision about employee perception of the company, begin with the end in mind by identifying the purpose and parameters of the CV programme. In what ways will the programme benefit your company? These goals should be based on ideal, desired outcomes; they will be adjusted later based on potential constraints. List as many objectives as possible. Some ideas are: recruits new talent, improves employee morale, develops new skills, and improves reputation.

After compiling a list of objectives, separate the list into the three categories that will be affected by the programme: the company, the employees, and the community. For example, take "recruit new talent" and place it in the category that benefits the company. Similarly, take "improve employee morale" and place it in the category that benefits employees. Some objectives will fit into more than one category. It is important that employee volunteer programmes are built to offer benefit to all three categories. When the objectives are separated into categories, choose the 3 or 4 top goals that appear to be highly beneficial for everyone.

STEP 2: MATCH EMPLOYEE VOLUNTEERING WITH THE COMPANY

Employee volunteering is not philanthropy. In order for the programme to function as a part of the company's CSR strategy, it is essential to create linkages with other functional and departmental strategies within the company. In some cases these linkages may be fairly obvious to establish.

In order for the programme to function as a part of the company's CSR strategy, it is essential to create linkages with other functional and departmental strategies within the company

For example, if an objective of the programme is to recruit new talent, it is important to learn whether or not the Human Resources department already has a recruitment strategy in place. If they do, are there ways to integrate employee volunteering with the existing methods? Go to each department that may have input on employee volunteering objectives and determine whether or not there is potential for working together. This process will not only provide essential information, it will begin to offer each department the opportunity to buy in to the employee volunteering programme before it even exists.

Before any real work can be accomplished, it is important to identify who in the company is likely to have a key role in the success of the programme. Bringing these people together to be part of a Project Leadership Team (PLT) is an important step towards widespread acceptance and integration of the programme. PLTs are typically comprised of managers from CSR/Corporate Citizenship, Public Affairs, Human Resources, Communications, and

Marketing. It is also helpful to include employees who are already committed volunteers in the community. Use your survey or focus group results obtained in step one to identify these employees and add them to your PLT.

Make your final list of people and plan to put significant effort into including them in the process of implementation. Speak directly with these people and ask if they would be willing to participate in designing and implementing the employee volunteer programme. Bringing a team together at these beginning stages will allow them to feel like the programme belongs to them. As they experience this sense of ownership, they will become strong advocates across the company.

Once you have finalized the members of the PLT, schedule a meeting to provide a common understanding of the concept and context of corporate volunteering. In a first step, make sure the PLT knows what you know. Review your research from step one and provide as much written material as possible beforehand, but be prepared to share this information and discuss your findings.

Next, have the group identify the following as they relate to employee volunteering: any established parameters and non-negotiables; successes and frustrations; and current issues that may need to be resolved in order to move forward. Remember, in order to feel heard and valued, the group must be allowed to openly express both negative and positive viewpoints. Facilitate discussion by asking questions such as:

- What do we know about our company's current approach to employee volunteering?
- What do we like about that approach? What do we dislike?
- What facts are not negotiable regarding employee volunteering at our company?

STEP 3: DESIGN THE PROGRAMME

Once you have briefed the members of the PLT, schedule a meeting to design your employee volunteer programme. This meeting will involve identifying the volunteer prototype, constructing a logic model and identifying the building blocks of your programme.

a. Volunteer prototype

An essential part of this step is the development of a prototype of the average employee who will be volunteering. In business terms, this is similar to identifying a target consumer base. When it comes to employee volunteering, understanding the average volunteer will enable the type of programme that

will yield high participation rates – not to mention the array of benefits previously outlined. To identify the volunteer prototype, begin by brainstorming all the possible segments of employees who would be interested in volunteering through the company. Next, choose three promising candidates and agree on one prototype. Finally, give the employee a name (the name is for the sake of further discussion) and fill in demographic characteristics such as income, marital status, etc.

After identifying this prototypical employee, choose an orienting question. For example, what would our employee volunteering programme have to look like in order to motivate our prototype to become involved? How does this align with the organization and ultimately with our prototype? After choosing an orienting question, work together to learn more about what the life of the prototype is like in order to determine exactly what kind of programme they would get involved with.

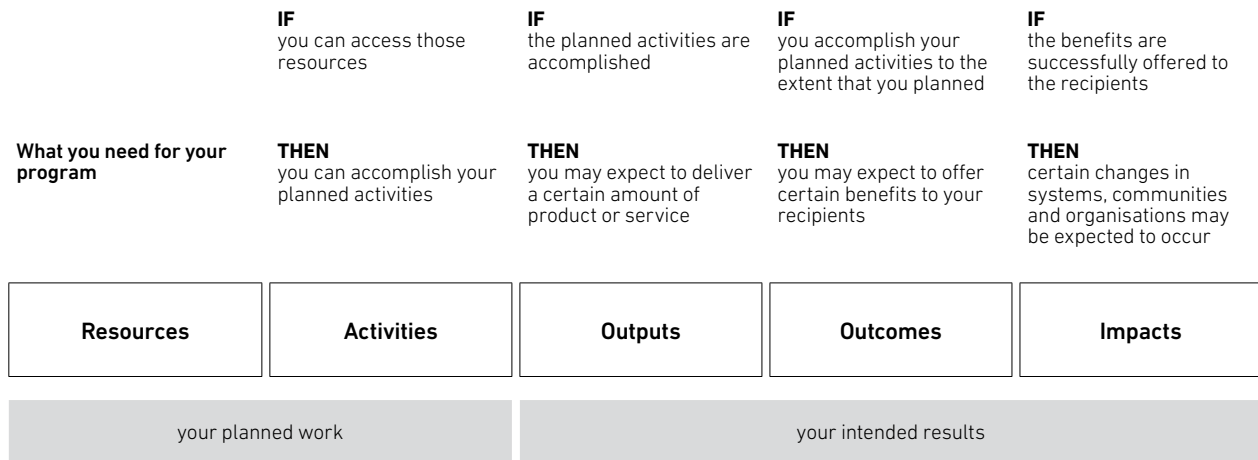
b. Logic model

For the Logic Model (also known as a Theory of Change Model), have the group identify key strategic components such as: the overall goal of the programme, the activities and resources, project potential outputs, intended outcomes, and desired impacts. (See figure below.)

This part of the meeting will be the key ingredient to collecting meaningful metrics before and during the programme's life-cycle. Utilizing the information from the understanding phase, the group should work to identify the five key components of the model as well as any gaps that may have required further considerations. Next, review the Logic Model and include any specific dates and numerical goals for as many of the intended inputs, outputs and results as possible.



LOGIC MODEL



c. Basic building blocks

Having developed the Logic Model, you can begin filling in the seven basic building blocks of the programme. You might consider utilizing the “Business Model Canvas” design process found in Osterwalder and Pigneur’s book “Business Model Generation.” The following questions are adapted from this process and are an effective means of creating a common language and shared expectations within the group. Either way, have the group work through the following questions:

1. What is the value proposition of our programme?

Why would employees want to participate in your company’s volunteering programme? What is it that you offer that makes the volunteer experience different from any other volunteering opportunity? Are there company resources or networks that will increase the impact of the employee’s volunteer experience?

2. Which employees are most likely to participate in the programme?

Have the group review the insights you gathered during the development of the Empathy Map. Pay attention to what your employees need and want.

3. What are the delivery channels we will use to communicate and reach employees with our programmes unique value proposition?

How do we raise awareness about the programme? How do we help employees evaluate the programme’s value proposition? How do we allow employees to

make the decision to participate in the programme? How do we clearly deliver on the programme’s value proposition within the corporate context? How do we provide ongoing support for employees attending the programme? How will we build the relationships necessary to acquire and retain programme participants?

4. How do we capture and share the positive outcomes and impacts of the programme with internal and external stakeholders?

What kind of relationships are you hoping to build with your employees through volunteering activities? How will you share information about the programme with the broader community? How will you establish and grow relationships between your employees and the community?

5. What are the key resources we have to use as part of the programme?

This is usually an easier question for PLTs to answer. Make sure the resources you choose line up with the strengths of your brand. For example, a bank may choose to work in microfinance but a pharmaceutical company may pursue volunteering events that promote health. Remember to refer to the outcomes and impacts you’re hoping to achieve as part of the Logic Model you developed.

6. What are the key activities of the programme?

Similar to questions regarding key resources, this is

a more obvious question to answer. Yet many companies stray from their core capacities and areas of expertise. Planting trees may be an easy volunteer activity to organize, but if you're a Bank, the impact you will deliver to your community is minimal. Worse, the value proposition of your programme is probably non-existent.

7. Who are your key partners?

What expertise will you need to draw on to effectively address the social or environmental issues of your volunteer programme? The right non-profit partner is essential to your success. Take the time to vet possible organizations and draw up a memorandum of understanding with the final candidate. Be clear about expectations and be sure to provide financial and other types of resources to enable them to meet those expectations.

STEP 4: DESIGNING FOR ENGAGEMENT

Having arrived at a basic programme design, the next step is to ensure that the model will work in the real world. Employee volunteer programmes require a lot of work to implement, maintain and grow. It's important to ensure that the employee volunteering programme is highly engaging. There are four conditions of an engaging volunteering programme to consider: Motivation, Space, Movement, and Structure.

Motivation:

Understanding the reasons why people participate is essential to discovering the programme's long term potential. When people volunteer for the first time, they are usually motivated extrinsically. This type of motivation is not intimate. While extrinsic motivations are important, they are not deeply rooted with the individual's personality. Eventually, if volunteering programmes are designed well, people will begin to discover their intrinsic motivations for volunteering. It is essential that people transition from a general sense of "it's the right thing to do" to highly personal reasons for volunteering. Why? Obviously the more someone is personally invested, the greater the commitment level.

Considering this reality, a word of caution is in order regarding incentives or compliance. Understandably, companies want to present a compelling case for employees to participate in the corporate volunteer programme. While this is not "forced volunteering," it runs very close to it. Employees will comply with these expectations to volunteer to avoid penalties and obtain the approval of

their supervisors. The unfortunate result is that the pressure provides "an external justification to which they can attribute volunteering, preventing them from internalizing it as a self-determined, intrinsically motivated choice."²

Have the team discuss the following questions:

- Does our volunteer event offer the opportunity to discover one's personal reasons for wanting to be involved?
- Do we know which employees volunteer on a regular basis and are we including them in a leadership role?
- Will people feel invited or forced to participate in the programme?
- What can we do to help people discover their own reasons for wanting to volunteer?

Volunteers will fall into one of three stages.

We call these stages the Journey of the Volunteer: Tourist, Traveller and Guide. Meeting people at their highest level of contribution requires designing the kind of space that can accommodate all types of volunteers

Space:

When employees show up to volunteer for the first time, everyone is generally given the same kind of opportunities, attention, responsibilities and recognition as those who have been volunteering for years. Seems appropriate but it is wrong. Generally speaking, volunteers will fall into one of three stages. We call these stages the Journey of the Volunteer: Tourist, Traveller and Guide. Meeting people at their highest level of contribution requires designing the kind of space that can accommodate all types of volunteers.

Tourist: The first stage on the journey of the volunteer is one of investigation and curiosity. Like a tourist visiting a new place for the first time, a first stage volunteer is not yet sure if this experience is the right fit for them. They cannot be forced or coerced into liking it; instead, they must be given basic, experiential tasks that will allow them to look, taste, see and discover. Tourists will make up about 70-80% of any group of employee volunteers.

Traveller: The second stage is one of meaningful discovery. Like a traveller who has begun to feel a sense of

² dam Grant, "Giving Time, Time After Time: Work Design and Sustained Employee Participation in Corporate Volunteering."



belonging to the place they've visited, second stage volunteers will begin to internalize their motivation for returning. As they own the experience for themselves, they will become ready to take on leadership responsibility and tasks that require increased commitment. Travellers can be hard to recognize, but they're worth looking for. Travellers will make up about 15-20 percent of employee volunteers.

Guide: The third stage in the journey of the volunteer is one of alignment and internalization. Like a guide who introduces friends and strangers alike to the charms of his favourite country, third stage volunteers are motivated entirely by personal, intrinsic reasons. Guides can be trusted to run the programme when no other leader is around and will recruit new volunteers without being asked. Guides make up only about 10% of any group of employee volunteers.

It's important to identify your employees who are already operating at this 3rd stage of involvement. These volunteers will multiply your efforts, offer insightful (and accurate) feedback - ultimately, they'll ensure your programme is successful. Not because of their personality or communication skills, but because they have an authentic and compelling story to share - even if the delivery is shaky. Prioritize your time around employees at this stage. Facilitate their leadership and they will ensure your programme is highly engaging.

While motivation and space are essential to the success of an employee volunteer programme, one of the single greatest causes of low participation rates is the lack of a sense of accomplishment

Movement:

While motivation and space are essential to the success of an employee volunteer programme, one of the single greatest causes of low participation rates is the lack of a sense of accomplishment. Coming back to the same situation again and again without seeing any forward movement towards a goal is disheartening and emotionally exhausting for volunteers. CSR managers who are unsure whether or not volunteers have a sense of accomplishment - a sense of making a difference - are missing a key metric that contributes to a highly engaging programme.

Clearly outline a beginning point, milestones, expectations and measurements for success in order to give your volunteers a sense of progress. Take time to explain clearly to volunteers why they're there and what will be

accomplished. An effective way to do this is by holding a 15-minute brief before each programme or activity. Do it every time. It doesn't matter if you say the same thing to the same people over and over again. You'd be amazed at what people hear for the first time on the twentieth brief. Set expectations and be sure to realistically define success. If you're scooping out food at a soup kitchen you are not solving hunger problems. You're not making a dent in poverty issues. But you're doing something equally important. What is it? Your volunteers need you to tell them.

Structure:

Much of the work necessary to design an engaging structure for your employee volunteering programme was completed when you created your Logic Model and identified the seven building blocks for your programme. Be sure that you have also considered the necessary functional components of your programme:

- Decide on oversight and responsibility roles - who is in charge of what?
- Determine the policies and procedures (Risk, liability, time off, etc.).
- Develop budgets.
- Secure appropriate insurance.
- Draw up partnership agreements with non-profit organisations.
- Construct promotion and marketing plans for internal and external use.
- Create schedule that fits with other philanthropic events in community and within the company.
- Outline recognition and promotional events - remember to make these appropriate for employees at various stages of their volunteer journey.

STEP 5: ATTAIN EMPLOYEE PARTICIPATION

Having established the Project Leadership Team (PLT) and worked with them to design the employee volunteering programme, you are now ready take steps to attain employee participation in the programme. A practical step the team can take right away is to design a first stage event for the employees. Here's what a first stage space looks like:

- It's a low-commitment volunteer activity, usually reflected in a 1-3 hour event.
- The same activity takes place on a regular basis. (i.e. serving food at a men's mission monthly or quarterly).

- There is no obligation to come back – ever. At the same time, there are clear invitations to come back, if interested.
- The activity is open to groups of friends or families as well as individuals.

In order to generate and secure widespread participation in the programme, it is essential to identify the group of employees who will be key to the programme's success

- There is always a briefing at the beginning of the activity in which participants are told: exactly what will be happening; who is in charge; what the boundaries (rules) are; what to do if there is a problem, and (most importantly), why the activity matters.
- There is always space for critical reflection afterwards – without which perspectives and behaviour remain unchanged. Critical reflection can happen through storytelling, lunch and learns, or just gathering the volunteers after the event and asking them what they experienced.

In order to generate and secure widespread participation in the programme, it is essential to identify the group of employees who will be key to the programme's success. A promising approach is to find and collaborate with employees who are already volunteering in the community, either on their own time or through the CV programme. Here are some of their distinguishing characteristics:

- They already volunteer somewhere – or have in the past for significant periods of time.
- They think everyone who gets into volunteering will love it. Volunteering is a way of life.
- They have strong personal reasons for wanting to volunteer. It's not about doing something for others as much as it's about doing something for themselves.
- They regularly invite other people to join their volunteer activities.
- They understand the issues they volunteer for and are eager – but are not pushy – to share their knowledge with others.
- They have strong opinions about the issue they volunteer for – particularly regarding the use of resources and the types of activities

You should be able to find a number of these influencers by reviewing the information gathered during the match-making process. Some other methods include:

- Have the Project Leadership Team identify a sample of employees who they feel are active as volunteers in the community and are likely influential based on their community involvement.
- Make sure the sample includes a cross section of all company divisions, markets, regions and hierarchical levels.
- Conduct a limited number of phone and in person interviews to understand the employee's volunteering experience and interest in community investment.

STEP 6: FORM ENGAGEMENT TEAMS

By the time you reach step 6 you should already have a clear understanding of what employee volunteering is and what it can achieve for your company. You will also have mobilized strong teams of leaders as part of the PLT who have helped design the programme and identify influential employees to help launch the programme. Now you are ready to collaborate with these influential employees and support their leadership in the programme.

We recommend forming teams of employees who will implement the programme across the company. We call these teams Engagement Teams. Their primary goal is to engage employees in the community or other activities of the company's CSR programme. At employee volunteering events, Engagement Teams will ensure the projects are well planned and executed. They will also provide onsite leadership at the events for other employees ensuring that everyone knows the expectations, guidelines, purpose and objectives of the volunteer event. Engagement Teams should be comprised of the following:

Team Sponsor

WHO: This is an upper management or executive who is a stage two or stage three volunteer. They are committed to investing in the community and are intrinsically motivated; meaning they have very personal reasons for wanting to volunteer.

WHAT: The Team Sponsor's main responsibility is to ensure the Engagement Team has the proper support from the company and access to corporate resources. They serve as direct connection to the PLT, who are usually their peers.

WHEN: Given that upper level managers and executives typically have enormous demands on their time,



Team Sponsors are not required to attend every meeting or activity of the Engagement Team. Instead, they will work closely with the Team Lead.

Team Lead

WHO: This may be an employee at any level or in any department within the company. They should have some flexibility in their time and have some competencies in project management.

WHAT: The Team Lead will work directly with the Team Sponsor to provide oversight to the activities of the Engagement Team. Team Leads will be required to ensure volunteer events are planned, managed and properly reviewed. They will work with the rest of the Engagement Team to achieve these objectives.

WHEN: The Team Lead is the lynchpin of the Engagement Team. As such, they will need to organize and lead team meetings, facilitate the work of other team members and coordinate closely with the Team Sponsor.

Team Members

WHO: Members of the Engagement Team can be employees at any level or department within the company. Again, you will be looking for influentials – employees who are at stage two or three in their volunteer journey.

Depending on the type of volunteer activities the company will be sponsoring it is recommended that there is one team member for every twenty employees who may be participating in the events.

WHAT: The primary role of team members will be to manage and engage employees attending the volunteer events. However leading up to and following the event they may be asked to fulfil various roles.

WHEN: Team members may join teams for a specific period of time or for specific projects (such as the annual giving campaign). We recommend building in ‘terminal points’ that allow employees to leave the team at an agreed upon point.

In step 5 you identified a number of potential candidates who may be able to play leadership roles within the employee volunteer programme. Use the information to form your Engagement Teams.

Now that you have a small number of Engagement Teams formed (we recommend no more than 3 to 5 at a time) you will need to help them identify an appropriate volunteer event. You may want to start with existing activities that you had planned (and were going to be your responsibility to execute). Or you may want to help them find projects that fit the Logic Model you’ve developed and meet the requirements of the seven building blocks. Once an appropriate project and partner have been identified,

you will be able to launch your Engagement Teams. Be sure to offer support in the following areas:

Communication

- Develop effective communication tools for the Engagement Teams to mobilize their fellow colleagues by effectively communicating the programme’s value proposition.
- Develop a company-wide internal communication strategy to announce the employee volunteering programme launch and support the communication efforts of the Engagement Teams.

Coaching

- Meet with the Team Lead (in person if possible) at least twice a month. Discuss how the team is functioning.
- Assign a member of the PLT to connect monthly with the Team Sponsor.
- Although your Engagement Teams are comprised of seasoned volunteers, this role within the company will feel new and unfamiliar. You may want to consider offering bi-weekly conference calls to support the team and answer any questions they may have. Do not make the call obligatory but open it up to members who wish to participate. Facilitate any relational issues that may arise in the process of peer to peer leadership – especially since many of your team members will be junior level employees leading upper levels of management during volunteer events.

Training

- If your Engagement Team is addressing social or environmental issues with which they may be unfamiliar it will be important to offer training and resources to help them fulfil their role. Your non-profit partners may be able to provide this to team members.
- A more general source of leadership training specific to volunteering may be found via conferences, workshops, seminars, and webinars provided by organizations such as ICEP, CODESPA Foundation, and the IESE Business School
- You may also want to consider offering larger training for all your Engagement Teams (together) on topics of team dynamics, project management, and leadership skills. Human Resources may be a great option for coordinating this kind of training.

STEP 7: MEASURE AND IMPROVE

It is important to be able to measure the actual benefits that result from your employee volunteer programme for the company, the community and the employees. Many companies report how many hours they spent painting walls, cleaning parks, serving food, teaching classes and raising money. These are not bad activities, but they are just activities, a means to an end. As you will have noticed when designing your logic model, there is an enormous difference between the immediate “outputs” of the programme and the long-term impacts. Outputs show the number of hours donated by employees, the number of trees planted, the number of classes taught. Impacts show how the world is better because of those activities.

The Engagement Teams will provide you with an effective means of collecting good metrics. You will need to consider providing the teams with effective volunteer and workplace giving tools. There are many options to choose from that are cost effective: Benevity.com, AngelPoints.com, Ammodo.com., and others.

- Collaborate with your teams to set achievable goals for the year and the means to measure their progress.
- Make sure you are measuring the development of employees in their volunteer journey.
- Have the PLT connect with other departments to collect data for measurement (PR, Marketing, Human Resources, R&D).
- Strengthen partnership with NPO to discover the Social Return on Investment (SROI). This will be outcomes and impacts that speak specifically to any social or environmental improvements the programme is achieving.
- Benchmark your metrics against international and industry-wide standards you discovered during the Understanding Phase.
- Be sure to report “misses” as well as “hits” in order to communicate transparency and trustworthiness.

The future of Employee Volunteering – from good to great?

A steadily increasing number of companies are beginning to see the vast potential of employee volunteer programmes. Each company has a context specific to its history, background and social setting. These are important considerations for CSR managers when looking to understand what employee volunteering is and what it can achieve for them. Yet the first steps in implementing

a successful programme have number of shared sensibilities and values, regardless of industry or social settings. The ability to mobilizing key leaders and collaborating together with employees who value volunteering is key to success.

Closing pointers to ensure an outstanding success:

- Keep it social
 - Find your influencers
 - Keep it voluntary
 - Let people fall in love
-

Probably the greatest benefit of employee volunteering programmes is the development of the leadership potential among employees. Thus it is essential to both the purpose and process of employee volunteering to allow employees to offer leadership to the programme and meet them at their highest level of contribution.

Here are some closing pointers to ensure your employee volunteering programmes are an outstanding success:

Keep it social.

Only CV programmes designed as social experiences will be successful. Employee volunteer programmes should allow for social interaction during the events. They should use existing social networks to promote events. Even the process of organizing events should foster bonds of trust among employees.

Find your influencers.

Employee volunteer programmes can be somewhat fragile in character, meaning that interest and participation often decrease over time. To avoid becoming the “flavour of the day” it is essential to achieve the acceptance and support of the core activists or influentials. Without their blessing and participation, widespread acceptance and continued participation will probably never happen.

Keep it voluntary.

CV must be seen as less corporate and more voluntary. For the two out of three employees who don’t volunteer on a regular basis, this is a non-negotiable. Without a strong voluntary component, the programme may likely feel manipulative and forced. In some cases employees have been known to work against employee volunteer programmes in an effort to assert the voluntary nature of the movement.



Let people fall in love.

Understandably, companies want to present a compelling case for employees to participate in the corporate volunteer programme. While this is not “forced volunteering,” it runs very close to it. Employees will comply with these expectations to volunteer to avoid penalties and obtain the approval of their supervisors. The unfortunate result is that the pressure provides an external justification to which they can attribute volunteering, preventing them from internalizing it as a self-determined, intrinsically motivated choice.

Ultimately, managers of CV programmes willing to invest a little time in self-education and a little energy finding and collaborating with like-minded colleagues, a world-class employee volunteer programme is set to be their next, great success.



SILVIA LORO AND MACARENA MORALES | CODESPA FOUNDATION

The vital role of the “Supervolunteer”

Ambassador, source of inspiration, and motivator

Macarena Morales works as an independent consultant for CODESPA, where she has collaborated in the publication of a guide for the implementation of Global Corporate Volunteering (CV) programs and the elaboration and coordination of the present publication. Before, she worked as Co-Executive Director of an NGO in Boston, where she was widely involved with volunteer’s management and training. Morales has degrees in Law and Business Administration from Universidad Pontificia de Comillas; a Master degree in International Humanitarian Action, NOHA, from University College Dublin, and a Master degree in Business Management from Harvard University.

Silvia Loro works in the Business and Development area of CODESPA, where she is a specialist in Corporate Social Responsibility for Development (CSR+D) projects, supports the management of the “Professionals for Development” programme, and fosters and promotes Global CV.

ABSTRACT

CODESPA experience with Global CV and the research done for this publication prove that the “Supervolunteer” has the potential to become the best ambassador of a CV programme. The Supervolunteer informal communication influence can be as powerful, if not more, as the formal communication process done by the company.

The following essay brings us closer to the figure of the Supervolunteer; that person whose dedication goes beyond expectations and who, fortunately, is present or arises in almost all companies that embark on CV programmes. Different experts on the CV field identify this figure and its key role to implement, boost, and expand CV programmes within the company.

Through a case study and an interview with a Supervolunteer, the essay shows how and why these employees make it possible for CV programmes to inspire and reach other employees, taking CV initiatives even beyond the walls of the company. The Supervolunteer wants to share his or her enthusiasm and the print of the volunteering experience with everybody, not only in the work setting, but also in the family and friends environment.

The company can become a channel for the Supervolunteer to unleash all the enthusiasm and to project the impact that CV has had in the transformation of one of its employees.



MACARENA MORALES

In Global CV, Supervolunteers become ambassadors for the country and culture in which they volunteer, as well as for the NGO and the people they work with.



SILVIA LORO

Supervolunteers are vital for the role of volunteers as a vehicle that passes on the company’s values and its Corporate Social Responsibility (CSR) initiatives to other employees.

“Supervolunteers” don’t just get involved, they believe in and honour their Corporate Volunteering (CV) commitments. They go the extra mile and have the skills and leadership to inspire and motivate their colleagues to get involved and help out with volunteering projects. Supervolunteers are therefore vital for the role of volunteering as a vehicle that passes on the company’s values and its Corporate Social Responsibility (CSR) initiatives to other employees.

Supervolunteers are CV programmes’ best ambassadors. Their strong, informal communication skills can be as powerful, if not more so, than formal corporate communication. Supervolunteers want to share their enthusiasm and all they experience during the project with everyone they know, both in their professional and personal lives. Companies can provide a forum where volunteers give free rein to their enthusiasm. For example, within Global CV programmes, formal spaces can be provided where the programme communication acquires a more immediate, authentic feel since it is enthusiastic, committed colleagues who are conveying the message.

In Global CV, volunteers also become ambassadors for the country and culture in which they volunteer, as well as for the NGO and for the people they work with. At the same time, during their stay in the host country,

volunteers are ambassadors of their companies. Their very presence, their work, and their enthusiasm are the strongest and most authentic messages that companies can send out to local communities about their interest and willingness to support the development process.

From the point of view of CV management, different experts point out the importance of identifying these Supervolunteers and getting them involved in successfully implementing and developing these types of initiatives.

Experts such as Jarvis and Parker refer to these Supervolunteers as “guide” volunteers, those that are so very motivated that it spills over into their personal lives. They are the ones you can trust to lead a programme, to attract new volunteers and basically ensure the success of the programme¹. The International Business Leaders Forum recommends in its “10 steps for successfully implementing a Global CV programme” to start off with a small pilot project and find this standard bearer within the company who is going to act as a sponsor of the programme internally. Interestingly, they report that the more senior the position of the Supervolunteer, the better; and for the initiative to be successful, it is crucial to have senior management volunteers that have been working in the company for some time².



Barclays Kenya employees developed and boost the “Miumbu Mwambani Earth Dam” initiative. As a team, they designed and led a fundraising campaign to build a dam that would help alleviate the harsh effects of drought.

- 1 See Part II, Chapter 2, Chris Jarvis and Angela Parker (2011), “Seven Steps to Success. A guide to start corporate volunteering from scratch.”
- 2 See Part I, Amanda Bowman (2011), “Making Global Corporate Volunteering your Multi-Tool for business and development,” box about 10 practical steps to success.



“MIUMBU MWAMBANI EARTH DAM” CONSTRUCTION OF A DAM IN KENYA

**A complex, high impact proposal that was promoted,
supported and made reality by a group of Barclays’ Supervolunteers in Kenya**

Barclays is one of the largest financial services groups in the UK, and one of the leading global Stock Brokers. With a history of over 300 years, Barclays serves over 48 million clients in over 50 countries and has over 147,500 employees.

Citizenship: corporate social commitment

The Barclays Group regards its corporate social commitment as the way it should do business, firmly believing that a fair and structured society is the way to guarantee the sustainability of the business.

Its approach to investing in the community seeks to strike a balance between global associations with international NGOs and local initiatives which are boosted by the energy and passion of the bank’s employees.

All employees are encouraged to give their time, energy and skills, and they are supported by group grants, different donation mechanisms or the chance of doing volunteer work during working hours.

In 2010, 83% of employees that participated in a Group employee opinion survey said they were “proud to work in Barclays.” In 2011, a total of 62,118 employees took part in volunteer activities, regular donations or fund raising, and of these, 37,774 volunteers gave their time and skills to volunteering.

Kenya and the 2009 drought

Drought is a critical threat that often puts the lives of millions of people at risk in a country where only 59% of the population has access to drinking water¹.

In 2009 almost four million people in Kenya received assistance from the World Food Programme (WFP) due to the prolonged drought that struck the Horn of Africa region. The Government declared a state of emergency and an estimated 10 million people were in a vulnerable situation and dependant on humanitarian aid to survive.

In the district of Kitui, in the eastern region of Kenya, it hadn’t rained in two years. Aside from the destruction of harvests and dying cattle the drought caused a significant increase in the school drop-out rate. This was because the schools could no longer provide school lunches and so the authorities recommended pupils to stay at home.

“Miumbu Mwambani Earth Dam” Project

In the Kenya branch of Barclays, a group of employees was deeply concerned about the severe prolonged drought in Kitui. It became all too familiar for these work colleagues to comment every day on the desperate situation that was affecting the poorest communities in the area. Concerned, they decided to stop talking and actually do something. Jane Waiyaki, from Finance and Planning, and Tom Onyancha, from IT Change, led a group of 14 people who decided to get together and take the debate into the corporate sphere.

Following numerous conversations, they came up with a very ambitious proposal: the construction of a dam that would supply water to the communities of Kitui. To make this happen, they needed not just major financing but also the backing and involvement of the government, local authorities and the NGO that was working in the area. They would also require some input from the private sector, including Barclays.

The idea of a group of employees volunteering to organise a major fundraising drive to build a dam to help relieve the drought was both powerful and complex. Community Affairs Manager for Barclays Kenya, Regina Gichuhi-Mwangi, helped the employees handle relations and communication with interest groups and to co-ordinate with Barclays internationally.

For several weeks, the team of volunteers worked hard seeking and securing the backing and involvement of private and public institutions, organising numerous fund-raising and awareness-raising activities and coordinating all the details of the projects.

“Barclays allows us to take time for these activities. However, we realised that the project would require a lot more time so we also gave up evenings and weekends to work on the project,” said Onyancha in an interview with CODESPA.

With many hours of dedication, a huge component of goodwill and organisation, lots of work and effort rallying support and getting people involved, the team of volunteers succeeded in financing the dam in time for the rainy season.

The construction of the dam had an impact on the lives of 50 thousand people and 1,884 households who until the construction of the dam had to walk 15 km to the nearest river to fetch water.

An impressive and inspiring Corporate Volunteering project that was made possible by an impressive and inspiring group of Supervolunteers.

1 CIA World Factbook

INTERVIEW WITH ALBERTO GONZÁLEZ MORENO | DEPARTMENT OF CONTROL SYSTEMS FOR INNOVATION AND ENGINEERING
CANAL DE ISABEL II



Throughout the research stage of drafting the case studies presented in this book, CODESPA, ICEP and IESE came across numerous Supervolunteers in the companies being studied. Depending on the company and the programme, Supervolunteers can get involved in one or more stages of the Global CV programme and play a number of different roles: from actual project management to the implementation and promotion of the project, including project execution, subsequent publicity and communications, follow up, and ongoing improvement.

The interview below shows what, in one way or another, these Supervolunteers feel and express, and it shows the leverage these programmes can have for motivating employees, enhancing staff morale, company image and corporate culture.

“SHOWING THE REALITY OF POVERTY TO THE REST OF MY COLLEAGUES MADE THEM UNDERSTAND THE IMPORTANCE OF THE GLOBAL CV PROGRAMME”

Canal Isabel II is a public company that is responsible for water cycle management in the Region of Madrid. It has 2,400 employees and supplies water to 6,400,000 clients. It started its corporate volunteering programme, Canal Voluntarios in 2007. The programme has a pool of selected volunteers - water management experts and professionals - who are willing to provide assistance in emergency and development cooperation situations anywhere in the world. The volunteers are properly trained and work in conjunction with NGOs to devise action plans to tackle issues related to water management in developing countries.

Alberto González Moreno is one of the employees involved in Canal Voluntarios. Since 2006 he has held the post of Senior Control Systems Specialist for the Innovation and Engineering Department, and he has been working in Canal de Isabel II since 2003. Since he joined Canal Voluntarios providing assistance to the NGO Acoger y Compartir (Give refuge and share) in Haiti, his commitment to the initiative and the programme has gone from strength to strength. Through his experience in a development project, he saw how the lack of access to water directly affected the education of future generations and how he and his company could do a great deal to improve this situation. His view of the world has been transformed and four years later, he is firmly committed to continue supporting the programme.

QUESTION: As a volunteer, how do you see this company initiative?

GONZÁLEZ: I think it is superb, incredible that the company provides this opportunity. I feel very fortunate. When you tell people about it, they are amazed. Because volunteering within a company, with its resources, using your professional know-how, is just amazing. Being able to take advantage of your technical know-how to help people is extremely valuable. Personally, I take my hat off to the company. What's more, it makes me want to do even more and keep learning so as to be able to do a better job.

QUESTION: Where is the added value of professionalised volunteering with Canal de Isabel II compared with a more aid based volunteering?

GONZÁLEZ: On the technical side of things it is more far reaching than aid work. In professional volunteering I am helping in an area I have a thorough knowledge of, about which I am very confident and qualified to do since it is what I do on a daily basis: I have acquired this know-how through my training and in my everyday professional life.

QUESTION: How has this experience changed you, as a person and as a professional?

GONZÁLEZ: It has been hugely beneficial. I didn't know I had the capacity to withstand such high levels of pressure while



“Everyone should do this type of volunteering to realise that often we see major problems where there are none”

working on the field. I am very meticulous: I like to have a plan A, B and C, and even a plan D, and you realise that this doesn't work. It's not compatible with development settings where unexpected difficulties arise. While in Haiti, I discovered the incredible power of improvisation. You don't realize you have this ability and in fact you don't want to, because you prefer to have everything planned, but it's unbelievable what human beings are capable of in situations of adversity. I discovered how this inner strength that I didn't even know I had, comes to the fore. You even change your self-concept.

If you go to a developing country and return, you come back with a different mentality. I used to worry about things that now, after this experience, I think: “Oh, come on... don't worry about such trivialities.” When you think back to how other people live, you realise that it's not worth worrying about.

QUESTION: Canal Voluntarios works using a pool of 75 professionals that apply for volunteering posts. How did you get involved in the initiative?

GONZÁLEZ: In this case, I was selected from this volunteer pool. They already knew me because I was involved in training sessions that are provided to those of us in the volunteer pool. The day they chose me I felt like crying for joy. Even then, despite the hard work that lay ahead I knew it was going to be a very rewarding experience.

We started working with our counterparts, the NGO Acoger y Compartir, and in the first meeting I really clicked with the Director. In the same meeting we were analysing needs in the area, they told me about the problems they were having, and between us we figured out ways of tackling the situation. We studied everything: The country, the general context and each specific detail of the project... all that we could expect to encounter during our mission. We planned the journey really well because you have to be thoroughly prepared in order to take full advantage of the short period of time that you are going to spend there. So we devised a detailed plan and headed for Haiti.

In theory, you know what you are going to find, because you have already studied the country, the situation, we underwent psychological assessments, etc. However, when I got there, the situation on the ground was completely different. Our objective for the first trip was to carry out a study: see the needs, the shortcomings and problems in situ and try to come up with solutions for the water problems in the area. On the basis of this assessment, you get working on the project, not just on the ground but also remotely, from Madrid.

QUESTION: Do you believe that anyone can work in this type of project?

GONZÁLEZ: You have to be very tolerant: With all those you are working with, the NGO, people in the host country. You must always bear in mind that it is a different culture. I was working with Redemptorists, which meant that, regardless of my religion or beliefs, they were the ones providing my board and lodgings. And I'm just a volunteer. If a religious ceremony has been planned, you have to respect this. If it is a sexist culture, you have to remember that you are going there for just seven days and you can't expect to change things or open up certain debates. So, no, I don't think just anybody would be able for this.

As regards the technical side of things, in this project being an engineer was not quite as important as being multi-disciplinary. For instance, it was important to meet people and some locals to find out where to put the water reservoir. I did engineering work but also studied the socio economic aspect. It's interesting to work with a multidisciplinary team; there might be an engineer and some other professional to do the field study or consider socio-economic aspects.

What I really valued was being able to integrate with the people. That is definitely the right approach. You go and experience a lot of hardship first hand; no light, no water, sleeping in hard old beds, in a jungle area, animals sneak in... It's a tough trip, you go hungry but over there you hardly notice; when you don't see anybody eating, you actually forget about it.

One thing that really motivated me was seeing the children carrying water and not going to school. I said to myself: I have to fight to ensure this project goes ahead... these children must go to school. They can't be drawing water all day - the springs were 1-3 hour walk away and the children would go to the well 3 times a day. This means they spend the entire day carrying 20 litres of water on their heads.

QUESTION: How do you think other colleagues of yours, perhaps less aware than you are, could be encouraged to get involved?

GONZÁLEZ: There may be some people who complain; who believe that voluntary work should be done outside working hours. This is a bit hurtful because you are trying to do something of great value for those most in need.

In these cases... what did I do? I showed the project to the rest of my colleagues: I showed them pictures and explained about the issues related to the lack of water in the area and how our project was an attempt to resolve this. It was then that they started to get more involved and understand the importance of what we were doing. In the end, the Haiti project advanced a lot thanks to my colleagues and the support they gave.



JUAN ÁNGEL POYATOS | DEPUTY HEAD OF FUNDAR

Corporate Volunteering from the perspective of NGOs and beneficiaries

Proposals to boost its impact and benefits

Juan Ángel Poyatos is the Deputy Director of Fundar and since 2007 has been heading the Corporate Volunteering programme ENGAGE Valencia, which in 2011 received a special mention as the second best volunteering programme in Europe.

As part of his role at Fundar, Poyatos is in charge of the secretariat of the Corporate Volunteering network Voluntare. Poyatos is also currently working on his PhD thesis examining the impact of Corporate Social Responsibility and corporate reputation on companies' income statements.

ABSTRACT

The aim of this essay is twofold; to try and determine how non-governmental organisations (NGOs) and beneficiaries experience and approach Corporate Volunteering (CV), and how to achieve the greatest possible impact from CV programmes from the point of view of beneficiaries, NGOs, and companies.

Generally speaking and under current practice most CV programmes do not achieve maximum impact. There are a few notable exceptions, but the lack of achievement of most CV programmes is due, in part, to the fact that the NGOs involved do not have a clear vision of how to maximize the potential of CV, or know precisely which ideas and tools can help to achieve this. Amongst the several reasons for this, one may be that, to date, both sides have had different objectives when embarking on this type of volunteer programme.

The essay presents CV as a formula to link companies and NGOs' interests. To achieve this goal, the paper offers some advice towards achieving mutual understanding, and proposes the key elements that bring positive impacts for NGOs and beneficiaries. It also highlights the essential considerations that need to be taken into account to ensure a sustainable relationship between the NGO and the company that can develop into a high-impact alliance. In this sense, as the author concludes, it is important before starting any CV programme, that all parties together revisit their approach to CV.



JUAN ÁNGEL POYATOS

If properly considered by NGOs, Corporate Volunteering can allow for the establishment of alliances with companies that have a more strategic focus, thus enabling a consistent flow of volunteers over time as well as funding for joint projects

It is generally accepted that today we face very different socio-economic realities that is not only evolving at a rate that would have been inconceivable some years ago, but we are unsure what the situation will be in a few years' time.

Three decades ago, we started hearing about the responsibility that companies had to society, about the necessity to act differently and about how the market should no longer be the centre of the universe. Committing to Corporate Social Responsibility (CSR) was a process that companies gradually consolidated over time. However, in the current global economic crisis the sincerity of this commitment is being called into question. Nevertheless, the need to continue to regard CSR as a strategic value for companies has not just been consolidated; in many respects, it has actually been considerably reinforced, particularly when it comes to CV.

Why might NGOs and companies be interested in CV?

In 2001, Fundar conducted a study in the Autonomous Community of Valencia (Spain). The analysis of the situation in this region, which, due to its characteristics, can be extrapolated to the rest of Spain, found that 88% of the surveyed NGO's had seriously felt the effects of the crisis and that 60% had considerable difficulties securing external financing. Indeed, 74% expected to reduce their activities in 2012 and 6% predicted that they would have to wind up their NGO activities due to these economic difficulties.

There's no better way of ensuring the credibility of a company's volunteer programme than making the greatest possible impact on society

This data indicates that the situation is such that formulas have to be found to enable these organisations to continue their work. CV makes it possible to form alliances between companies and NGOs enabling NGOs to continue their work, whilst at the same time allowing companies to also positively impact on societies. There is no better way of ensuring the credibility of a company's volunteer programme in the eyes of society and the volunteer employees than by the programme having the greatest possible impact on society. This is not to say that CV is a substitute for the financing of NGOs, which

is nevertheless necessary, but rather a formula that facilitates, as much as possible, mutual understanding and provides very valuable professional know-how to NGOs.

It can also mean that within companies other effects are generated and can be observed, such as getting employees to take part in the social dimension that the company has or wishes to have, by bringing it closer and making it credible to its employees.

Another interesting effect comes from the possibility of the company transforming itself in some way, by transforming its employees through their CV experiences (since nobody is going to stay indifferent after a CV experience). Companies are looking for ways to get their employees to commit, innovate and transform the companies they work in; CV can be the catalyst that gets this virtuous circle in motion. If by common effort those who participate in CV programmes start to think about "What can my company do for this social reality through what it is and the knowledge it possesses?"; and if we manage to create spaces through which employees can turn their ideas into concrete initiatives for the company, we can bring about an internal revolution that will make it possible to develop proposals on inclusive business, i.e. more far-reaching social action with a transforming social impact. The greater the commitment of the company's employees participating in CV initiatives, the more transformational and dynamic these initiatives will become.

Perhaps this is easier said than done. However, if we are clear on a number of concepts and are able to transfer these to the companies that work in conjunction with NGOs in volunteer programmes, we are already off to a very good start.

Towards mutual understanding

The perception of companies by the third sector has evolved a great deal in recent years. It has never been a straightforward and trusting relationship. However, there has been a shift from a relationship of condemnation and scepticism to one of mutual awareness and working together. As a result, there has been a gradual change in the perception of the commitment to CSR mentioned earlier and therefore it has become increasingly common for NGOs to have a Corporate Liaison Officer.

One of the first considerations a NGO has to assess is whether a CV alliance will actually contribute to the work of the NGO. It should not be done for its own sake, but requires reflection because if the NGO wants a fruitful and sustainable relationship with a company or companies it will have to make changes to its organisation, particularly with regard to how it will manage volunteers, as



managing CV volunteers is very different to managing “traditional” volunteers which most NGOs work with.

The company must also assess the contribution that it wants to make and how it can work with its main partner, the NGO, to achieve the objectives of the NGO. If the company works closely with NGO, it will serve to break down the stereotypes and bring the two worlds closer, so as to achieve the greatest possible impact on society.

There is no doubt that CV has a lot to offer to both NGOs and companies, however, we do need to give this some serious thought.

What is the secret to achieving impact for NGOs and beneficiaries?

- There is a growing demand for volunteers in society and this has led to a search for new ways of attracting volunteers. Volunteers are usually people who can bring their professionalism, youth or experience, and ability to work, and who have the backing of their company.
- New positions are identified that require a suitable technical profile that is available in the private sector. CV can enable NGOs to meet specific objectives which would not otherwise be possible due to a lack of resources.
- If done properly alliances can be created with companies as a way of achieving NGO objectives, technically qualified volunteers and support for financing of projects.
- CV gives exposure to the work of NGOs both through the companies and the employee volunteers that come from these companies.
- CV activities tend to be well received in the media and therefore an effective medium to promote the work of the NGO.
- CV programmes provide an opportunity to forge links to work together in other ways in the future.
- This alliance can bring about strategic social action initiatives because NGOs have considerable know-how, often more than governmental organisations, regarding social and environmental deficits in the areas in which they work. It has been observed that companies are trying to get closer to these realities. However, that they do not necessarily know and/or are not aware of the potential working in conjunction with NGOs, which have an in-depth knowledge of these problems, could have in society.
- CV contributes to the development of new skills and competencies as a result of working with

highly qualified volunteers who have first-hand knowledge of the latest management techniques.

Key considerations for a successful NGO-company alliance within CV programmes

What is the secret to ensuring a sustainable relationship that develops into a true alliance and that has a positive impact on both NGOs and beneficiaries?

- **Generate interest amongst both sides.** It must be good for the third sector organisations, in accordance with their aims and impact on the beneficiaries, but it must also be good for the company and the volunteer employees.
- **The company and the NGO must regard each other as equals.** It is not as though one side were in possession of the absolute truth and the other had to redeem itself. Nor is it fair to say that NGOs are constantly pestering companies for their support. The NGOs have an in-depth knowledge of society's needs and are crucial allies when it comes to devising CSR policy, particularly with regard to CV.
- **Being sustainable over time.** If volunteering is to have an impact, then in most cases volunteering initiatives must have a minimum duration. From the outset, this can be a barrier for companies and volunteers who may prefer to commit for longer periods of time. There are ways of making this greater time commitment possible, for example, teams of volunteers can be formed in a way that enables them to take turns or substitute each other in a coordinated fashion. This way, the continuous nature of the activity is feasible for both the companies and the employees and meanwhile, we are developing our employees' ability to be team players.
- **It is important to carry out a selection process of profiles to get the best out of each person.** This prior selection process will enable NGO and companies to assign work to the teams that are best qualified for the job, as well being a way of discovering new potential in volunteers.
- **Based on mutual trust.** Both parties have to take care to act in a completely transparent way in everything they do.
- **Generating mutual benefit and benefit for society.** This is going to make it possible to consolidate the relationship, turn it into an alliance, enhance it and thus obtain better results. Without a doubt, one of the main ways of achieving CV impact is through programmes that set out to pass on the company's

professional know-how and technical experience through its employee volunteers to third sector organisations and their beneficiaries.

- **Evaluating the impact of a programme.** CV programmes can be evaluated by the different stakeholders that take part in the initiative such as the companies, volunteers, the NGOs, and the beneficiaries. Only through this evaluation and by learning from it can the programme's impact be maximised.
- **Never lose sight of the NGOs aims.** This ensures consistency both in terms of the type of activity being conducted and the type of partner with whom alliances are being forged.
- **"Win over" the volunteer.** This is an important factor that should not be forgotten. CV volunteers are people who might not necessarily have considered becoming volunteers and who, thanks to the backing of their company and the possibility of participating with their colleagues, decide to take the plunge. The NGO must have the ability to attract these potential volunteers (it is not a question of convincing the company but rather of persuading the volunteers - otherwise the programmes are pointless).

Given all of this, taking care of a number of details can make this task far easier. First of all, it is important that, from the outset, the potential volunteers realise that they are perfectly capable of doing the job. For instance, if the case arises, it is important to stress that volunteering is all about team work, therefore volunteers will be able to take turns (should they have to go on a business trip or attend a meeting, the voluntary work will not come to a standstill); that they are going to be trained; that they are going to get constant support from the company and from the NGO, etc. Basically, make it easy for them.

In addition, it also helps to offer in parallel more specific and less complex or "important" volunteering initiatives, so as to attract more people who might initially be somewhat unsure. Once they become involved, they will consider committing to more substantial projects.

Finally, care must be taken with communication, reporting on activities and providing information on the impact their work is having. Regarding this, we mustn't forget that it may be worth coming up with ways of acknowledging the work done by volunteers.

In brief, we have to consolidate the relationship between the NGO and the company; however, it is crucial for this, to consolidate the relationship with the volunteer employees from the company.

Risks of a poorly managed CV programme

In the same way that the considerable benefits and positive impact that CV programmes can have on the company and on the NGO, it is also true that poor management can make it all backfire.

If care is not taken with the implementation of the crucial points that have been discussed, the situation can arise where some or all of the parties involved run the risk of not meeting the objectives of CV. In the following table are some examples of the risks of poorly managed CV programmes.

To consolidate the relationship between the NGO and the company it is crucial to consolidate the relationship with the volunteer employees



POSSIBLE RISKS OF COMPANIES AND NGOS WORKING TOGETHER	
<p>For the company</p> <ul style="list-style-type: none"> • Inadequate management models, NGOs administrative ineptitude • Failings in sticking to time limits • Economic inefficiency due to lack of strategic vision • NGO's "parasite" attitude 	<p>For the NGO</p> <ul style="list-style-type: none"> • Company imposing itself or setting restrictions • Manipulation of the NGO to boost the company's image • Economic dependence on the companies resources, structural paralysis • Pool of inexperienced volunteers, undesired effects on the beneficiaries • Volunteers or companies not honouring their commitments to the beneficiaries
<p>For both:</p> <ul style="list-style-type: none"> • Scandals or behaviour that is improper or goes against the values of the other party • Inappropriate behaviour from volunteers within the NGO or with beneficiaries 	

Source: LEMOCHE, P. (2011), "Corporate Volunteering: A bridge between companies and society" Cuaderno Forética.

Reflection, assessment and action

CV programmes should not be initiatives that are embarked upon without a prior process of reflection by both parties. The implementation of these programmes should not be a decision that is taken lightly or as a matter of routine given that otherwise errors can be committed that could have unexpected or undesired consequences.

On the other hand, commencing with a thorough process of shared reflection by and between both parties, prior to the implementation of CV programmes, will mean

that the CV programmes are perceived as joint strategic initiatives. Thus, CV ought to "take some time out" to think about its future: stop in its tracks to think about what has been done to date and consider whether it is really obtaining full benefit from the CV initiatives they have been working on. Only in this way will it be possible to achieve more strategic CV programmes that are credible, sustainable and bring real value.



JENNY TODD | BUSINESS IN THE COMMUNITY

The role of matchmaking initiatives

A Bridge between Business and Social World

Business in the Community (BITC), a business-led charity with a growing membership of 850 companies, stands for responsible business. BITC firmly believes that as a powerful network of companies and organisations can make a big difference in our societies, for people and planet. One of the most successful ways in which that is achieved is through creating an important dialogue between business and the communities in which they operate in order to foster change for the better.

Jenny Todd the International Program Manager at Business in the Community, being responsible for the management and development of ENGAGE Key Cities, which is an international employee community engagement program. As part of this role, Todd has supported and brokered various volunteering opportunities through a global network of partners for many FTSE 100 companies. She is experienced in advising companies on the key elements of delivering an employee community engagement program, including internal communication, recognition of employees, and the importance of the country context.

ABSTRACT

There is huge potential for business to positively impact society. To develop that potential it is key to create dialogue between business and communities. From the business-led charity Business in the Community (BITC) perspective, Employee Community Engagement is one of the most effective ways to build a successful dialogue between the community and the private sector. Employee Community Engagement can be achieved in different ways and includes the broad concept of Corporate Volunteering. This essay includes conclusions and learning that BITC has achieved through its long experience and continuous work helping business to make a difference. It states how employee engagement is more about investing than about giving; how boards are moving towards a partnership approach and away from 1-day activities; the strengths of collaboration not only between community and company, but also between companies, and the importance of a good broker to act as a nexus, mediator, and opportunity-builder between the different grounds and languages of communities and companies.



JENNY TODD

Employee Community Engagement, as Corporate Volunteering, refers to a company that supports its employees or workforce to engage (support and connect) with the community in which it operates.

The middle zone

An intermediary body between the business sector and the community should have the ability to identify the opportunities and needs of both camps and to match the business skills and resources to positively impact those who are most in need. This might be at a local level or at a global level, where businesses are advanced enough to take into consideration the Millennium Development Goals when designing their Corporate Social Responsibilities (CSR) strategies, designing new products and services, or looking to a new low carbon sustainable future in order to positively impact the world's poor.

In this sense, one of the most effective ways in which a successful dialogue between community and the private sector is built is through Employee Community Engagement (ECE). As Corporate Volunteering (CV), and as explained all along this book, it refers to a company that supports its employees or workforce to engage (support and connect) with the community in which it operates in order to tackle a specific social or environmental issue.

Investing, not giving

There is a growing understanding of the benefits of ECE not only to the community but also to the company and its employees. That is usually referred as the “Business Case” and it is the reason why companies should act more responsibly and take part in this sort of activity.

Not only do the companies benefit, but also the employees themselves gain a lot from new engagement in the community. It is now widely accepted that employees can gain personal and professional skills such as greater self-confidence, improved communication skills and particular management skills, which can help with career progression and development.

For example, research conducted by Community Service Volunteers (CSV) in March 2009 looked at the impacts in the workplace of 261 people who had volunteered from 2000 - 2009. Of these, 89% believed their employment prospects had improved as a result.¹

Not only do the companies benefit, but the employees themselves gain a lot from new engagement in the community. It is now widely accepted that employees can gain personal and professional skills such as greater self-confidence, improved communication skills and particular management skills which can help with career progression and development

In addition, a report by KPMG in 2005 found that 85% of KPMG volunteers engaged in volunteering to develop their skills in a non-work environment.² The top skills used when people volunteer are:

- Influencing skills (93%)
- Integrity (91%)
- Being adaptable (88%)

More recently, Business in the Community (BITC) and Cranfield University School of Management, published “The Business Case of being a Responsible Business” in March 2011. The findings of the research recognised that employee engagement was an invaluable tool to help recruit and retain staff. For example:

“Mid-Counties Co-operative: Its Community Investment programme uses funding, company-led volunteering and project work to make a difference to its community. In colleagues that have participated in volunteering, turnover fell from 31% to 3.4%.”

The importance and growth of the role of the intermediary

As far back as 2005, ENGAGE, an international network of employee community engagement projects, carried out a research project that recognised the growth of the role of the intermediary across Europe. In its report to the European Commission, it writes:

“The broker/intermediary is the 3rd party mediator, a bridge between companies and a network of civic /community opportunities. A good broker knows about potential partners and makes the right match, so that both sides gain from the relationship.”

¹ Community Service Volunteers, 2009. <http://www.csv.org.uk/press/volunteer-gain-key-skills-employment>

² Published by BITC in Employee Volunteering Business Case 2010 <http://www.bitc.org.uk/document.rm?id=12548>



Employee engagement has developed with this ‘intermediary’ role across the Union, and globally, it has seen the emergence of a growing number of such ‘intermediaries’. In Europe, brokering employee engagement is a growing industry judging by anecdotal evidence of the number of organisations now pitching for business.

These organisations act as a nexus bringing together two worlds and helping them establish a common language and find common ground.”

In that sense, a good broker is essential. The intermediary part has the skills and time to:

- **Manage the expectations of both parties.** Often, the business world and NGO sector can be rather distanced and it is invaluable to have an intermediary body to consider the aims of both these parties and to manage them accordingly.
- **Facilitate an understanding of each other’s pressures and motivations, needs and values.** Again, a successful and prosperous relationship can be developed if there is a keen understanding between the two parties, and a facilitator role can assist with this.

- **Facilitate a meaningful exchange between companies and community organisations.** By effectively managing the relationship, the time and resources of the business and the NGO can be best utilised efficiently.
- **Build the capacity of the community organisations.** This will increase their sustainability for the future and will enable them to understand business better.

Community brokers, usually not-for-profit organisations but sometimes small community-oriented consultancies, are a valuable resource for companies setting up community involvement programmes. They are able to identify opportunities in the community for company action, as they have strong networks there, and can represent the culture and expectations of community agencies to the company and, in particular, to participating employees. In addition, they can prepare community organisations for partnership with companies and provide a review and evaluation process to ensure successful long-term relationships.

Global Corporate Volunteering: A proposal to drive employee engagement internationally

ENGAGE Key Cities is the flagship international Employee Community Engagement (ECE) programme of BITC. It brings together community partners and companies in 26 locations internationally to work in collaboration on employee community engagement projects. ENGAGE Key Cities was created in 2002 by International Business Leaders Forum (IBLF) and BITC with the aim of increasing the quality and amount of ECE. BITC’s role is to train respected partners on the ENGAGE Key Cities collaborative volunteering model, and work with and support them to create new projects locally. It is also a mechanism for companies, particularly BITC members, to roll out strategic community investment initiatives on a global scale.

It is a model that works. Currently, 20 projects are taking place in 26 cities across 15 countries, from Beijing to Valencia including every major world region: Asia, Europe, Africa and the Americas. Partners within the network have also supported each other to replicate models and projects between cities, for instance the Valencia model was transported to Romania, and Paris’ to Milan.

Each of the projects are designed and funded locally by groups of 5-15 multinational and local companies in order to address some

of the key social issues in that community. By working together, they are able to pool available resources, creating a sustainable project with increased impact. The projects themselves tackle a wide range of issues and support a variety of target groups.

BITC then ensures that the tools and learning are exchanged through the network of community partners running the ENGAGE projects so that the ENGAGE model can continue to improve and evolve for the better.

Much of this learning was encapsulated in the online ENGAGE Toolkit, which is designed to help community practitioners with an international remit to develop or enhance an Employee Community Engagement programme.

One of the main lessons learnt from the ENGAGE Key Cities programme, and the wider BITC, is the importance of the intermediary and the need for local knowledge and local contacts if you are to have a measureable local impact.

More information at <http://engagetoolkit.bitc.org.uk>

Community partners are thus ideally placed to support building a local movement to include links with local, regional and national government and the press, and to ensure employee engagement develops according to local needs. Working with a community partner also saves the company dedicating in-house resources to managing all aspects of their employee programme.

Additionally, community partners can bring together companies to join collaborative activity. In this way, individual company programmes can be enhanced and improved by exchange, co-operation and learning with other firms.

Moving towards partnership building

Across the board there is a move both from NGOs and businesses away from one-day media grabbing activities and towards a partnership approach. One-day activities are time consuming, not sustainable, and do not allow for the real value of employee time and competencies to be felt by the organisation. Limiting employee engagement to this form is “missing a trick.” NGOs see this form of employee engagement as a means to an end; a necessary step to create longer term, more committed volunteers and relationships with businesses.

Ongoing activities requiring more substantive partnerships are more fulfilling for all concerned:

- the NGO gains support that is of value financially and of worth in terms of impact;
- employees recognise the true value to society of their professional and/or personal skills;
- businesses gain from engaging in a meaningful and often informative way with a stakeholder, and from developing the skills of the work force.

Companies are beginning to understand that communities need long-term structural partnerships that include donations, resource sharing, and employee time as volunteers

Partnership can provide equal wins on both sides where the skills, competencies and efficiencies of both the employees and the NGO sector are increased. It demonstrates a long-term commitment from the company and tends to create a sustained impact and a longer lasting legacy both in business and society.

Companies are beginning to understand that communities need long-term structural partnerships that include donations, resource sharing, and employee time as volunteers. Such long-term partnerships are instrumental in helping to build healthy sustainable communities which benefit not only community residents but businesses also in the form of enhanced reputation, better motivated employees, better relationships with residents and a harmonious stable community in which to operate.

Corporate Volunteering: a huge potential for business social impact

There is a huge potential for business to positively impact society by engaging with their employees and supporting them to share their time and skills in the community. There are a wide range of issues that can be tackled and, although businesses should never be seen as a replacement for the role of government in supplying social investment, they can certainly lend support to governments and local authorities in addressing poverty, inequality, poor housing, and many other needs, which is especially important at this critical time of recession.

In addition, the sustainability of the projects that businesses become involved in is greatly increased by working in partnership with intermediary bodies such as organisations like BITC and similar ones. This, mixed with a dose of collaboration, can really bring the best skills of businesses and fuse them with the specialist knowledge of NGOs to create really lasting affects and help catalyse social change for the better.





FUNDACIÓN TELEFÓNICA

Global strategies, local projects

Design of Corporate Volunteering initiatives adapted to employee context, interests and motivations

Since 1998, **Fundación Telefónica** carries out most of the social and cultural action of Telefónica Group in all the countries where the company operates.

Fundación Telefónica works according to three lines of action in which the main focus is access to learning and the use of Information and Communication Technologies (CIT). These three action lines are: access to education and knowledge, improvement of education quality through the incorporation of CIT, and generation and spread of knowledge.

To fulfil its commitment, Fundación Telefónica has implemented one of the biggest Corporate Volunteering programmes in the world.

ABSTRACT

As the essay mentions, the following paper presents ideas that could be source of inspiration for other Corporate Volunteering (CV) programmes. Ideas and ways of operating that have taken Fundación Telefónica to be a leader and well-known institution in relation with its Global CV programmes.

Based on Fundación Telefónica wide experience, the essay approaches key issues for any corporate manager who is going to embark, or is already embarked, on CV programmes in general, and Global CV programmes in particular: Why the centralisation of CV management in a corporate foundation? What type of initiatives can be offered to adjust volunteering to the different realities, employees and social needs that a company has in different countries and different business units? Which are the key aspects that can contribute to the success of a CV programme?



FUNDACIÓN TELEFÓNICA

Telefónica's Volunteer Programme channels the solidarity spirit of Telefónica Group employees, who contribute their resources, knowledge, time and enthusiasm to benefit the community and those in need.

Inspiring practices

In one of his most recent studies on Corporate Volunteering (CV) worldwide, a well-known US expert came to the conclusion that in “Corporate Volunteering we should be talking about ‘inspiring practices’ as opposed to best practices.”¹ In the view of this expert, best practices should always be adapted to each company’s characteristics and environment and should therefore become an example, not to be replicated, but rather to serve as an inspiration.

Telefónica’s Volunteer Programme channels the solidarity spirit of Telefónica Group employees, who contribute their resources, knowledge, time and enthusiasm to benefit the community and those in need. As it will be explained, this programme has diverse volunteering options with the goal of offering a variety of volunteering possibilities that adjust to the different employees’ profiles.

Based on this, this essay offers a brief overview of some of the characteristics of the Telefónica’s Volunteer Programme. More than good practices, the information is presented as ideas that might be useful to inspire other CV programmes.

Management of CV by Fundación Telefónica

Telefónica decided a number of years back that it would be its Foundation, Fundación Telefónica, that would be in charge of managing the CV programme for the entire Telefónica Group. By doing so, this reinforces the social dimension of the programme and the company’s commitment to the Third Sector.

Centralising these types of activities within its Foundation allows the necessary distance from a business driven dynamic. It also offers specialisation, both in terms of the analysis of social issues and in project development. It is precisely this type of specialisation that enabled Fundación Telefónica to become a reference in areas such as the eradication of Child Labour (through its Proniño programme), and the improvement of education through the use of new technologies (Educared, Debate, and Conocimiento programmes) or by incorporating them into the world of art.

Delegating the management of a CV programme to a foundation may in spite of everything, seem to be a less obvious option. It is true that there are arguments in favour of managing a programme of this type through the Human Resources, Corporate Social Responsibility (CSR) or Institutional Relations departments. At the end of the day, it’s all about mobilising one of the companies most important resources, if not the most important one, its employees, to participate in social action programmes promoted by the company or to support employees already involved in volunteer projects.

However, this was a deliberate decision based on the belief that CV is half-way between two realities. On the one hand, the Third Sector, where the social and environmental needs and problems that NGOs are attempting to tackle are becoming increasingly pressing; and on the other hand, the business side, where productivity and results are the decisive criteria. Within this equation, it is very easy for a CV programme to become thrown off-balance in a world where increasingly everyone is talking about the positive effects of CV on morale in the workplace, the pride of belonging to an organisation or even the training and development of certain skills acquired by employee volunteers that take part in CV. And this is important not only for the necessary commitment of the company with the society it is part of, but also for the sustainability of the programme.

Centralising the management of a CV in a corporate foundation contributes to find the balance between two realities: Third Sector and corporate world

The continued motivation of employees to participate in volunteer activities with not-for-profit organisations can only be achieved if the employees consider that these activities actually achieve some sort of benefit. Employee volunteers’ satisfaction derives from being able to help and feeling useful. When we are able to create the conditions for employees to feel satisfied, this generates the “collateral benefits” for the company that we mentioned earlier.

Similarly for NGOs, although on occasions they succumb to the temptation of “inventing” tailor-made activities to meet the requirements of potential corporate funders, CV will only make sense if this type of cooperation is integrated into its strategic planning whilst also

¹ Allen, K., Galliano, B.M., Hayes, S.E. (2011). “Global Companies Volunteering Globally.” See Allen and Galliano essay in Part I of this same publication “Corporate Volunteerism: What for? Emerging trends and inspiring cases of employee engagement.”



being linked to the real needs of the community or cause for which they are working.

Centralising the management of a CV programme within a foundation contributes, as the experience of Fundación Telefónica has confirmed, to maintaining the balance we mentioned earlier, so as to achieve the primary objective which we must never lose sight of.

That said, we all know that demonstrating the social impact of CV activities in quantitative terms is a rather tricky task. In many cases, although the activities are part of a long term cooperation agreement with NGOs, they have only short term or periodic benefits. It is important that both the NGO and the company define in a clear and transparent manner what objectives they intend to achieve in their cooperation agreement: from the organisation's expert know-how that employee volunteers bring, to the support in educational or leisure-recreational activities, or simply periodic employee involvement in activities to raise awareness about the cause the organisation is working for.

Volunteering in all the countries where the Telefónica Group is present: Does this mean doing the same thing in all countries?

Telefónica's Volunteer Programme aspires to offer volunteering opportunities to all the Group's employees. It is one of the ways the Telefónica Group demonstrates its commitment to society in countries where it is present. It is also a way of getting in touch with each country's social reality.

This does not mean that the same projects or the same type of activities are conducted in all countries. Indeed, the opposite is true. In each country, the programme is developed depending on the local needs, Telefónica's existing social projects and employee volunteer preferences.

In practice, at corporate level the programme is defined as part of an action framework which each country can adapt, depending on its specific realities. This means boundaries are set out within which there are varying degrees of flexibility. Thus, in some countries the three forms of volunteering that have been defined at corporate level (actual volunteering projects, social organisations projects and volunteers' own projects) are on offer whereas in other countries, only one or two of them are on offer. Although the three forms described below have a number of essential elements in common, they are pursuing different objectives.

With regard to the first form, **Volunteering Projects**, this involves offering employees the chance to do volunteer work within social action projects that have been developed by Fundación Telefónica. For instance, in Latin American countries, most of the volunteering initiatives have been managed within Fundación Telefónica's Proniño project whose aim is to eradicate child poverty. In a social project on this scale (today over 250,000 children benefit directly from the programme), it makes perfect sense to incorporate the support of employee volunteers into its strategic planning so that the activities have long term prospects and truly bring added value to the project.

The same thing happens in European countries where Think Big is being conducted; this is an initiative aimed at young people to offer them support and inspire them to develop their own projects. Employees get involved by becoming mentors to the young people that submit projects.

In this case, the common objective is to get the employee involved in the company's social initiatives, get them involved in the targets set, and in the process of achieving these targets. This not only enables employees to be better informed regarding its company's social initiatives, it also intensifies the social impact by including employee volunteer's skill and dedication.

A second form of employee participation is **social organisations' projects**, which consists of volunteering initiatives defined by different social organisations. The areas of intervention can vary (supporting people with disabilities, social exclusion risk groups, environmental protection initiatives, etc.), however, the key is to identify organisations whose mission includes promoting volunteering and planning this resource, incorporating it into its training programmes, and using it where it genuinely brings added value.

In this second form, the priority objective is to meet the needs identified and defined by these social organisations; depending on the geographical area, priorities may vary. In Spain, for instance, Fundación Telefónica works in conjunction with over 150 social organisations specialised in a broad spectrum of causes including supporting people with disabilities, social inclusion or environmental protection.

Finally, Fundación Telefónica promotes a third form of volunteering: **employees' projects**; employees themselves propose social projects and the best projects are selected to be financed and supported by Fundación Telefónica. The criteria for selecting the chosen projects include the project having the backing of a not-for-profit organisation and employees submitting projects committing to actively participate in their projects as volunteers.

In this case, the objective is focused more on employees than on a given social reality. It's about supporting

employees who already work as volunteers for social or environmental causes in their own personal capacity, to show these employees that the company is interested in helping them carry out projects directly in their own social setting. The social impact of these projects is more fragmented, however it is a way of supporting projects that are genuinely relevant to employees.

What all three of the forms of volunteering set out have in common is:

- 1) The needs and form of cooperating are dictated by the NGOs reality.
- 2) Fundación Telefónica provides either logistical or economic support to the project.
- 3) Given the difficulty in measuring the social impact, attempts are made to ensure the initiative is consistently set within the framework of a project with clearly defined social or environmental objectives and impact indicators.

Global management with local focus

The management structure of Telefónica's Volunteer Programme attempts to satisfy the following goals and objectives:

- Support our employees who are doing voluntary work in as many countries as possible where the group is present.
- In each of these countries, meet the real local social needs.
- Each local programme should follow strategic alignments defined at a global level while maintaining a certain degree of flexibility.

In most countries where the number of employees justifies it, the Voluntarios Telefónica programme is managed at local level, by a Country Manager and with its own budget.

There is an overall corporate structure that coordinates voluntary initiatives for the whole Group and in each of the different countries where it operates. This structure has a role through which, among other things it (i) sets strategic objectives for the programme internationally, (ii) generates and coordinates international campaigns and projects that complement what is on offer locally, (iii) makes it possible, through communication tools and processes, to exchange experiences and know-how with local managers, (iv) gives visibility to the initiatives and achievements at international level among management and employees, and (v) positions itself as an Institutional Representative within the corporate areas of

Human Resources, Corporate Social Responsibility and the company's internal communication.

In countries where it is not possible to have a dedicated structure, the corporate area provides support to the company departments in charge of developing CV initiatives for its employees.

Keys to success and challenges of a CV programme

There's no magic formula for the success of a CV programme since each company's characteristics and the objectives it sets out have a major bearing on what is "workable" in the end. However, there are some crucial aspects that contribute to the success of a CV programme.

The best way of maximising social impact is by offering our human resources to organisations that have learnt how to obtain value from them, that are very clear about how volunteers can be of use, genuinely including them in the development stage of projects and as opposed to being just an add-on to keep potential funders happy

Firstly, **working with a long term view with not-for-profit organisations** that know how to obtain added value for their organisation and/or the beneficiaries of CV. A volunteer programme must, first and foremost, aim to achieve social impact. We have already mentioned how measuring the impact of CV initiatives is something everyone would like to be able to do but which proves difficult to achieve: the tools on offer (for instance giving the hours worked a monetary value or drawing conclusions from a range of surveys conducted among the different stakeholders involved) are difficult to put into practice and are ultimately rather unconvincing. The best way of maximising social impact is by offering our human resources to organisations that have learnt how to obtain value from them, that are very clear about how volunteers can be of use, genuinely including them in the development stage of projects and as opposed to being just an add-on to keep potential funders happy. It's not always easy to identify the most suitable organisations and it is important to invest time and resources into forging these ties.



Secondly, **commitment and support from top management**. However much a group of employees wants to promote CV, it is first and foremost top management who should be convinced that the company employees should be involved in its social initiatives, and that supporting them in their volunteering work benefits both the company and society. In Telefónica Group, the social action projects promoted by Fundación Telefónica in general and Telefónica's Volunteer Programme in particular are largely and publicly supported by Telefónica's Steering Committee. This commitment expressed has a cascade effect on other managers and makes it easier for employees who are motivated and interested in participating to take part.

The risk of managing a CV programme within a foundation is that of being cut-off from the rest of the company, both from its objectives and its daily workings. Since it focuses on social objectives and functions as a separate entity, it may be out of sync with the company it is economically dependent on. As we already pointed out, those who know employees best and have the communication tools to get in touch with them are the Human Resources and Internal Communications departments. Thus, **close, strategic collaboration between these departments and the Foundation**, in areas where the company considers that this type of project contributes to its strategic objectives, is the third critical ingredient of a CV programme.

In conclusion, the CV programme manager should, at all times, bear in mind three key points: the society it

The CV programme manager should, at all times, bear in mind three key points: the society it wants to work with, the company it belongs to, and the employee who is being given the opportunity to take part on the programme

wants to work with, the company it belongs to, and the employee who is being given the opportunity to take part on the programme.

The work we have done in Fundación Telefónica, not just at local level, but also at corporate level through international projects such as Solidarity Holidays, in which 100 employees worldwide have devoted two weeks of their holidays to volunteer projects in Latin America as part of the Proniño project or Telefónica's International Volunteer Day, in which over 10,000 employees in 21 countries took part in volunteer activities, contributed to giving visibility to the Telefónica's Volunteer Programme. This work has also highlighted, on the one hand, the Telefónica Group's support for communities where it is present, and on the other hand, the positive collateral effects of the programme on key company objectives such as employee satisfaction and the sense of being part of a great global team.

CASES



CASE STUDY | “LA CAIXA” FOUNDATION

CooperantesCaixa: Working to Reach Social Impact

Design of processes for the learning and continuous improvement in Global Corporate Volunteering

That morning in June 2009, Jaime Lanaspá, director of “la Caixa” Foundation, was in a meeting with H.R.H. Infanta Cristina, director of the International area of “la Caixa” Foundation, and with Ariadna Bardolet, deputy director of the area, in a room on the third floor of Tower II, the emblematic building in the heart of Avenida Diagonal in Barcelona that housed the headquarters of La Caja de Ahorros y Pensiones de Barcelona - “la Caixa”.

As director of the International Area of the “la Caixa” Foundation, H.R.H. Infanta Cristina was responsible for the entire humanitarian aid and international co-operation activity carried out by the Foundation.

That day she had just finished providing Lanaspá with an overview of the evolution of the CooperantesCaixa programme, a Global Corporate Volunteering programme which, in just two years, was becoming very well considered by those who were familiar with it. Although it was a programme that had been given a low level of dissemination and which was applied on a small scale compared to the Foundations’ other projects and activities, the employees of “la Caixa” who participated in it had become its best ambassadors.

The programme also fit in with one of the strategic lines of “la Caixa”: providing a response to the concerns of interest groups, with employees being a preferred interest group. As a leading financial institution, “La Caixa” sought to attract the most qualified employees and retain them with competitive policies, a stimulating environment and a swift response to their needs and concerns – not just their professional ones but their personal ones as well. In fact, in 2009, the “Merco Personas” report (by the Spanish

Corporate Reputation Watchdog) chose “la Caixa” as the best place to work for the fourth year in a row.

From the time the programme was created it was conceived as a programme that would be noted for its quality, efficiency and potential impact. Bardolet had sought and worked to obtain a different, ambitious programme that in addition to contributing to the fight against poverty and achieving the Millennium Goal would also be transforming for the employees participating in it.

Internal assessment based on the opinions of volunteers and the NGOs with which they were collaborating were very positive. However, some doubts remained associated with the challenges that the programme had brought up in its first years of implementation: Was the volunteers’ action in the projects relevant and pertinent? How could the programme’s processes be improved? Were the volunteers being managed adequately as a key resource?

Measuring the impact of the programme on improving the living conditions of the beneficiary populations was complicated, not only because of the intrinsic difficulties of assessing the impact, but also due to the short time the programme had been operating. However, H.R.H. Infanta Cristina and Bardolet knew that the relevance, efficacy and efficiency of the programme could be evaluated and that the impact it was having on raising awareness in the volunteers could also be measured. Nevertheless, in order to do so, they had to go beyond self-assessment. If they wanted to take on the questions and challenges that had arisen in order to improve the programme, they needed more complete and objective information.

Profile of the financial institution

“LA CAIXA”, AN OUTLINE

In June 2011, Caja de Ahorros y Pensiones de Barcelona, “la Caixa”, was the leading Spanish savings bank and the third-ranked financial institution in the country.

The “la Caixa” Group ended 2010 with assets in excess of 285.7 billion euros, 10.5 million customers, a workforce of 28,651 employees and the largest commercial network in the financial sector in Spain, with 5,409 branches and 8,181 automatic cash-dispensing machines. In that year, “la Caixa” was the only Spanish savings bank on the Global Finance List of the 50 safest banks in the world.

At the outset, “la Caixa” was created as a private not-for-profit financial institution which carried out universal banking activity with important emphasis on retail banking services. Represented in its governing bodies were depositors, the founding and social interest entities, local corporations and employees.

The social commitment of “la Caixa” – its Social Projects – was channelled largely through the “la Caixa” Foundation (hereinafter the Foundation). In 2010, the Foundation had a budget of 500 million euros, making it the leading Spanish private foundation, the second European foundation and the fifth in the world in terms of budget.

HISTORY AND EVOLUTION IN THE BANKING SECTOR

The Caja de Pensiones para la Vejez y de Ahorros de Cataluña y Baleares was founded in 1904 with the purpose of stimulating growth and forward planning – goals that in the historical context of Spain at that time were an effective instrument for helping the less fortunate classes to have a certain autonomy and security in their family life.

Due to the context and the weakness of the domestic banking sector, the Caja de Pensiones para la Vejez y de Ahorros de Cataluña y Baleares established its position and expanded rapidly to the entire Spanish savings market. In the second half of the 20th century, in the context of more flexible legislation, it opened 1,220 new branches throughout Spain. In 1990, it merged with the Caja de Ahorros y Monte de Piedad de Barcelona; thus giving rise to the creation of the Caja de Ahorros y Pensiones de Barcelona, “la Caixa”.

The acquisition of stakes in companies started in 1972, when “la Caixa” acquired a shareholding in Ace-sa (now Abertis). From then on, the size of its portfolio

continued to grow and at the end of 2010 “la Caixa” had significant shareholdings in Gas Natural, Repsol, Telefónica, Agbar, Abertis and Port Aventura. The Group was, at that time, the most solvent of the major Spanish savings banks and – according to several indicators – the largest retail bank in Spain¹. In the first term of 2011, “la Caixa” consolidated its position as leader of the Spanish online financial sector according to a ranking published by AQMetrix, a company specializing in rating the quality of internet financial services.

Outside of Spain, “la Caixa” has invested in Europe, America and also in emerging markets, although less ambitiously than its two major rivals in the Spanish banking sector: Santander and BBVA. The Group’s shareholdings include 20% of the Inbursa Financial Group in Mexico; 15.5% of Bank of East Asia; 10% of the Austrian group Erste Bank; and 30.1% of Banco BPI, in Portugal.

CREATION OF CAIXABANK

At the beginning of 2011, the Spanish government announced a financial system reconversion plan whereby the Savings Banks had to convert into banks. In light of the new Spanish financial legislation, and in response to the Basle II international banking regulation, a restructuring of the “la Caixa” Group took place.

On 28th January 2011, Criteria closed business with an increase of 16.93% – placing the price of its shares at 5.20 euros, their highest level since 11th December 2007 (5.27 euros) – after the announcement that Criteria was going to become the new CaixaBank, to which “la Caixa” would transfer its entire banking business.

Thus, in May 2011, CaixaBank was created. Initially, 81.1% of the group was controlled by “la Caixa”, 18.5% by the more than 300,000 minority shareholders of Criteria and approximately of 0.4% by the employees of the group. “La Caixa,” in turn, continues to exist and retains its shareholdings in Gas Natural Fenosa (35%), Abertis (24.6%), Agbar (24%), BME (5%) and Port Aventura, among others. The dividends of said shareholdings serve to maintain the Foundation’s Social Projects activity (See Appendix 1 for further information on the new structure of “la Caixa”).

CaixaBank became the first of the Spanish savings banks to be listed on the stock exchange on 1st July 2011, after its inclusion in the Ibex 35 with an initial price of 0.8 of its book value (20% discount). CaixaBank started to trade with 5,277 branches, 10.5 million customers,

¹ Expansion.com, 19-06-2011 <http://www.expansion.com/accesible/2011/06/19/empresasbanca/1308515106.html>.



a default rate of 3.95%, a core capital of 11%, liquidity of 19,572 million euros and a volume of 429.9 billion in business. The bank started out with 630,000 shareholders, occupying the tenth place in terms of stock exchange capitalization among the Eurozone banks, just behind Crédit Agricole -in France- and ahead of Commerzbank, in Germany.

It is significant that CaixaBank came into being with no property portfolio, which is initially a positive aspect when one considers that assets in housing are one of the main problems of the Spanish financial sector as a result of the bursting property bubble.

Intrinsic nature of the commitment

The social vocation of “la Caixa” is intrinsic to the legal nature of Savings Banks, under which “la Caixa” was created and maintained until July 2011.

Under the Spanish legal system, Savings Banks were lending institutions with freedom to carry out financial operations. However, although they acted with pure market criteria, they had social purposes and could not distribute dividends.

At the time of its establishment, therefore, “la Caixa” was created as a financial institution of a social and not-for-profit nature. Its founding aims were to contribute to the development of the territory, prevent financial exclusion, encourage saving and investment and to carry out social projects to benefit citizens.

In 1918, “la Caixa” changed the traditional model of social provision of Savings Banks and integrated its social action as another facet of its activity; its social action was then renamed “Social Projects.” Since then, and for almost 100 years, “la Caixa” has carried out its social commitment and vocation to work in favour of the general interest both through its Social Projects and through its financial activity. The current Corporate Social Responsibility policy of “la Caixa” is the natural continuation of this evolution and serves to underscore the philosophy of commitment with which the institution came into being.

Jordi Fabà, director of Corporate Social Responsibility at “la Caixa”, emphasized that “responsibility must be in the strategy, in the financial business. For this to happen, a key factor is the commitment of senior management. Without such a commitment, there are acts of goodwill and marketing campaigns, but no real commitment in the medium and long term.” In this regard, the Corporate Social Responsibility department crosses the entire organization and performance assessment in this area is carried out by monitoring goals and challenges.

After the financial reorganization of “la Caixa”, Isidro Fainé, Chairman of “la Caixa” and the Social Projects, indicated that restructuring “is changing in order to preserve what is essential,” placing emphasis on the maintenance and continuity of the Social Projects in the new model. Winner of “Financier of the year 2011,” Fainé is a firm believer in what he calls “social capitalism,” the concept at the very heart of “la Caixa.” In his speech following CaixaBank’s launch on the Stock Exchange, Fainé said, “being traded on the Stock Exchange will allow us to have a greater capacity to achieve this social capitalism to which we aspire,” highlighting that part of the dividends of the new bank, together with those of Caixa Holding, would be applied to the Social Projects.

LEADER IN CORPORATE SOCIAL RESPONSIBILITY

In the words of Fabà, “companies have to generate profits, but they have to do so responsibly [so that] Corporate Social Responsibility responds to the needs of their interest groups, benefitting society and the company.”

In line with this vision, “la Caixa” was recognized as the best company in Corporate Social Responsibility (CSR) in the first wave of the Kar 2010 study by Ipsos Public Affairs. Furthermore, from the perspective of the presumed Corporate Reputation Watchdog - Monitor Empresarial de Reputación Corporativa (MERCOR) - “la Caixa” is among the top 10 “Merco Businesses” in 2011 and “Merco People 2011,” and is in top place in the new “Merco Responsible Companies 2011” with 10,000 points - ahead of Iberdrola, which has 9,249 points and Mercadona, which has 8,708.

In transparency and communication, “la Caixa” was the highest-ranked Spanish financial institution to verify its CSR report for 2010 with the same requirements as an accounts audit. Furthermore, this Corporate Social Responsibility report for 2010 obtained a rating of A+ from the Global Reporting Initiative.

In turn, Criteria was selected in 2010 - for the third consecutive year - to form part of the Dow Jones Sustainability Index (DJSI) and its European version - the Dow Jones Sustainability Europe Index. It is still the only Spanish company present in the Financial Services sector, having achieved a score of 62 points.

“La Caixa” Foundation as a framework and tool of action

The “la Caixa” Foundation was created as a tool to organize and channel the different social, educational and cultural initiatives carried out as part of the Social Projects of “la Caixa”.

In 2011, “la Caixa” approved a budget of 500 million euros for its Social Projects for the fourth consecutive year. This amount made the Social Projects of “la Caixa” the leading private foundation in Spain in terms of budget and one of the most important in the world.

The development of social programmes was the fundamental priority in 2011, with a budget of 335 million euros.

INTERNATIONAL COOPERATION: GLOBAL DEMANDS, NATIONAL DEMANDS AND DEMANDS AT THE HEART OF “LA CAIXA”

The nineties were years of social movements in Spain, when society backed the birth and growth of the so-called “0.7% movement,” demanding that 0.7% of the GDP be destined to developing countries.

Accordingly, at the General Meeting of “la Caixa” in 1997, the employee representatives asked that a sum from the Social Projects fund be set aside for international cooperation. In response to this request, and taking into account the role of employees as a preferred interest group, the International Cooperation programme was created within the Foundation, with the aim of contributing to the eradication of extreme poverty in developing countries in Africa, Latin America and Asia. From its onset, the priorities of the International Cooperation programme were focused on providing support to transformation projects that implemented sustainable economic alternatives by promoting companies, cooperatives or other revenue-generating systems.

In 2006, in line with the institution’s origin, the programme concentrated its actions on social and economic development programmes (see Appendix 8 for further information) with the aim of supporting innovative, quality and sustainable initiatives that would contribute to the eradication of poverty. However, although the social and economic sphere was a priority, work continued in other areas such as emergency and humanitarian actions, training of cooperation agents, raising awareness and encouraging global health programmes.

In May 2011, the International Cooperation Area had carried out 459 projects in 62 counties and had applied over 65 million euros.

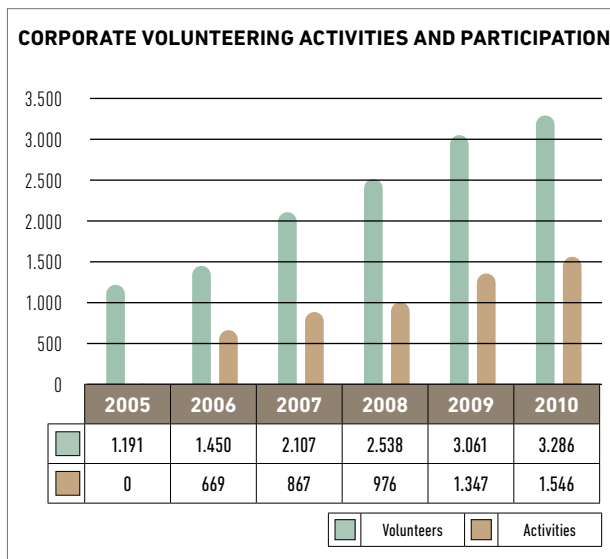
The vision of and approach to Corporate Volunteering
Several years after the creation of the International Cooperation Area, senior management – led by the personal drive of the then Chairman of “la Caixa”, Ricardo Fornesa – launched a group of programmes to strengthen the social profile of “la Caixa.”

In the Foundation, the need and the opportunity to get employees more involved in the Social Projects were detected. Thus, a way was sought to satisfy this need – taking into account that these are employees who work established hours, have quotas to meet and their own professional goals.

So, in 2005, under the management of Carlos Vidal-Quadras, the Corporate Volunteering (CV) programme was created with the aim of providing employees and retired employees of “la Caixa” the possibility to participate in the Social Projects, encouraging this participation through voluntary work. It is sought at all times that participation in the Social Projects does not become a professional goal, but is done out of altruism. Through the CV programme, the Foundation becomes a key channel for integrating the volunteers in the Corporate Social Responsibility of “la Caixa.”

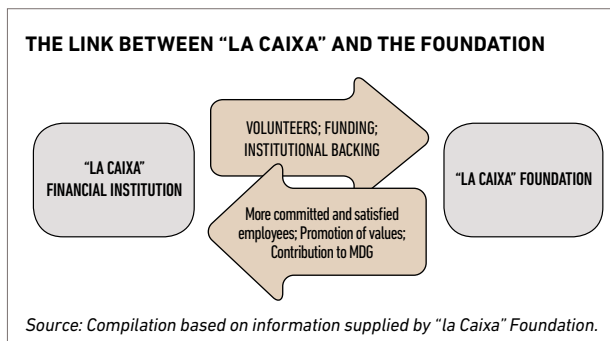
Part of its mission involves trying to ensure that all employees, regardless of their geographical location, have the opportunity to take part in the Social Projects. To do this, Vidal-Quadras worked very hard on the creation of a network of Volunteer Associations. Based on a decentralized model, the volunteers are organized at association level by province or zone, with local autonomy but with support from the Foundation. In September 2011, there were 42 “la Caixa” Volunteer Associations, with presence in all the provinces of Spain. To improve and support the coordination, communication and efficiency of these associations, in June 2010 the Federation of “la Caixa” Volunteer Associations was created, headed by Lluís M^a Romeu (see further information on the model and functioning of the associations in Appendix 2).

Five years after its creation, the CV programme had encouraged the participation of more than 13,600 volunteers in Social Projects activities. In this way, as well as responding to the needs of society, the Foundation has become a tool for providing a response to the concerns of employees. These employees find in the working environment not only a wide range of initiatives to satisfy their social commitment interests, but also support, institutional recognition and a community of volunteers that increase the level of gratification that the volunteering experience already provides.



Source: "la Caixa"

A strategic link is created between "la Caixa" and the Foundation. "La Caixa," as a financial institution, provides economic resources, institutional backing and volunteers to the Foundation. The Foundation, in turn, contributes through CSR actions and by providing support to one of the Group's strategic aspects: employee satisfaction and motivation.



Source: Compilation based on information supplied by "la Caixa" Foundation.

CooperantesCaixa is born

After listening to the presentation of H.R.H. Infanta Cristina and Bardolet, Lanaspá considered the challenges of the programme with a view to the future of CooperantesCaixa. Lanaspá had been with "la Caixa" for more than 20 years. As Director of the Foundation, he saw the value that the impact of CooperantesCaixa could have in the fight against poverty. Thanks to his experience as former Director of Personnel, Corporate Reputation and Communication, he also knew the positive potential of this

programme in relation with employee satisfaction and CSR policies.

With this in mind, Lanaspá and Bardolet took some time together to analyse the situation and evaluate the next steps to take. To do this, they started by reflecting on how and why it had been decided to create a Global Corporate Volunteering Programme in 2007.

CREATING SYNERGIES AND RESPONDING TO THE CONTEXT AND TO EMPLOYEES

At a historic time of debate about the Millennium Development Goals (MDG) and with the United Nations' Development Programme (UNDP) emphasising the need for alliances and networks to fight poverty, an appeal was made to the private sector (see further information on the MDG in Appendix 3). From its position of responsibility, "la Caixa" responded. The strategic plan for 2007-2010 for the International Cooperation Area was then created, favouring projects with a social and economic development component.

The close monitoring by the Foundation of its programmes and the close collaboration that was established with its counterparts led to the organizations themselves asking for more strategic support from the institution, which encouraged the International Cooperation Area to seek new cooperation formulas.

The Foundation seeks to combine its experience and know-how of the International Cooperation and Volunteering areas in order to take advantage of synergies and go a little further in "la Caixa's" contribution to improving the quality of life of vulnerable people in developing countries. It also seeks to offer a new type of volunteering, which had already been requested by some employees who had gone to the Volunteer Associations to offer their time during their vacation.

In April 2007, barely months after Sergi Burrull (who would later become the programme coordinator) joined the Foundation, CooperantesCaixa was created. Its implantation involved numerous meetings, discussions and reflections on the concept, the form, the goals and the management that a Global Corporate Volunteering programme should have.

Along the lines of the work of the International Cooperation Area, the programme was built on the basic principles of international cooperation. A programme was conceived that focused on the quality of the volunteer's contribution and not the quantity of participating volunteers. This made a profound and sustainable impact on the area of intervention – the most important asset that the programme would contribute would be the volunteer as an expert and conveyer of knowledge and skills.

From the standpoint of economic sustainability, the greater the impact on the beneficiary populations, the greater the satisfaction of the employee volunteers, which in turn leads to greater programme prestige and, consequently, a higher return on the investment.

INITIAL CHALLENGES

After exploring several options and assessing the advantages and disadvantages of the different models, it was determined that in CooperantesCaixa the employees of “la Caixa” would collaborate during their holidays. During this period they would travel to a developing country to work at an NGO, basically on projects with a social and economic development approach. With the aim of seeking the sustainability of the projects and long-term impact on the beneficiary populations, a transfer of knowledge and a technical and specialized action was chosen. Accordingly, the volunteers’ action was carried out based on their skills and their professional experience, developing a technical volunteering scheme rather than an assisting volunteering one.

Although “la Caixa” would provide support with economic resources – organizing the programme and allowing the use of working hours for training and organizational matters – it was hoped that volunteers would be motivated and willing to help out of a sense of commitment and the personal sacrifice that, for example, giving up their holidays entailed.

The fact that the action was carried out during holidays meant that the volunteering would last approximately three weeks. Taking into account the type of project on which the volunteers would be collaborating and the need of a sustainable impact, the short-term nature of the intervention was already becoming a great challenge.

The professional profile of the volunteer was a key element for the success of the programme. This involved a fundamental challenge in programme management, as volunteer selection had to be detailed and specific for each case, with defined requisites and parameters for each of the projects in which the volunteers would be involved.

Furthermore, in order to make the programme even more selective – and for the purpose of efficiency – not all the employees, but only those who were part of the “la Caixa” Volunteer Associations, could participate. It was decided that the first filter would be that the call for volunteers would be made exclusively through these associations. This was interesting for the selection process, but represented a limitation in communication and, therefore, limited the programme’s dissemination.

It was therefore necessary to convince the Management Board that a programme was worthwhile even if its dissemination and visibility (and therefore the media impact) would be low, while the impact on the beneficiaries as well as on the participating employees would be very high.

Another major challenge was to convey to the NGOs the benefits of their involvement in the programme, to help them to overcome scepticism and to get them to submit proposals in which the Foundation’s support was technical rather than economic. In this process, it was important that these proposals were not drawn up with the object of complying with request from the Foundation as a financing body, but that they identified a real need in which the technical collaboration of a professional would be truly relevant. To achieve this, orientation visits were made right from the start to explain the CooperantesCaixa programme to the organizations in situ and understand their needs.

Once the conditions had been established, agreements had been reached and the programme model had been approved, the most important questions before proceeding were then raised:

Would the programme be successful, in terms of attracting volunteers? How many employees would be willing to spend their holidays working? How many would be willing to undergo a training programme and to plan their involvement through a prior study of the project?

Furthermore, to completely guarantee motivation and commitment, the 2,000 euro grant provided to employees did not cover the payment of certain items. Would they be willing to organize flights and vaccinations by themselves and to defray board and accommodation expenses? It was, without a doubt, a proposal that asked a great deal of the employees.

These questions were answered in the following years with objective data concerning the number of applications and the level of work performed.

THE PILOT PROJECT

In May 2007, the CooperantesCaixa 2007 notice calling for volunteers was sent to all the “la Caixa” Volunteer Associations.

Sending the CooperantesCaixa notice through the Associations was a primary selection filter, based on the profile and concerns of the employees of “la Caixa” who were registered, and a way to facilitate the handling of applications.

Some weeks later, in a meeting hall in Barcelona, 54 employees of “la Caixa” took part in the first training session of the CooperantesCaixa programme. The training covered basic concepts of international



cooperation, discussed the goals of the programme in depth and worked on aspects related with expectation management.

As he was interested in learning more about this new initiative, Jesús Arroyo, Director of Communication of the “la Caixa” Foundation, was one of the eleven employees who participated in this pilot experience. Trained as a journalist, demanding with and committed to his work, Arroyo had certain doubts about the appropriateness of all the volunteers, as he thought that not all professional profiles could be useful in development projects and in the fight against poverty. He himself considered that his own profile as an expert in marketing and communication could contribute very little to improving communities’ quality of life in developing countries.

In the months after the training, ten volunteers travelled to Ecuador to take part in projects of the Ecuadorian Red Cross and MCCH, a local NGO that worked in the field of sustainable social economy. An eleventh volunteer travelled to Nicaragua and a twelfth, Arroyo, travelled to Cambodia. All the projects chosen were projects financed by the Foundation, and the International Cooperation Area had prior experience working with the local organizations where the volunteers provided their collaboration.

After returning from Cambodia and his involvement in CooperantesCaixa, Arroyo was full of enthusiasm and totally convinced of the initiative’s potential. Even his uncertainty about the validity of certain professional profiles had been completely overcome. In this regard, he expressed his pleasant surprise at seeing that a profile such as his own had so much to contribute: “as a journalist, I thought that I could never be a professionally useful volunteer in the target country, but the NGOs and associations that promote development projects need all kind of profiles.”

After this first participation, the Ecuadorian NGO MCCH would become a key ally in the field. One of the strategies of MCCH to promote and encourage fair trade is the construction of networks, alliances and cooperation with national and international organizations. MCCH regarded the programme as an opportunity to establish closer links with a Foundation with which it had already collaborated in other types of initiatives. “When we were presented with the CooperantesCaixa programme proposal, we felt happy and satisfied that our links would continue to be strengthened and that we could continue to add knowledge, capacities and skills through a group of human beings that wanted to join in this effort for social change.”

When all the volunteers had returned from their journeys, Bardolet and Burrull met to talk in detail and in confidence about their impressions of this first pilot experience. They considered the results of the call for volunteers and pilot participation to have been satisfactory. The

basic concept of the programme had been established and the pilot experience had validated it as sound. However, the programme had just started and there was therefore a lot to learn – not just about the aspects to be improved but also the reasons behind the things that had gone well.

REPEATING THE EXPERIENCE AND EVALUATING RESULTS

Six months after the start of the programme, and barely one month after the assessment of the first pilot experience, in November 2007 the second process was launched: CooperantesCaixa 2008. The programme was extended to 30 participants and the number of applications received was more than double: 67.

Taking into account that one of the fundamental characteristics of the programme was the short-term nature of involvement, it was decided to place greater emphasis on the selection of volunteers. To do so, a company specializing in Human Resources was engaged to support the process – from interviews to selection – analysing profiles and managing expectations.

Almost a year after this second process, in November 2008, Burrull and 30 volunteers who had participated in the second experience of the programme met in Madrid. Resuming the practice that had been initiated with the pilot project – and which would be repeated and reinforced every year afterwards – the volunteers set up a space for presentations, discussion, reflection and finally, the delivery of feedback.

Through anonymous questionnaires, the volunteers expressed their opinions on aspects that ranged from the management and relevance of the programme, the work of the local NGO with which they had collaborated and the role of the Human Resources consultant involved in the selection process. The average rating of the different aspects was very positive.

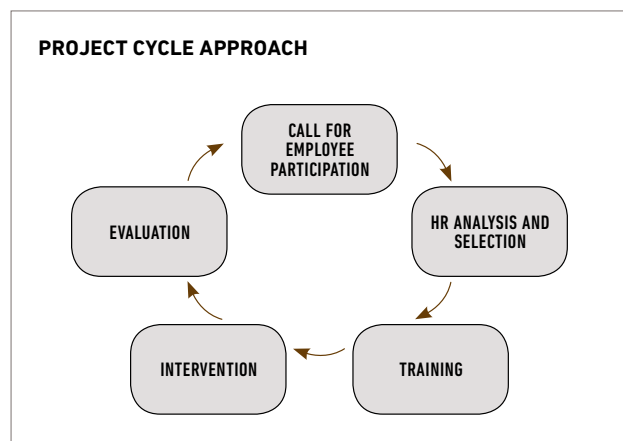
Of their personal experience, the volunteers said things like, “Today I know (and not because I have been told, but because I have seen it) that my daily work has other beneficiaries apart from the end recipient. Today I know that the Soul of “la Caixa” is not something intangible.” (Raquel Sánchez, CooperanteCaixa in Nicaragua); “I think that we have a lot to learn from these people, at least I have. As I thought before I left, I have received from them more than I have given, although I know that we have been some help to them in improving things and this makes me proud.” (Victoria Rubio CooperanteCaixa in Ecuador); and, although it sounds like a cliché, “The most wonderful experience of my life.” (Fermín Morales Gil, CooperanteCaixa in Mali).

These assessment sessions had become (and would continue to be in the forthcoming years) a fundamental tool for achieving the goal of continuous improvement and adaptation of the programme (see further information on the feedback from the volunteers in Appendix 4).

THE PROJECT CYCLE APPROACH

It was at this stage, two years after the creation of CooperantesCaixa, that the need to have more complete and objective information on the programme had become more important. Bardolet's proposal was clear: it was time to carry out an external, specialized and independent assessment that would help them to evaluate the programme and improve it if necessary.

In the same way that the project cycle management model had been incorporated in the dynamics of the work with each successive process – ending each process with an assessment and starting the next with an analysis and the incorporation of the results of that assessment – it was important to apply the same approach to the programme as a whole (see information on project cycle management in Appendix 5).



In this regard, after the first pilot experience and with the second experience of CooperantesCaixa 2008 completed, it was time to close the cycle with the corresponding assessment.

As a comprehensive, external and independent assessment was desired, Bardolet was aware that this would involve significant expenditure. In the middle of 2009, barely a few weeks after the meeting between H.R.H. Infanta Cristina, Bardolet and Lanaspá, the status of the programme and the proposal to continue building on it and improving it was presented to the entire Management Board of the Foundation. The Board gave the go-ahead to carry out the assessment. Until the evaluation was complete, the

next experience would incorporate only the improvements detected internally. Afterwards, a new phase would commence that could bring about changes and adjustments to the programme.

THE VOLUNTEER CHAINS

After drawing conclusions from the assessment session of CooperantesCaixa 2008, and before the end of the year, notice of the CooperantesCaixa 2009 process was published. Once again, several changes had been incorporated.

As an initial response to the volunteers' opinions, the consulting company involved in the selection process was changed, because, among the aspects that had been assessed, the work of the Human Resources company was the single aspect of the process that had been valued least positively.

Another more relevant change – the implementation of which involved a greater level of reflection and discussion – came about as a result of the feedback obtained from the NGOs in Spain. The NGOs requested that the volunteers have the option of working again on the same projects for several consecutive years. The NGOs considered this to be critical to give continuity to the previously-invested time and to make better use of the volunteer's stay. By being familiar with the setting, the project and the status of the previous intervention, the volunteer could resume better and more quickly the work done in previous years. The continuity of the volunteers in the context of a medium/long term project would help to guarantee that the projects would be more efficient and would produce more sustainable results.

From the start of the programme, it had been known that the short-term nature of the volunteers' involvement was one of the great challenges that the programme had to handle. To overcome the difficulties arising because of this, "volunteer chains" were created, which sought to establish links between the volunteers who had participated in CooperantesCaixa in different years. To do this, the volunteers who had worked on a certain project were brought into contact with the volunteers who were going to travel to the same destination or to projects with similar components. This exchange of information and experience sought to improve the impact of the interventions:

- by giving continuity to the work carried out on the project;
- by facilitating and accelerating the volunteers' adaptation process upon arrival at their destination.



The volunteer chains proved to be a success, highly valued by the employees themselves as a tool for initiating their contact with the project and the environment in which they were going to work.

In spite of this, the programme understood the local NGOs' interest in having the support of a specific person in successive years, a person with whom a personal and professional relationship and a successful collaboration had been established.

Against this, the main drawback was that the initial establishment of the programme had excluded the possibility of the same employees being CooperantesCaixa in different processes, as the participation of the highest possible number of employees was sought. Although the International Cooperation area understood the logic behind changing this practice, the CV programme highlighted that opening the door to the possibility of repeating, while the number of available spots for potential volunteers remained the same, meant that the impact among employees would be lower.

The other side of the coin also had to be considered: Would the volunteers be interested in repeating the experience?

For Arroyo, his first experience with CooperantesCaixa had changed his perspective on the problem of poverty. It had also transformed his ideas about the possible contribution he could make as a professional and as a person to a problem that seemed very distant. He therefore wanted to participate again. In fact, he had continued to be involved in the project many months after he returned home and, two years later, he was still in contact with the local partner.

For Andreu Solà, director of a branch of "la Caixa" in Barcelona, the experience had been a transformation. Solà participated in CooperantesCaixa in 2008, working in Nicaragua with DESOS, a small Catalan NGO that carried out productive development projects with a constant commitment to collaboration in seeking the self-sustainability of the two communities with which it worked. As well as the satisfaction with the work carried out, it was a source of pride to know that after his intervention, both DESOS and the local partner had been so satisfied that they requested his collaboration the following year.

Like Arroyo and Solà, a large number of employees were interested in repeating the experience. In this regard, the volunteer chains – as well as being a communication and knowledge-sharing tool – also proved to be a motivating force that inspired the volunteers to stay involved in the programme and in touch with the projects and the other employees with whom the experience had been shared.

Finally, in order to create the highest possible impact on the beneficiary populations, it was agreed to change the bases of the programme and allow employees to participate in several processes.

Among the candidates for CooperantesCaixa 2009, 11 employees of "la Caixa" applied to participate again.

Thanks to this change in the programme, Arroyo and Solà were able to continue finding an outlet for their social concerns and to dedicate their holidays once more to collaborating in development projects.

Continuous challenges: Reviewing the conditions and putting them to the test

At the end of that year, 2009, Bardolet received on her desk the first part of the external assessment report. The approach of the assessment was integral, covering four aspects: the Foundation, the NGOs in Spain, the partners in the developing countries and the volunteers (see further information on the approach of the assessment in Appendix 6).

Bardolet called a meeting to discuss these preliminary results with a team. The meeting was attended by Burrull, Vidal-Quadras, Montse Cabré (assistant director of the Social Integration Area), the Human Resources consultant that had supported them in volunteer selection and management, and the consultant responsible for the assessment. The team reviewed and re-assessed the programme model, its goals and how these were being achieved and aligning with the goals of the International Cooperation Area, of the Volunteering Programme, of the Foundations' strategy and of the CSR of "la Caixa" as a whole.

In such a dynamic and transversal programme involving several areas and with a volunteering component, having a clear model and clear goals was critical in order to avoid confusion about the basic conditions of the programme. At that time, based on the model that some companies had in place, it was suggested that CooperantesCaixa should be used as a tool to develop and train leaders, taking into account the challenge and learning opportunity that an experience of this type represented. The major problem that this model raised was that it shifted the focus of the programme from the beneficiaries to the volunteers. In other words, it changed one of the essential components of the programme: the impoverished populations in developing countries as the fundamental centre of any action. There was also a risk that participation could cease to be based on solidarity and become another step on the ladder to promotion.

Although including a professional development component could attract marvellous talent and very

interesting profiles from the point of view of training and experience, personal motivation was considered to have the most important potential impact with the two specific goals of the programme in mind:

Specific Goal 1: To contribute to the institutional strengthening of local counterparts through technical training and advising that contribute to the feasibility and sustainability of the development projects on being carried out.

Specific Goal 2: To contribute to raising awareness among employees of “la Caixa” who form part of the International Volunteering team of the problems faced by people who live in developing countries, and the implicit difficulties of international cooperation projects, through experience in the field.

Being clear about the working model sought and that, with regard to the employees, the goal was to raise awareness and reach a substantial impact in the social initiatives rather than to develop employee skills was crucial in order to analyse the expected results and guarantee that the populations in a situation of poverty in developing countries remained at the heart of the programme.

As far as attracting volunteers with a profile of high technical qualifications and a high level of experience is concerned, practice had shown and would continue to show that this was possible without any need to include professional development as a motivational component.

INVOLVEMENT OF SENIOR MANAGEMENT PERSONNEL: ADVANTAGES AND ADDED DIFFICULTIES

The process of receiving applications was always an exciting moment. As Burrull read the profiles of the employees interested in participating in CooperantesCaixa 2009, in his mind he would think of options and possibilities for matching them to the proposals sent by the NGOs. Upon reading the name of one of the applicants, he could not help but feel a mixture of satisfaction and concern. He then went to speak to Bardolet.

When Bardolet saw the application from Jaume Cabré, Executive Director of Accessible Housing, she knew that it was a sign of the recognition of the value of the programme. She also knew the challenge involved in finding a development project on which Cabré could work that would make the most out of his considerable experience and know-how. However, the experience of CooperantesCaixa with executive-level employees was not new.

Previously they had had the participation of Arroyo, the Foundation's Director of Communication, who had applied again this year. In fact, his participation was going to be

crucial precisely because of his profile: the MCCH organization was 25 years old and was involved in a series of strategic planning processes in which the marketing and communication components were crucial. For three weeks, Arroyo would work hand-in-hand on an ambitious project that included supporting the market positioning of the products sold by MCCH, contributing to the development of a marketing plan and modifying its corporate brand.

In addition, for two consecutive years, Andrés Orozco, Territorial Delegate in the Canary Islands, had joined CooperantesCaixa to work with the Manhica International Health Centre (CISM). His level of professionalism and highly-regarded qualifications were key elements in the strategic planning process in which the CISM in Mozambique was involved. After the work carried out in his first participation, the local partner was so satisfied that they requested Orozco's collaboration the following year. Orozco re-applied, and in 2009 he went to finish the work he had started a year earlier – and with which he had continued to be associated in the intervening period.

Based on previous experience, it was clear that it was positive for the reputation of the programme and valuable in achieving its goals for executive personnel to be part of it with the highest level of involvement: in other words, as volunteers. However, the challenge was considerable. Not only because failing to take advantage of the availability and willingness of someone like Arroyo or Orozco, and now Cabré, would be an inestimable lost opportunity, but because volunteer satisfaction was also a fundamental goal of the programme, and Bardolet knew that Cabré would not be satisfied with an involvement that did not fully match with his abilities.

Bardolet was not mistaken in her impressions. Cabré himself indicated that he had “doubts about how useful the volunteers' contributions were.” From what he had heard, they were “marvellous personal experiences, but examining them in more depth, I did not know how much the volunteers' contribution to the projects represented.”

Cabré's participation was a success. His involvement started thanks to Mireia Ferrer, who after participating herself in CooperantesCaixa encouraged her boss, Cabré, to apply the following year and collaborate on the same project as she had been working on: support to management and strategic alignment at MCCH.

Some weeks before travelling, Cabré started his work by reviewing the first draft of the new strategic plan of MCCH. After several telephone conversations with the General Manager of MCCH, Cabré sent a proposal for collaboration.

Cabré took his vast experience to Ecuador to support a key process of clarification and start-up of the strategy. Through intense participative work, which involved more than 25 people in an extended management team – Chair and Vice-Chair



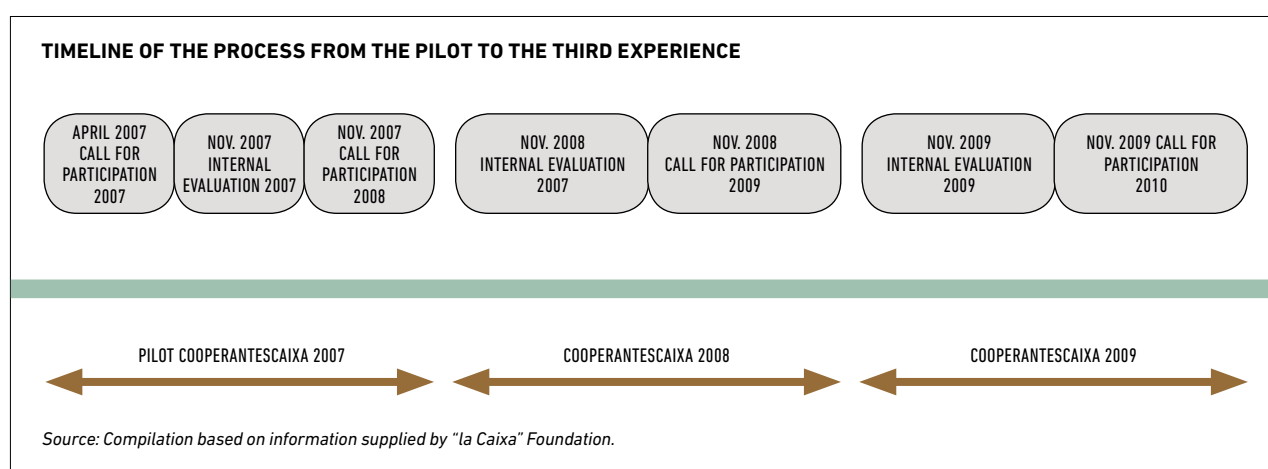
of the Directory, General Vice-Manager, heads of Central Services, Territorial Coordinators and Managers – an initial consensus-based strategic map was obtained.

But Cabré's work with MCCH did not end when he returned from this journey, but rather he continued to be linked to the project months after returning to Spain. Furthermore, immediately after his participation, another team of volunteers travelled to Ecuador to carry on with the work. This new team focused on defining the monitoring indicators and adapting new strategic management software.

Cabré returned not only satisfied with the work done, but impressed with the “human quality and also the

professional quality” of the MCCH team.

MCCH stated their satisfaction with Cabré, defining him as “a human being with a strong vision and social sensitivity who adapts in a very short time to the local reality and the dynamics of work with peasant and indigenous populations.” They added that the volunteers' contribution had been “transcendental in improving several processes both at institutional level and in the community production initiatives, helping to contribute to the development of the skills of their companions, to achieve their personal growth and the growth of their community, which will lead them to improve their life by themselves.



ADJUSTING TO IMPROVE

Some months later, in April 2010, Bardolet received the final external assessment report. After reading the final conclusions, she decided to call a meeting with the same team that had analysed the first part of the assessment results.

Among the most important conclusions of the assessment, three aspects to be reinforced stood out:

- Working in depth with the volunteers and the NGOs (both in Spain and in the field) to understand better the needs of the NGOs and match the volunteers' profiles to the projects more accurately.
- Placing greater emphasis on managing the volunteers' expectations.
- Continuing to promote the value of volunteering both in international cooperation projects and in local programmes.

In the same period, and coinciding with the external assessment, an internal assessment was carried out through a meeting with all the volunteers who had participated to the date in CooperantesCaixa. This helped to explore ways of approaching the improvements identified.

Responding to what the volunteers themselves were questioning, and as part of the awareness-raising component of the programme, a day of reflection was created called “Now what? Fostering citizen participation and social action.” This event brought together more than 80 volunteers who had participated in CooperantesCaixa and showed how after their participation in the programme, most of the volunteers had maintained personal ties with the volunteering projects.

The sessions held recognized that it was fundamental that the CooperantesCaixa volunteers become agents for change and for raising awareness among their colleagues, families and friends. At the end of the day, a core conclusion was obtained which answered the question that had brought them together. Now what? “From now on, here. We will continue working in Spain.”

As an example of “from now on, here,” Solà joined the management team of DESOS as a volunteer, working as coordinator of the cooperation area for one of the areas of action and holding a post on the Management Board of the NGO.

After completion of the external assessment – with the results of the reflection event – and after the assessment by the last volunteers of CooperantesCaixa 2010; in November 2010 CooperantesCaixa 2011 was launched with

an important change – the redrafting of specific goal 1 of the programme, the initial text that had given rise to certain susceptibilities among the local organizations with regard to the role of the Foundation. Emphasis is placed on strengthening the beneficiary populations, stressing this with the following definition:

Specific Goal 1: To contribute to the strengthening of the capacities of the beneficiaries and/or the local counterparts through technical training, advising and knowledge transfer that will contribute to the feasibility and sustainability of the development projects being carried out.

It is hoped that this change will emphasize that the beneficiaries are at the centre of action, highlight the Foundation's role of support and collaboration and strengthen its relations and communication with local organizations.

In addition, throughout 2010 the difficulties in the management of the volunteers became more evident. The administrative workload related to travel by volunteers took time away from the definition of the interventions and was risky in the sense that it was necessary to ensure that all the participants complied with requisites such as vaccinations or insurance. To reduce the complexity and the workload that volunteer management entailed, there did not seem to be a clear solution, as this task was the key component that made the programme work. However, for the administrative side of things, it was decided to use an external consulting firm specializing in travel management that would coordinate and guarantee the purchasing of plane tickets, processing of insurance issues and monitoring of formalities and vaccinations.

Challenges for the future

In September 2011, Bardolet and Burrull waited to see what the response would be like that year. In a few months the cycle would be closed with the assessment of CooperantesCaixa 2011 and would start again with the analysis of the situation and the launch of CooperantesCaixa 2012. This would be the sixth group of volunteers since the programme started (for full details of volunteer participation see Appendix 7).

With a view to the future, they had to continue facing challenges. According to the Social Projects' "Lines of Action 2010 – 2016," they had to keep working in more depth on the methodological aspects and systems for measuring results. This involved, on the one hand, the need to

systemize and organize better the management of the proposals from the NGOs, which was expected to result in an improvement in the process of matching volunteers to projects. Another key aspect was to seek ways to anchor the CooperantesCaixa programme better with the social and economic programme in order to systemize it more. On the other hand, it was necessary to continue to explore options in relation with programme and results assessment.

The positive impact on volunteers – raising their awareness – was shown not only from their own opinions but also from the facts. The number of applicants was always higher than the number of available destinations, and within the programme the repeated participation of several volunteers two or even three times had become consolidated.

They knew that they had the very valuable support of national NGOs such as DESOS, which had told them how, without the volunteers' collaboration, they could not have carried out some of their projects, and of partners in the field such as MCCH, which had stated that it was "a great satisfaction to continue with the CooperantesCaixa programme" and that they hoped to "continue working shoulder to shoulder with the excellent professionals in the programme" and "having their valuable support to achieve a fairer and more equitable world."

What was critical, and at the same time difficult to prove, was the level of impact and the sustainability of the work carried out. A part had been shown from the external assessments. Another part had to be approached taking into account the existing resources and the opportunity costs of these resources. In terms of impact, what was the return on the resources invested in CooperantesCaixa compared to the resources applied in projects of a more cautious nature and only with an economic contribution?

On the other hand, the short-term nature of the volunteers' intervention continued to be one of the major challenges. Work still had to be done to improve the "volunteer chains" and consider the incorporation of new communication tools to support and facilitate the process of sharing and preserving knowledge and experience.

As regards the questions of the future of the programme, Bardolet considered them to be mainly questions about its growth and scalability. Expansion seemed feasible. There were NGOs interested in the program – as was shown by the large number of proposals – and there were employees interested in participating – as was shown by the large number of applicants. But was there internal will to make it grow? Would it be sustainable?

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TEACHING NOTE

“CooperantesCaixa: Working to Reach Social Impact,” presents us with the creation, implementation and evolution of a Global Corporate Volunteering programme carried out by the “la Caixa” Foundation. Under the leadership of H.R.H. Infanta Cristina, director of the International Cooperation Area of the “la Caixa” Foundation, and with the encouragement of Jaime Lanaspá, director of the “la Caixa” Foundation, a process of four years – so far – has been carried out in which difficulties are found, successes are obtained, synergies are generated and an attitude of continuous learning, review and adjustment of the programme is maintained.

Based on collaboration and joint work with NGOs, CooperantesCaixa coordinates interventions of technical and professional volunteers in developing countries, with the aim of producing a transfer of the knowledge based on the professional experience of the “la Caixa” employees. In the collaboration model applied, where emphasis is placed on the quality of the volunteers rather than their quantity, the beneficiaries – populations in situations of poverty in developing countries – constitute the centre of the programme and of the entire action.

Taking advantage of the Foundation’s experience in international cooperation and its strength in mobilizing volunteers, CooperantesCaixa was created as a programme that provides a response to employees’ demands and to the calls on businesses to get involved in the fight against global poverty. Thus, the ultimate aim – which affects subsequent decision making within the management team – is achieving social impact. The fact that the programme is within the Foundation makes this easier and sharpens this focus².

This approach to CV means that internal debate within the company about changing the focus of the programme can be resolved on the basis of social impact. It is important to consider how, when some of the company’s departments suggest using the CooperantesCaixa programme as a leadership and skills development tool for staff, they end up opting for a solution which, from the point of view of the Foundation, increases the chances of creating impact: motivating employees. An interesting factor has been observed regarding this: the company, in the course of the CV programme, has discovered that employee motivation is one of the keys **to achieving the maximum benefit from the volunteering experience and, in turn, to increasing the chances of achieving**

greater social impact. Furthermore, the fact that CooperantesCaixa is designed as a professional volunteering programme also results in an increased chance of achieving greater impact.

One of the main difficulties of CooperantesCaixa in its quest for a positive and sustainable impact is the short-term nature of the volunteers’ intervention (an average of three weeks). This represented an obstacle for the main goal of the program: the impact of the social projects in which the volunteers participate. To deal with this, there are two key elements: on the one hand, the prior work to prepare the volunteer and define the “what for” of each volunteer’s intervention; on the other hand, the creation of volunteer chains and the use made of the Volunteer Associations. **The volunteer chains support the transfer of experience and knowledge, facilitate the adaptation of the new volunteers and promote the creation of networks and positive relationships among the employees who participate in the programme.** The Volunteer Associations are crucial in launching the call for applicants and in facilitating the selection and, later, the communication process.

The growth of the programme is also a challenge – one that entails being able to assess its effectiveness and efficiency in achieving positive and sustainable impact, compared, for example, with the impact of traditional, and complementary, international cooperation programmes that the Foundation also carries out. All of this leads to the conclusion that, based on this experience, there are various factors that affect the programme’s impact:

1. The fact that it is skilled volunteering.
2. The motivation of the volunteers that take part (from the company’s point of view, even more so than how qualified they are).
3. Suitable matching of staff profiles with project requirements.
4. Sufficient duration of the volunteering project.

The company equally understands that achieving greater social impact definitely enhances employee motivation and satisfaction. If all of the above factors exist, it follows that the volunteering experience will have a greater impact on the volunteer.

This approach also has some potential drawbacks: fewer people participate in the programme and the benefit of the volunteering experience as a potential skills development tool is restricted.

Another important element of the CooperantesCaixa experience is the participation of the company’s senior staff. This is undoubtedly a challenge for the programme managers; however, it can be used as a factor to help

² See the essay written by Fundación Telefónica, “Global Strategies, Local projects. Design of CV initiatives tailored to employee context, interests and motivations”, 2011, in Chapter 1, Part II, of this publication.

develop the programme within the company.

Apparently, the programme is experiencing some difficulties with its relationship with the NGOs, particularly with regard to identifying needs as opposed to what “la Caixa” employees can offer. In regards to this,

the programme improved its working ties with the NGOs by building a more balanced relationship so that the volunteering experience is both more appealing and more meaningful.

MAIN CHANGES AND EVOLUTION IN THE PROGRAM:		
CALL FOR PARTICIPATION	DATE OF CALL	MAIN CHANGES INCORPORATED
Pilot CooperantesCaixa 2007	April 2007	
CooperantesCaixa 2008	November 2007	Incorporation of a specialized Human Resources company to support the selection process and the management of the participants.
CooperantesCaixa 2009	November 2008	Change in program policies to allow employees to participate in the program in consecutive years.
CooperantesCaixa 2010	November 2009	
CooperantesCaixa 2011	November 2010	Rewording of specific objective 1 to emphasize the importance of strengthening beneficiary's communities. Outsourcing of the volunteers' travels management to guarantee the correct fulfilment of legal, health, and logistical requirements.
<i>Source: Compilation based on information supplied by “la Caixa” Foundation.</i>		

With a view to the future, the challenge of better taking advantage of the time of the intervention is still present. The programme creators know that this means continuing to work on the relationship with the NGOs, the training and preparation phase prior to the volunteers' work, taking advantage of the accumulated knowledge and experience by improving the volunteer chain.

All of this means that the company clearly cares about the social impact and the sustainability of the progress made by the programme, which it tries to gauge through external evaluations, given the major difficulty in obtaining accurate and relevant information internally. This

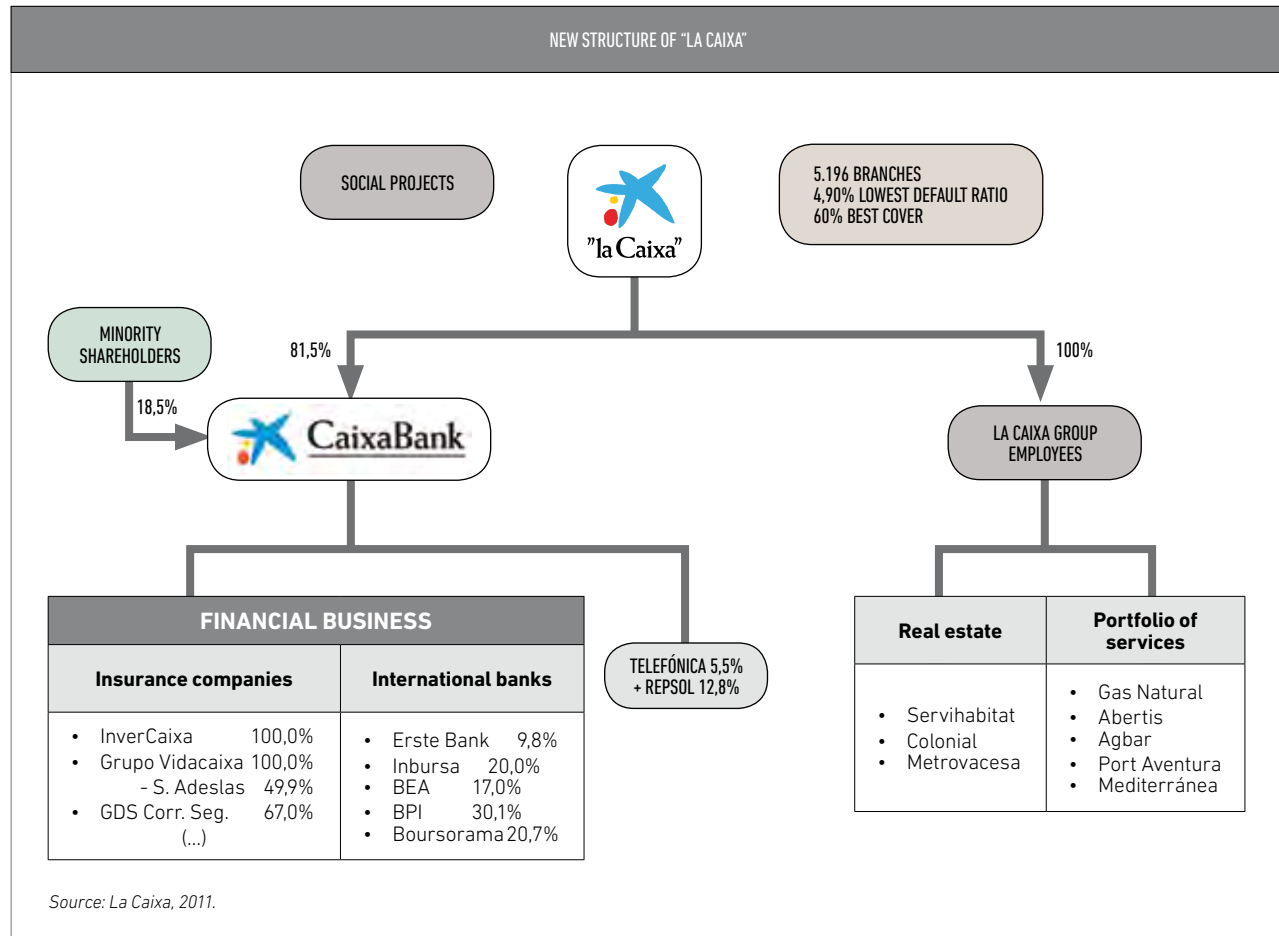
prompts the dilemma of the opportunity cost that this entails. Therefore, major emphasis must be placed on the importance of the relationship with NGOs, particularly with intermediary NGOs that are present at local level that can help achieve this through their ability to evaluate projects.

The growth of the programme is also a challenge – one that entails being able to assess its effectiveness and efficiency in achieving positive and sustainable impact, compared, for example, with the impact of traditional – and complementary – international cooperation programmes that the Foundation also carries out.



Appendices

APPENDIX 1



APPENDIX 2. CORPORATE VOLUNTEERING AND THE "LA CAIXA" VOLUNTEER ASSOCIATIONS

The general goal of Corporate Volunteering in "la Caixa" is to encourage voluntary action among employees and retired employees of the "la Caixa" Group, their relatives and friends to the benefit of society.

This volunteering has four specific goals:

- Offer volunteering as a means of participation by employees and retired employees in the Social Projects of "la Caixa."
- Provide the possibility of participation by relatives of employees and retired employees.
- Allow anyone who works in the "la Caixa" Group in any province the chance to participate.
- Mobilize our best assets – the people of "la Caixa" – to help society.

Creation

The Volunteer Associations are a tool that the Volunteering programme started up when it was created. Although their implementation was complex – especially in relation to the legal aspects – the format has proved to be very useful and very successful in coordinating, supporting and encouraging the participation of "la Caixa" employees.

In 2010 FASVOL – the Federation of "la Caixa" Volunteer Associations – was created to facilitate communication between associations and with the Foundation, improve coordination and the impact of their actions and strengthen each and every one of the associations.

How they work

The Volunteer Associations are made up exclusively of volunteers and are local and regional meeting places for all employees, retired employees and friends who have a common interest in carrying out volunteer work.

A decentralized model is applied with a network of 42 “la Caixa” volunteer associations at provincial or autonomous community level, with independent management boards that promote activities to benefit the needs in our society, in collaboration with not-for-profit organizations. Current employees, retired employees, their relatives and friends participate in these associations.

The volunteer associations promote their own activities and participate in activities promoted by FASVOL and by the volunteering programme.

The success of the model is based on the dynamism of each management board in its tasks of planning, coordinating and executing volunteering activities with a certain frequency and diversity to facilitate the volunteers’ participation. The strength and drive of the management boards is crucial to the functioning of the model.

The task undertaken by the management boards is twofold:

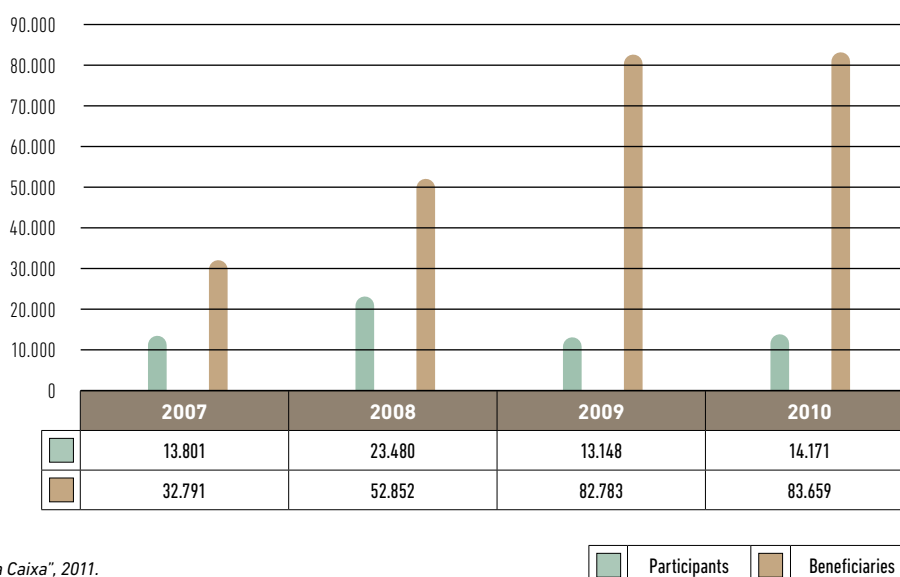
- a) Association management tasks: Board coordination meetings, welcoming of new volunteers, training coordination, relations with social organizations, communication with members, legal matters, database management, etc.
- b) Volunteering activity planning and organization.

The model has four main advantages:

- a) Each association decides what volunteering activities it will carry out: freedom of action.
- b) It facilitates dealing with social organizations of the area and connection with the local reality.
- c) It generates an appropriation to the volunteering initiative where decisions are made by each association, which can offer its volunteers activities according to their preferences.
- d) It allows continuity in several volunteering actions throughout the year.

In 2010, the Associations had carried out 1,546 volunteering activities, including: helping children in hospital schools (CiberCaixa hospitalarias); leisure and sports activities for children at risk of exclusion; integration and Spanish language classes for immigrants; accompanying disabled people on visits to sporting and cultural facilities; accompanying people suffering from Alzheimer’s disease; computing classes for people with intellectual deficiencies and for the elderly; environmental actions; volunteering in administrative management tasks; accounting and legal consulting and international cooperation volunteering (CooperantesCaixa).

EVOLUTION OF THE NUMBER OF PARTICIPANTS IN PROGRAMS OF THE “LA CAIXA” VOLUNTEER ASSOCIATIONS, AND THEIR BENEFICIARIES





APPENDIX 3. THE MILLENNIUM DEVELOPMENT GOALS AND THE INVOLVEMENT OF THE PRIVATE SECTOR

The **Millennium Development Goals**, established in 2000, are eight human development goals that the 192 member countries of the United Nations agreed to achieve by the year 2015:

Each Goal is divided into a series of targets, 18 in total, quantifiable through 48 specific indicators. For the first time, the international development agenda has set a date for achieving specific and measurable agreements.

The titles of the eight goals are:

- Goal 1: Eradicate extreme poverty and hunger.
- Goal 2: Achieve universal primary education.

- Goal 3: Promote gender equality and empower women.
- Goal 4: Reduce child mortality.
- Goal 5: Improve maternal health
- Goal 6: Combat HIV/AIDS, malaria and other diseases.
- Goal 7: Ensure environmental sustainability.
- Goal 8: Develop a global partnership for development.

Source: Report of the United Nations Development Programme on the role of business in contributing to the fight against poverty. Commission on the Private Sector & Development.

APPENDIX 4. SUMMARY OF EVALUATIONS MADE BY VOLUNTEERS

SUMMARY ASSESSMENT BY VOLUNTEERS AT THE END OF EACH PROCESS SCORES OUT OF 5 (5-POINT SCALE)	2007	2008	2009	2010	2011
Evaluation of the Programme: Coherence, relevance, clarity of concepts, internal organization, expectations, personal satisfaction.	4.65	4.14	4.32	4.42	4.66
Role of the Foundation: support received, information provided, training.	4.20	3.89	4.15	4.19	4.43
Role of the NGO/counterpart: welcome, definition of the work, means contributed, information provided, attitude toward the volunteers.	4.18	3.54	3.75	3.93	4.30
Role of the HR consultant: Methodology applied, group dynamics, individual interview.	N/D	3.26	3.61	3.64	4.16
AVERAGES PER YEAR	4.34	3.70	3.93	4.04	4.39

APPENDIX 5. THE PROJECT CYCLE

The project cycle is a key way to manage humanitarian and development cooperation projects.

The projects are planned and executed according to a well-established sequence, which starts with an agreed strategy involving the idea of a precise action which is then formulated, executed and evaluated in order to improve the strategy and future interventions.

There are different cultural interpretations of the idea of a “project cycle.” However, there is a consensus in that – as well as having to be represented graphically – it has to be a continuous and iterative process that adapts in response to new information. This is because solid information takes time to become evident, and therefore the cycle helps us to compensate later by putting the inadequate information gathered previously to the test and replacing it. This means that the project team will have to change and redirect the project as a result of the changes in the circumstances and in the information available to them.

Furthermore, the organizations learn as they implement projects and they improve as they learn.

Stages of the Project Cycle

The first important stage is the initial evaluation: the compilation of data and identification of needs.

Then comes the analysis: the transformation of the raw data from the initial evaluation into useable information, and the establishment of priorities in relation to problems.

Next is the planning phase: the use of the information analysed to design the project.

All this is later put into practice, in the implementation phase.

After this comes the project monitoring or continuous monitoring phase, and the new compilation of data.

Finally, assessment consists of analysing the data obtained during monitoring to judge whether the project has been efficient and appropriate or not, and to make recommendations.

Sources

European Commission, “Handbook. Project Cycle Management”, March 2001
http://ec.europa.eu/europeaid/where/latin-america/regional-cooperation/urban/documents/publications/pcm_handbook_es.pdf.
 Sphere Project, Teaching materials, module 3. <http://www.sphereproject.org>.

APPENDIX 6. ASSESSMENT OF THE IMPACT OF THE COOPERANTESCAIXA PROGRAMME

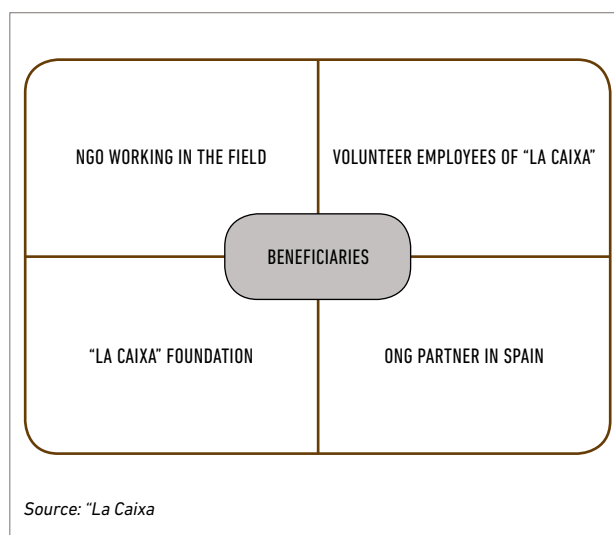
The assessment carried out on the CooperantesCaixa Programme sought to discover the impact that this programme had on the four key players in the process, while also considering the performance of each of these players. The assessment approach therefore focused on four aspects: The “la Caixa” Foundation, the NGO partners in Spain, the NGO counterparts in the developing countries and the volunteers.

Aims of the assessment:

- Generate information
- Foster organizational learning
- Analyse communication

Classic assessment criteria were applied and evaluated:

- Relevance and design of the intervention
- Efficiency
- Efficacy
- Impact prospects
- Sustainability prospects





APPENDIX 7. DATA OF THE COOPERANTESCAIXA PROGRAMME:

- Total number of volunteers applying: 342
- Total number of volunteers in the field: 161

DISTRIBUTION OF VOLUNTEERS BY SEX	%
MEN	38%
WOMEN	62%

PROCESSES AND PARTICIPANTS IN EACH PROCESS	
PROCESS	VOLUNTEERS
2007	11
2008	30
2009	40
2010	40
2011	40

COUNTRY OF DESTINATION	NUMBER OF VOLUNTEERS	PROJECTS
Argentina	1	1
Bolivia	4	2
Costa Rica	4	1
Dominican Republic	3	1
Ecuador	50	5
El Salvador	8	2
Guatemala	7	2
Honduras	2	1
Nicaragua	48	4
Paraguay	2	1
Peru	14	4
Cameroon	2	1
Mali	2	1
Morocco	2	1
Mozambique	3	2
Senegal	2	1
Cambodia	1	1
India	6	1

APPENDIX 8. SOCIAL AND ECONOMIC BASES

The International Cooperation programme of the Social Projects of “la Caixa” has been working since 1997 on the development of the most vulnerable countries in Africa, Asia and Latin America, and has promoted 459 projects in 62 countries, with a contribution of more than 64 million euros.

From its onset, the Programme has focused on supporting transformation projects that offer implemented sustainable economic alternatives to the most vulnerable populations by promoting companies, cooperatives or other systems that generate income, economic opportunities or jobs. Furthermore, the international evolution and the evolution of the cooperation itself have, over the years, reinforced the programme’s economic line.

These are projects of solidarity resulting from the collaboration between non-governmental organizations and local partners who are involved in the organization of the project and contribute economic and human resources.

Both the Spanish and the local organizations must provide evidence of experience in international cooperation and presence in the country where the project is carried out.

The organization selects the projects through an annual process for awarding aid to international cooperation projects, addressed at Spanish non-governmental organizations in collaboration with their local partners.

The initiatives should have local support and participation and should complement, develop, insert and/

or be consistent with the public policies of the country where the project is being carried out. The proposals should also be innovative and of quality and should be results-oriented.

The main recipients of the interventions are the local communities and populations, considered not only as beneficiaries of the intervention, but also as players in their own development. Accordingly, the actions are aimed at promoting their empowerment and strengthening their institutional and organizational capabilities, ruling out actions that are of a care nature. The appropriation of the project by local players is also encouraged.

The programme contemplates all the measures necessary to promote transversal aspects that constitute determining factors in development policies, such as support to the sectors that are most affected by poverty, the promotion of the gender prospect or environmental protection.

All these proposals are selected through an exhaustive process which has an Advisory Committee of independent experts in order to choose the best and most innovative proposals.

For the “la Caixa” Foundation, it is essential to promote a culture of transparency and accountability and therefore a complete monitoring of all the proposals is carried out through reports, assessments, audits and visits to the projects.

For further information, the conditions can be consulted at: http://obrasocial.lacaixa.es/ambitos/convocatorias/cooperacioninternacional_es.html





CASE STUDY | NH HOTELS

Agoro Lodge

The alliance between NH Hotels and the NGO Manos Unidas as an impulse for a Global Corporate Volunteering initiative in Ethiopia

In October 2009, Juan Mora, Director of Human Resources, Corporate Responsibility and Institutional Relations at NH Hotels, happened upon Teresa Benavides, project coordinator of “Manos Unidas,” at a dinner during the visit of a mutual friend. Mora and Benavides had originally met during a trip to Ethiopia in 1996, when both were cooperating at the centre run by the sisters of Mother Teresa of Calcutta.

During the dinner, Mora and Benavides talked about their personal and professional lives in recent years.

- Benavides: ...and now we have a major agreement with the Spanish Agency for International Cooperation and Development to help Ethiopia. You could say it has three basic thrusts: the first being basic and occupational training to help the population enter the labor market, the second being support for and promotion of local business development, and the last being backing of the service sector, mainly tourism.
- Mora: Tourism!? How interesting! And what specific activities do you have in mind?
- Benavides: Well, one of the activities is to create a Hotel that at the same time will be a School of Tourism in the region of Tigray. The truth is we are having a lot of problems getting it underway. We have a tight budget and our people don't have much experience in the tourism industry. We're thinking of hiring outside consultants, but it's the same old story - we aren't sure they will really be of any help.

- Mora: Hmm... it's just occurred to me that maybe NH Hotels could give you a hand. NH is doing a lot in the area of Corporate Responsibility (CR), so it might be a good idea to get in touch with the right people and ask them for the technical advice you need. For us, it would be a good way to get employees involved.

The following Monday, with that conversation fresh in his head, Mora went to see Marta Martín, his immediate subordinate and coordinator of all CR activities. Mora thought it would be a good initiative to include in the CR campaign, and delegated the task to Martín. After all, Martín and the rest of her team already had some experience managing volunteer initiatives for the company - although they had never seen one of this scale.

After Mora left Martín's office, a flurry of questions began running through her head: How do I propose the initiative to employees and also to NH General Management? What are the benefits for the company? How do I convince the employees, who already have very heavy workloads?

The company

NH Hotels was established in Pamplona (Spain) in 1978 as the brainchild of 29-year-old entrepreneur, Antonio Catalán. From its earliest days, NH sought to revolutionize the hotel business. All profits were reinvested in the business. The management was basically that of a family-run hotel.

Given the success of the model and the rapid growth that followed, Catalán saw the need to bring in a financial partner in 1988. He found that partner in Corporación Financiera Reunida (COFIR), which bought in 33.5% of share capital. After the capital expansion, NH's "one-person" management style was destined to change and efforts were undertaken to "professionalize" management. In 1997, Catalán sold his shares in the company due to disagreements with the new partners. Thus, COFIR became a full shareholder. At the time, the company had 66 hotels in Spain.

Starting in 1997, and over a 12-year period leading up to 2009, the company experienced spectacular growth. From 66 hotels in Spain, the number soared to 401 hotels in 24 countries of Europe, America and Africa. Employee headcount and client figures rose to 17,000 and 16 million respectively.

THE GROUP'S FINANCIAL SITUATION

The onset of the global financial crisis in 2007 had a critical impact on worldwide economies. Countries began to make gradual recoveries from said crisis starting in 2009 – all at very different paces, of course. In 2010, the economic situation of the 24 countries where NH had operations showed some improvement over the previous year. In the European Union, where 85% of the company's activity is located, the GDP grew 1.6% over that recorded in 2009. In Spain, the European country in the weakest economic situation but that accounted for 15% of the Group's EBITDA, the forecast was for year-end growth of 2.3% – three-tenths higher than that of 2009.

Globally, tourism grew by 7% (hotels) and 9% (international air traffic). Tourism figures in the countries where NH Group operated rose between 4% and 12%.

The economic upturn in the U.S. and European economies in the second half of 2009 triggered a sustained recovery in the travel and hotel sectors. Over the course of 2010, the different NH Business Units managed to bring hotel occupation levels back up to those of 2008.

The Group adopted the following strategies for recovery:

- Freeze investments

- Sell non-strategic assets
- Head-count flexibility
- Cost optimization
- Cut hotels not making a profit and apply specific recovery measures at those registering losses
- Lease contract renegotiation and refinancing for leased hotels
- Raise employee awareness of the economic crisis

Thanks to its successful implementation of cost and investment cuts while maintaining quality of service and NH's presence around the globe, the Group became one of the main beneficiaries of the 2010 economic upturn. NH RevPar (Revenue per Available Room, a ratio commonly used to measure financial performance in the hospitality industry), rose by 9.6%, after a RevPar drop of 19.7% the previous year. In 2010, company revenues reached 1.3 billion euros.

The Group's 2010 EBITDA rose to 147.8 million euros, an upward leap of 111% over the previous year.

NH Hotels operates through Business Units, coordinated from its Madrid corporate offices. It has the following six international Business Units.

- Mercosur
- Mexico and the Caribbean
- Benelux
- Germany
- Italy
- Central and Eastern Europe

GLOBAL REPUTATION

In 2011, for the second consecutive year, NH Hotels ranked among the top companies in the RepTrakPulse report, an index that rates global companies by reputation in their home and foreign markets. This year, it ranked 14 – rising 4 positions from 2010.

The 2011 and other RepTrak Pulse Reports are compiled by the Reputation Institute, a leading global institution that studies corporate reputation and CR management. The 'ranking' is based on the responses of over 4,000 consumers to an on-line survey on the 126 largest (turnover) companies with operations in Spain. Trust, respect, admiration and public perception are among the variables analyzed.

NH Hotels was the only member of the tourism industry (which includes hotels, airlines and related businesses) within the top 25 positions of the general ranking and among the six highest ranked Spanish companies (the others are Mercadona, Central Lechera Asturiana, Leche Pascual, Zara and El Corte Inglés).



In April 2011, NH led the MERCO (the Spanish acronym for “Business Monitor of Corporate Reputation”) hotel industry list for the 8th consecutive year.

NH Hotels and corporate responsibility

The Corporate Responsibility (CR) department was established in 2002 as part of NH Hotels’ Department of Human Resources, Corporate Responsibility and Institutional Relations.

CR management has since become part of the Group’s strategic business plan. “As a reflection of our desire for continued, responsible growth and commitment to stakeholders, NH Hotels has redefined its Vision, Mission and Values Statement”. As noted in the 2010 CR Report, “an initiative inspired by our desire to respond to the needs of stakeholders, as well as our vocation to serve as an industry leader in sustainable development.”

VALUES

- Put People First
- Innovation
- Environmental Responsibility
- Good Business Sense

Put people first

People are our main asset: our clients, employees, shareholders and suppliers. We are known for our hotel management style with service, customer satisfaction and sensitivity to stakeholders in mind.

Innovation

Our challenge is to create new products and services that anticipate the current and future needs of our clients, and those of a changing society.

Environmental Responsibility

Respect for the environment and the reduction of our ecological footprint are two immediate concerns we are addressing to be take responsibility for the well-being of present and future generations.

Good Business Sense

This guides the daily activity of NH Hotels, where we take necessary action based on a coherent corporate strategy, our code of ethics and corporate responsibility. In this way, we guarantee the Company’s present and future economic viability, profitability and financial stability.

NH Hotels has a CR Manager in each Business Unit and country to manage CR initiatives. Each manager is in charge of selecting the Social Responsibility Projects that fit with the strategy “Up! For the people!” and adjust to local needs. These managers are also in charge of submitting a list of the actions taken by their respective Business Units for evaluation and statistical purposes.

EVOLUTION OF SOCIAL ACTION PROJECTS

The purpose of the social initiatives and projects designed and implemented since 2002 has always been to help out the local communities of the individual Business Units. Most Business Units have chosen to contribute knowledge and services rather than funding, so as to make the programmes more stable over time and less dependent on outside economic support. Linking the support to core businesses has been a way of making the projects more sustainable over time.

The CR department has traditionally assumed responsibility for relations with the individual communities concerned and collaborated in local decision making processes, with the help of individual Business Unit managers, who would channel the information required to the managers of the various social action projects.

One of the “rising stars” among initiatives has been “Vecino favorito” (Good Neighbor), a project designed to support local development. For this project, CR used its own management system with a “Solidarity Index” included. Created by CR to monitor the progress of NGO and Foundation projects, the system helps CR evaluate projects that fit with the company’s values and strategic lines of action by determining the number of beneficiaries and Business Units involved in initiatives, along with the type and scope of collaboration.

In 2010, the new “Strategic Plan of Corporate Responsibility 2011-2012” was established and one of the strategic lines renewed was Social Action. The main action lines of each Business Unit were considered with their implementation adapted to local needs and global level. This plan would additionally improve communication among the different social projects in all Business Units. The three lines of action defined for Social Action were conceived under the motto ‘Up! For the People!’ – an innovative promise of social action: ‘Up! For Opportunities, Up! For Volunteering and Up! For Hospitality.’

Ethiopia hotel and tourism school project

APPROACH TO THE INITIATIVE

Martín had worked in NH Hotels for many years, initially working directly under Juan de Mora, Director of Human Resources and Corporate Responsibility. In 2010, and in line with the increasing relevance that CR was gaining at the corporate level, the area became stronger and Martín became NH’s Corporate Responsibility Director.

Martín’s first reaction to the idea of collaborating with Manos Unidas in creating a hotel that would be a School of Tourism in Ethiopia was to reject the project, since it did not fit the lines of social action already set. Another factor was that Social Action had always been markedly regional, managed by the individual Business Units. It had never involved projects at an international scale.

However, the idea was very attractive. In her mind, she thought about its feasibility and huge potential. Without a doubt, the Company had everything needed to be able to pull off the project. After giving it some thought, she reached the conclusion that the initiative was in fact in line with the business strategy and know-how of NH Hotels, and that employees would be able to give the best they had to offer: their knowledge. To make it easier for NH to be part of the initiative, and rather than directly training the benefiting community, the contribution would be made by advising the members of Manos Unidas on every stage involved in setting up a hotel: from the ground up, including interior decoration. The trips from Ethiopia to Spain would be made by the people from Manos Unidas; after all, they would be the ones transferring the knowledge to the final beneficiaries. It would become another innovative way of Corporate Volunteering (“Up! For Volunteering!”) within NH Hotels.

Martín began to envision an opportunity to usher CR in NH Hotels into a new dimension of CSR: Corporate Social Responsibility for Development. After consideration of all the fronts to be covered and the ample possibilities in store, she was convinced that it was an idea that could work. But what would the top management think of the new idea she planned to propose? How would she convince the rest of the organization? They had just approved, with difficulty, a strategic plan with very clear directions about local-local social action. Now, she would present an initiative that was different from what they had planned. However, it appeared to make so much sense!



THE NGO PARTNER: AN ALLY WITH EXPERTISE IN ETHIOPIA

Manos Unidas is a Spanish NGO that was originally established in 1960 to combat hunger, malnutrition, disease, illiteracy, education deficits and underdevelopment in general – and eradicate their causes.

Originally a campaign against worldwide hunger, the NGO changed its status when it was legally registered as a religious and civil action group in 1978 under the name “Manos Unidas”.

To achieve its goals, Manos Unidas has developed two basic lines of action that it has followed over the years. One line entails projects in developing countries. The other line is focused on actions to raise awareness and inform the public in developed nations about the situation of the third world by divulging information on the cultural, social and religious values of the people of these nations. In this way, Manos Unidas hopes to promote change which leads to social justice. Ethiopia is one of the African countries where Manos Unidas works.

The Manos Unidas 2007-2010 plan for Ethiopia established the following priorities: educational and health projects for rural and urban communities; projects focusing on women, particularly in the areas of education and micro-loan access; projects to aid the most vulnerable ethnic communities that are subject to social, economic, political and cultural discrimination due to their rural location. This was the general framework of priorities reflected in the agreement signed with Spain’s Agency for International Cooperation and Development, AECID, for the Ethiopia Hotel School.

THE LEAP TO SOCIAL ACTION FOR DEVELOPMENT

The of the Manos Unidas project was to provide the Ethiopian community in the Tigray region with the tools and knowledge required to be self-sufficient in the management of a new hotel. To achieve this, a plan based on three focal points was created: integration into the labour market through basic vocational training, boosting the development of business, and promoting the tourism sector.

NH Hotels’ involvement could focus on one specific aspect of fostering tourism: the establishment of a School of Tourism. For that reason, after the revealing conversation between Mora and Benavides, Manos Unidas formally asked for the collaboration of the hotel chain in assisting with technical matters.

Martín faced a challenge because this was the first initiative of its kind for NH Hotels – one that required entering a new area outside its normal realm of operation – as all previous Social Actions had arisen from within the Company and had been implemented on a regional level by the Business Units.

Because the project would require the involvement of NH professionals, Martín began working with Human Resources to focus it as an international Corporate Development Initiative, part of the employee career development programme. As Martín explained in her presentation to

the Board, the direct and personal involvement of the volunteers would “increase motivation, corporate pride and teamwork.” Volunteering was a settled subject within NH, and she sensed that adding the dimensions “international,” “for development” and “skills-based” could only increase the benefits, both for the company and for the volunteers.

By early January 2010, after some months of work and discussion, Martín and her team had received all of the information from Manos Unidas, including a description of the project and the cooperation that they could provide. They were ready to present the initiative to the Board of Directors.

Martín’s proposal went against all the Social Action lines previously established, so she would need some strong arguments when presenting it to the Board. Martín remembered that she had found herself in exactly the same dilemma when she first heard about the initiative: should she follow the previously established guidelines of Social Action at NH Hotels, or take the opportunity to learn about a new dimension of CR which perfectly fit with NH Hotels’ professional knowledge? She thought about developing a detailed presentation that would illustrate the benefits of the initiative as well as the operational steps that would be needed to carry it out.

First, she would focus on describing how the project fit perfectly within the boundaries of NH Social Action and why it made good business sense – for employees, it would be easy and enriching. No new training would be required, since the project was based in an area in which they were already experts: how to start and manage a hotel. Martín’s original idea had been to coordinate the project from central services, which was better equipped to select the employees with the knowledge and skills needed to do the job. Another option would have been to involve employees from the different Business Units. However, that would have made it more difficult to select the professional profiles needed. It was the first Corporate Volunteering (CV) initiative at a global level, and they wanted to make sure it was a success.

Standing before an intrigued and enthusiastic Board of Directors, Martín began explaining the opportunities presented by the project and how it could improve in-house reputation and generate corporate pride among employees. She also skilfully inserted a challenge: involving NH Hotels in a project of this kind posed as an opportunity to see how the chain would do at implementing international CR initiatives.

Martín was also fully aware of the professional challenge that the project would pose for her: working with a trusted and proven partner like Manos Unidas on a project aligned with company expertise was an opportunity

for employees to share their knowledge with those who needed it most. It was also an opportunity to get to know that new level of CSR: Corporate Social Responsibility for Development.

Much to her satisfaction, the initiative was fully embraced and approved by an enthusiastic Executive Committee, led by CEO Gabriele Burgio. Although the initiative didn't exactly align with the approved Strategic Plan, the whole Committee was fascinated. The interest NH Hotels' top management showed in the project was paramount in this decision, given the existence of two factors: firstly, the participation of the company's employees; secondly, that the project was able to benefit from the company's main asset i.e. its knowledge of the hotel sector and NH Hotels' experience. Considering it as a pilot project, the fact that it was in an area where the hotel chain was not present was of no importance in this case. What was equally paramount was the fact that it was a well-known NGO (Manos Unidas) that had requested help, and that the project would affect areas with high levels of poverty where access to employment was crucial.

DESIGNING EMPLOYEE PARTICIPATION

Company Management did not waiver and the Board gave the project the green light. Although they would not be directly involved, Martín had their full support.

But there was still one potential barrier to success: restrictions for volunteers to work on the ground from within Ethiopia, which meant that most action would have to be taken from Madrid. In the early days of the project, Martín worried about this, thinking that the geographical distance between Spain and Ethiopia would pose a huge challenge.

Thus, after receiving approval from the Executive Committee, Martín put together a profile of the type of employees needed for the project. The idea of sending a general e-mail through central services to invite employee participation was discarded as ineffective. After considering the needs of Manos Unidas, a profile-based selection was made to identify the best-suited department managers, who could then help identify the employees most capable of meeting real project needs: a hotel start-up, made from scratch (See Annex 2). Martín met with De la Concha and Benavides from Manos Unidas, and together they decided what departments at NH Hotels should be involved to reach the goal: the start-up of the hotel at the Tourism School. Later, they contacted the department managers to obtain information about who could be the potential volunteers for the project, since the managers were the ones who had the broadest vision of their employees' profiles.

So, upon receiving the information from managers, the first thing Martín did was send e-mails to the employees that best fit the profiles. She received very little feedback, unsurprising but still disappointing. Her next job was to call a meeting with Manos Unidas and the recruited employees and explain the project. Instinct told her that face-to-face meetings would be much more effective, so she decided to go 'door-to-door' to explain the initiative and set agenda dates with each individual involved. She convinced the majority to attend the meeting. Those attending, though slightly skeptical and a bit stiff, were open to hearing out the proposal. One of the main concerns was that project participation would mean an additional burden to their workloads.

OBJECTIVE "BUILD UP TEAM ENTHUSIASM" ACHIEVED

The meeting was held in early February 2010 at NH central services in Madrid. De la Concha, a person with ample experience in international development projects and years of seniority in Manos Unidas, led the presentation by providing a very good description of the specific objectives and needs to launch the hotel.

He began by offering an overview of the target country, Ethiopia, whose capital city is Addis Ababa. In total, Ethiopia has a population of over 80 million people, a male illiteracy rate of 55%, a female illiteracy rate of 77.2% and very high official and unofficial unemployment rates. Between 1998 and 2000, it was at war with Eritrea.

He then moved on to a more positive point, saying that Ethiopia was a country with great potential for tourism (See Annex 3). He also added that after the war ended in 2000, tourism had risen in the region.

De la Concha explained that the idea for the School of Tourism had arisen as a way to help the population by providing not only jobs, but also training as qualified hotel and restaurant employees and to enable them to become self-sufficient and expand their employment opportunities. All this, while at the same time establishing a more sustainable national tourism industry. The goal, as he explained, was to achieve social and economic development in the area, which would also serve as a point of reference for future projects in the community.

As he looked around the room and saw an interested audience, De la Concha realized that his message was hitting home and he decided to launch into a more enthusiastic explanation of the project's most interesting aspects. De la Concha emphasized the fact that northern Ethiopia is spectacularly beautiful and has tremendous tourism potential, but is lacking the infrastructure required to attract international tourism.



Martín silently observed how the atmosphere had gradually become friendly. The faces of her colleagues were beginning to show both concern and excitement at the possibility of contributing to a project of this kind.

The Hotel School would improve hotel and restaurant training in the region and would also create jobs in conditions that met basic international quality standards. Construction of the School could greatly benefit the Ethiopian community by lowering unemployment, fostering tourism and generating other income in related sectors. Upon finishing his chat, De la Concha explained that Manos Unidas had not gone to NH Hotels or its employees for financing; but instead for something much better that they had to offer – their knowledge.

After the presentation and explanation of the scope and needs, the employees became very talkative. A spontaneous brainstorming session ensued, including many ideas that served to create a bond among Manos Unidas, Ethiopia and NH Hotels. The good relationship established with Manos Unidas at the initial meeting was a decisive factor in the success of the project.

Martín was very pleased with the results of the meeting since her first objective – engaging employee involvement in the project – had been achieved. The hardest job was yet to come: defining the specific tasks involved in each employee's contribution to the Manos Unidas team.

Project launch: Challenges faced

BRINGING PEOPLE CLOSER

Martín and Benavides made a list of the points to be covered in the plan to help them base their requests for support from different areas of the company.

The first task of Corporate Responsibility, headed by Martín, was to put together a schedule of activities and make a timeline of each employee's tasks, based on the needs of Manos Unidas. Everyone realized that good process management was key to the success of the pilot project of Global Corporate Volunteering (See Annex 4).

At first, the CR department served as an intermediary between NH employees and Manos Unidas, but it eventually made more operational sense for the two groups to connect more directly. Martín saw that her early fears that long distance communication would impede the work and coverage of technical needs did not turn out to be a hindrance for the project. Thanks to good coordination between employees and Manos Unidas, a constant two-way flow of information and volunteer interest and involvement, the geographical distance turned out to be less problematic than expected.

One fundamental aspect leading to greater employee involvement was the realization that this was not a “one-off” action – that they were truly helping to lay foundations for the future of Ethiopia. There was much more at play here than building a hotel, they would be helping to create jobs and supplying specific training so that the local population could help itself.

CHALLENGES FOR VOLUNTEERS: CHANGE OF MINDSET

The first challenge for NH Hotels volunteers was to re-vamp their thinking, unaccustomed as they were to working with countries in such a different stage of development. This would be a small hotel, with very few rooms, unlike the large hotel complexes they were used to. It took much effort to adapt to the very idea. They had to forget about the European standard hotel and adapt their knowledge to a different sized hotel, one of adequate quality for international tourists.

It was essential for volunteers to be on the same wavelength as their Ethiopian colleagues. As Benavides had explained from the beginning, they had to adapt to the local population's different work pace and way of doing things.

As Alejandro Aranda – one of the volunteers – said, the volunteers were used to other scales and quantities, and had to understand that Ethiopia was starting one level below the development level they were accustomed to. After several meetings with De la Concha and Benavides, Aranda soon had a better picture of what was needed. The Quality, Procedures and Processes Department, of which he was a member, supplied a great deal of the documentation, materials and tools it had previously designed for use in normal NH Hotel duties. After a great deal of effort, and with the help of the Manos Unidas team, the documentation was adapted to the context required for the people working on the hotel.

Ana Sabio, who was in charge of training at the School of Tourism, also had to do some “major mental gymnastics” and think 10 years back in NH development in order to custom design the procedures needed in Ethiopia. Sabio was amazed by all of the technologies taken for granted in developed countries that have yet to arrive in less developed nations like Ethiopia – and which will not arrive for many years to come. Sabio rose to the occasion, designing some simple Excel templates and adapting others used by NH years ago. This technology, though simple, could be very useful. Changing her own mindset, being able to develop tools based on the knowledge learnt in her many years of work, and valuing all that learning, made Sabio very satisfied.

The volunteers passed on the basic principles of hotel service and guest hospitality. The format they used to explain the functions performed in a hotel was original and innovative, because it was simple and clear. Aranda provided De la Concha and Benavides with the materials so they could take them to Ethiopia in their next trip. It was a format that presented the ideas in a clear and summarized way, through vignettes and cartoons that helped ease any communication problems due to language barriers. In addition, the text was translated into English and French. In Ethiopia, there are more than 50 dialects, though English is the main language studied in schools as a foreign language.

BROADENING THE IMPACT THANKS TO VOLUNTEERS AND THE INCLUSIVE SUPPLY CHAIN

María Madrid was one of the volunteers in charge of the hotel equipment, furnishings and fittings. She is specialized in the fields of corporate purchasing, equipment and supplies. Over the course of the project, Madrid kept in touch with Teresa Benavides, who explained the importance of hiring as many local suppliers as possible so that the profits would go back to the community. That piece of advice made Madrid's job harder, since it would have been much faster and efficient to rely on her regular suppliers. Nonetheless, she understood the positive impact that using local suppliers could have on the local economy, particularly if they shared the same social values.

María Madrid then explained to Benavides the quality standards that would have to be met by products acquired from local markets. Those standards were a matter of fact, but they also set an example: the bamboo furniture was made by a center for homeless boys, run by the Salesian Order in Addis Ababa. The doormats and rugs were made by a group of blind and disabled persons in Addis Ababa. The sheets and curtains were made by a women's co-op in Adigrat (where the hotel is located). The initials on the sheets and towels were embroidered by another women's co-op, also in Adigrat. The tablecloths were embroidered by yet another women's group in Mekelle (the regional capital). The uniforms of hotel personnel, duvets and bedside lamp shades were made by a female Ethiopian entrepreneur who has also provided employment in Mekelle to several young women who had completed sewing courses in Manos Unidas' vocational training projects.

All of these actions made for an "inclusive" supply chain, with a ripple effect that benefited other vulnerable groups which were supplying products and services. The best part of this focus is that the local business relationships that were established led to a series of positive social impact that would be sustainable over time.

When Martín heard that the central offices of NH Hotels planned to revamp its furnishings, she proposed to management that the used furniture be auctioned off to company employees. And so it was. In addition to bringing in part of the financing, the auction enabled central services to enhance internal company communications, and led to greater employee involvement.



The change: From challenge to benefit

Martín saw that an initiative that originally posed a series of challenges for the company (leaping from the local to the international level, achieving employee motivation and involvement, etc.) was now reaping some very interesting benefits.

On a global level, the project had reinforced the role of Corporate Volunteerism within the CR strategy lines. In the NH three-year Master Plan (2011-2013), one of the strong points would be the professionalization of the corporate volunteers and consolidation of the Social Action for Development Project, now on a global level. Thus, a project that had started out as a one-time idea had become a field ripe for global company action. All of these things meant better brand positioning for NH Hotels as a “social innovator.”

HOTEL AGORO LODGE

Located in the north of Ethiopia, close to many touristic spots, the hotel has 18 high-standard rooms, one of the best restaurants in the area, a garden, a big terrace with views, a shop with local crafts as well as a business centre (See Annex 5). Everything is part of a social, not-for-profit enterprise that aims to reinvest the net benefits back into the community.

www.agorolodge.com

BOOSTING CORPORATE PRIDE

The biggest challenge faced by NH Hotels’ volunteers wasn’t so much the “doing” as the “doing by making.” In other words, how to provide the techniques, tools, knowledge and systems that would enable the local population, with the help of Manos Unidas, to launch the Tourism School in Ethiopia. While handing over the gift of a “job nicely done by others” might seem more efficient in the short term, in the long term it is not. That is why the “doing by making” strategy was chosen as the most effective means of achieving the proposed objectives.

Aligning project’s contents with the professional skills of the employees led to a greater level of volunteer commitment and improved the personal and professional abilities of all concerned. The results of an employee satisfaction survey sent to all those participating in the project showed a higher level of identification with the company and a greater sense of corporate pride. Employee perception, after this and other CR initiatives, is that the company is concerned with more than its bottom line and has a real commitment to improving society and eradicating poverty.

Some respondent volunteers, like María Madrid, added statements saying that “[they] had always wanted to do some type of volunteer work, but due to continuous travel [they] had never had the chance.” For that reason, Madrid thanked Martín more than once for giving her the opportunity to take part in an initiative of this kind. The fact that the company had allowed her to include social objectives in her day-to-day work had made it possible. She thanked the company for the flexibility that enabled her to combine both activities and said she was confident that neither would be negatively affected by the time spent on the other. In fact, she felt it was more the other way around – spending time on something so fascinating recharged her batteries and she found she was more motivated in her everyday work.

One of the volunteers, Stefano Rigon, was also inspired after taking part in the project and realized that there were many other potential CR projects and possibilities out there. Rigon, who was in charge of “retired” furnishings and computers, decided that nothing should simply be scrapped, but that efforts should be made to find an NGO or Foundation that could use them.

Aside from the contributions made by volunteers, one of the fruits of this project was a higher level of employee satisfaction when it was seen that the company supported decisions that, through apparently simple gestures, could help out a great many people. In fact, Rigon, who was one of the original doubters fearing that the project would take time away from more important matters, ended up thinking that he would not mind taking part in another similar initiative, even if it frequently took time out of his weekends.

INTERNAL AND EXTERNAL RECOGNITION

The CR department made major, successful efforts to communicate and share project information with employees. It was important to convey the scope and size of the initiative to personnel. Ideas like the furniture auction – and other communication actions – helped to raise awareness across the organization. It was about sending a global message, saying that participation in the Ethiopia Tourism School was not restricted to the volunteers but was an initiative to which all NH Hotels employees could make a contribution.

Gabriele Burgio, who was then company CEO, was extremely pleased to hear of the benefits of the company’s involvement and suggested a personal visit to the site of the project. He also sent individual letters of thanks to each of the company employees who had volunteered (See Annex 6).

Another boost to both internal and external corporate reputation was the special mention that NH Hotels and Manos Unidas received in the category of Corporate Volunteerism, at the CODESPA Awards Ceremony held in December 2010. CODESPA is a benchmark institution for CSR.

Thus, with the help of all involved, Martín had managed to make a success of the first Global Corporate Volunteer programme undertaken by NH Hotels. Thanks to this programme, the company had begun to think about the contribution it could make to eradicate poverty worldwide. The door to a new dimension of Corporate Responsibility had been opened.

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TEACHING NOTE

NH Hotels is a Spanish hotel chain that was established in 1978 in Pamplona, Spain. As of 2011, the chain was present in over 24 countries worldwide.

After a chance encounter at the end of 2009, the NGO Manos Unidas made a very special request to NH's Department of Corporate Responsibility (CR). They requested NH's assistance in setting up a Hotel that will be a School of Tourism in Ethiopia.

THE CR DEPARTMENT'S ABILITY TO UNDERTAKE PROJECTS: A DRIVING FORCE FOR THE TRANSFORMATION OF THE COMPANY'S SOCIAL INNOVATION PRACTICES

The responsibility for developing the project fell into NH Hotels' Corporate Responsibility department Manager, Marta Martín. As often happens in these situations, the idea came about after a chance encounter. The CR Manager had to find a way to make internal business compatible with a proposal that went beyond the limits that had been set out in the recently established Strategic Plan.

To ensure that the project went ahead in a company whose very clearly defined CR guidelines focused on local community projects, she had to come up with a way of combining the initiative with other spin-off benefits of the volunteers' work, which were mainly related to Human Resources.

In this case, Manos Unidas was at an advantage – the CR Management had vision, was capable of proposing innovative projects within the company and had direct access to the Management Committee. NH already had its own corporate CR guidelines. This department was becoming increasingly important and the company had discovered how CR could be a differentiating factor. Furthermore, sustainability and CR were being taken into account in its business decisions. This meant that it went from being a peripheral issue to a corporate matter. This context made it easier for the CR Manager to make proposals that would go before the company's top management. In addition to this, the person in charge of the project was very enthusiastic about the idea. She had the drive and sensitivity to mobilize the company. With these qualities, the CR Manager became a key internal driving force. Her vision meant that it was easier to make the case for this pilot project to the Management Committee although it went beyond the scope of the guidelines that had been set out for community projects.

This case shows that, like in other departments of the company, Corporate Social Responsibility Managers should be given some leeway to innovate and undertake

projects. This internal leeway is what allows companies to lead the way in terms of "social innovation."

IDENTIFY THE MAIN BENEFITS FOR THE COMPANY: OPENING DOORS AND SECURING INTERNAL APPROVAL

The key to the company's initial approach was based on clearly identifying potential barriers to the project being approved; coming up with structured solutions; and showing tangible potential benefits for the company if the proposal was accepted. At the same time, the CR Manager was familiar with Corporate Volunteering (CV) and was therefore able to make the project align with the objectives of other departments, in this case, the Human Resources department. She thus presented the project in conjunction with the Human Resources department as an initiative that incorporated internal skills development. This made it easier to ensure that the project would be approved by the General Management. Enhancing the perception of the company among staff was another potential benefit.

Thus, the project presented to the Management Committee focused on the following key areas: community work (or the company's contribution to social causes, which in this case was aligned with the company's business), CV, development of employee skills, and enhancing the perception of the company among staff.

OPERATIONAL CHALLENGES: PARTICIPATION, MOTIVATION AND "RECONCILING" THE WORKLOAD

Once approval had been secured, it was crucial to identify the key aspects necessary to get the project up and running and to ensure it was a success. The difficulties that had to be tackled included: mobilizing employee participation, motivating employees, ensuring effective coordination with the NGO they were working with, etc. Considering that volunteering entailed employees sharing their knowledge, there was a danger of employees regarding this as an increase in workload (a key consideration for most of those who volunteer in such projects, who tend to work long hours).

The first step at the operational level was to properly select employees that would be potential volunteers for the project. From the outset, the idea was to provide advice for the project in Ethiopia from the head office in Madrid, which was a new approach. A key factor was identifying the most suitable profiles to carry out the required tasks. For this reason, it was crucial that Manos Unidas and NH Hotels had a good working relationship to ensure

effective, long distance coordination. Given that it was a pilot project, it was decided to limit the internal selection process to certain profiles that the CR department had identified. This resulted in the project coordinator having greater control over the expectations created among employees. Since the call for volunteers targeted certain people, it could be said that the term “volunteer” was not entirely appropriate (although the work was still considered a voluntary option); however, in the context of the pilot project, this proved to be the right approach.

The next step was to get employees involved and motivated considering that some could initially regard the initiative as an addition to their workload. In this regard, cooperation with the NGO was crucial. Training employees, raising awareness, and getting them to see the potential benefits for others was crucial to motivate employees from both a personal and professional point of view. At the same time, it was seen how the company had huge potential to help others. This awareness of what could be done for others is what fuelled motivation. This is what got employees to regard the project as something that would serve them in their everyday professional lives.

It is particularly interesting in this case how the company gave employees the flexibility to devote time to the project during their working day and combine it with their routine duties. This made it easier to “reconcile” volunteer work with non-volunteer work and is one of the reasons for which this approach to the programme was a success.

BENEFITS OF QUALIFIED VOLUNTEERING COMPARED TO OTHER TYPES OF NON-QUALIFIED VOLUNTEERING

When it came to setting up the project, the main challenge that volunteers faced was changing their mentality – quality standards and working methods were very different from those that existed in developed countries. This was one of the factors that most contributed to getting volunteers involved in the project: adapting their professional skills proved to be a personal challenge and yet, as the

project progressed, volunteers started to believe in their potential to make real change in the community thanks to an opportunity provided by NH Hotels. Flexibility and problem-solving skills are two of the benefits acquired from the point of view of Human Resources development. In addition to this, another important benefit was the value of getting to know a different reality and recognizing the value of one’s own experience and technical qualifications to others. This is where the benefits of “qualified” or “technical” volunteering lie: in the fact that employees share their know-how, in a greater sense of recognition for the work done by both the company and employees themselves over the course of their working lives.

Once the part of the project that involved NH employees had been completed, pride in being part of the company increased significantly and employees benefited in both a personal and professional capacity. The management of the project was necessary to ensure effective organization.

Participating in the School of Tourism project also served to consolidate the idea that professional CV is an effective tool for sharing CSR and community work within a strategic plan with the rest of the company’s employees. Also, CV is considered to be a viable, effective method for implementing companies’ CSR strategic guidelines and making them a reality.

In this regard, internal initiatives carried out also proved to be interesting and meant that the “Agora Lodge” School of Tourism project would become an integral part of the company, which made it easier for other employees who did not have the opportunity to take part directly to lend their support. For example, fund-raising activities that employee volunteers had proposed helped to achieve this. This enhanced the perception of the initiative as a corporate community programme in which everyone took part. The company’s flexibility regarding the proposed fund-raising activities was also important. Allowing volunteers to mobilize other employees is also a key for ensuring that CV programmes consolidate, grow and have long-term prospects. Employee volunteers that have taken part can be the best ambassadors for the programme.



NGO-COMPANY ALLIANCES AS A DRIVING FORCE OF THE INITIATIVE

Another one of the crucial aspects that the success of the initiative depends upon is the alliance between the company and Manos Unidas, the NGO. From the beginning, the approach has been win-win and the company has allowed the NGO to get involved in aspects that are crucial for the project. First, at the beginning of the project, the NGO had the task of raising awareness and motivating employees. Getting hands-on experience through the NGO is the main driving force that motivated volunteers. Once the project was up and running, constant contact between the NGO and the volunteers was what ensured that the transfer of knowledge would be successful. The NGO played the role of “translator.” It had to take what the company had to offer in terms of technology and knowledge and “adapt” this to the conditions of the local community. The NGO has acted as a “bridge,” offering in-depth knowledge of the local community, which has enhanced the effectiveness of the company’s work.

FROM A PILOT PROJECT TO A GLOBAL INITIATIVE

“Agora Lodge” was the company’s first Global CV project. It went beyond a local perspective, broadening the company’s reach by helping a cause that was not within its business area (but from which it could also benefit). Because of the positive results for the company and its employees, CR strategies took on a new dimension. In this way, as well as the objective of professionalizing CV management, a new strategic line of action emerged through which initiatives related to eradicating poverty in developing countries were promoted. The pilot project served to shift the company’s perspective from a local to a global one and helped the company discover that the two are not necessarily mutually exclusive but actually complement each other. In this way, the potential for the company to generate social value multiplies and takes on new dimensions.

Annexes

ANNEX 1. PARTICIPANTS IN THE “AGORO LODGE” PROJECT

Case protagonists

Juan de Mora	Human Resources and former Corporate Responsibility Director at NH Hotels*
Teresa Benavides	Manager of Projects in Ethiopia, Manos Unidas
Marta Martín	Corporate Responsibility Director at NH Hotels
Joaquín de la Concha	Manager of Projects in Ethiopia, Manos Unidas
Stefanno Rigon	NH Hotels Volunteer
María Madrid	NH Hotels Volunteer
Dennis Baartmans	NH Hotels Volunteer
Alejandro Aranda	NH Hotels Volunteer
Ana Sabio	NH Hotels Volunteer
Rafael Jiménez	NH Hotels Volunteer
Gabriele Burgio	Chief Executive of NH Hotels*

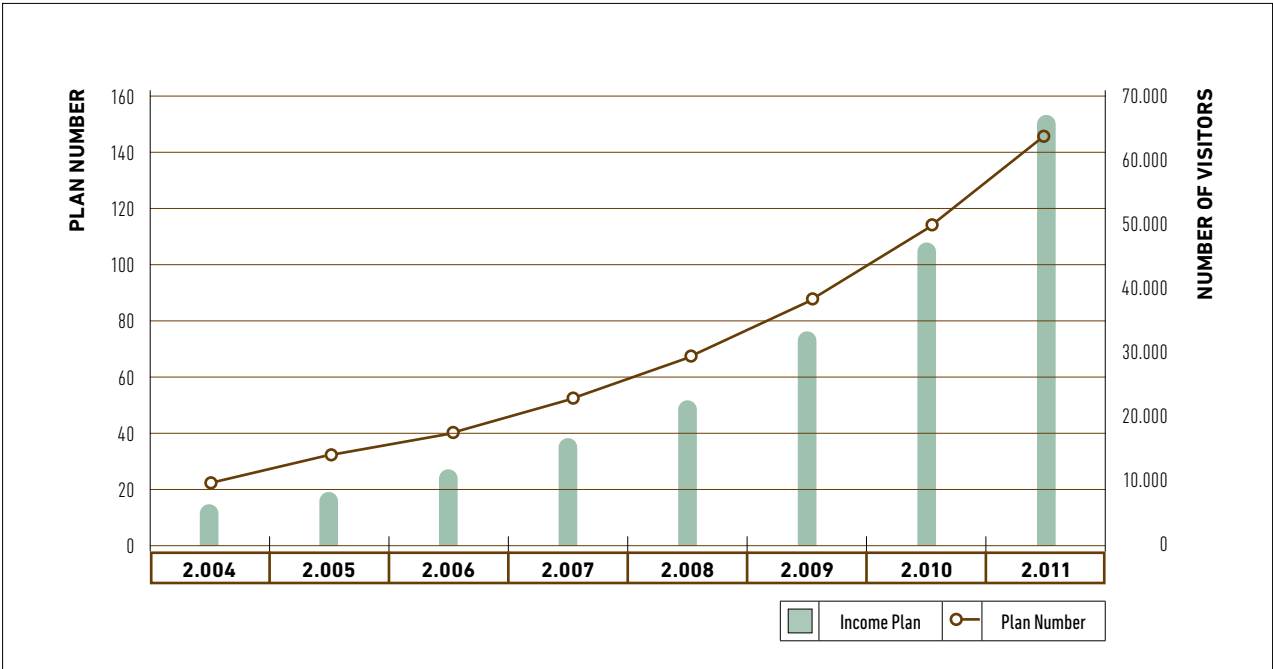
* While writing the case



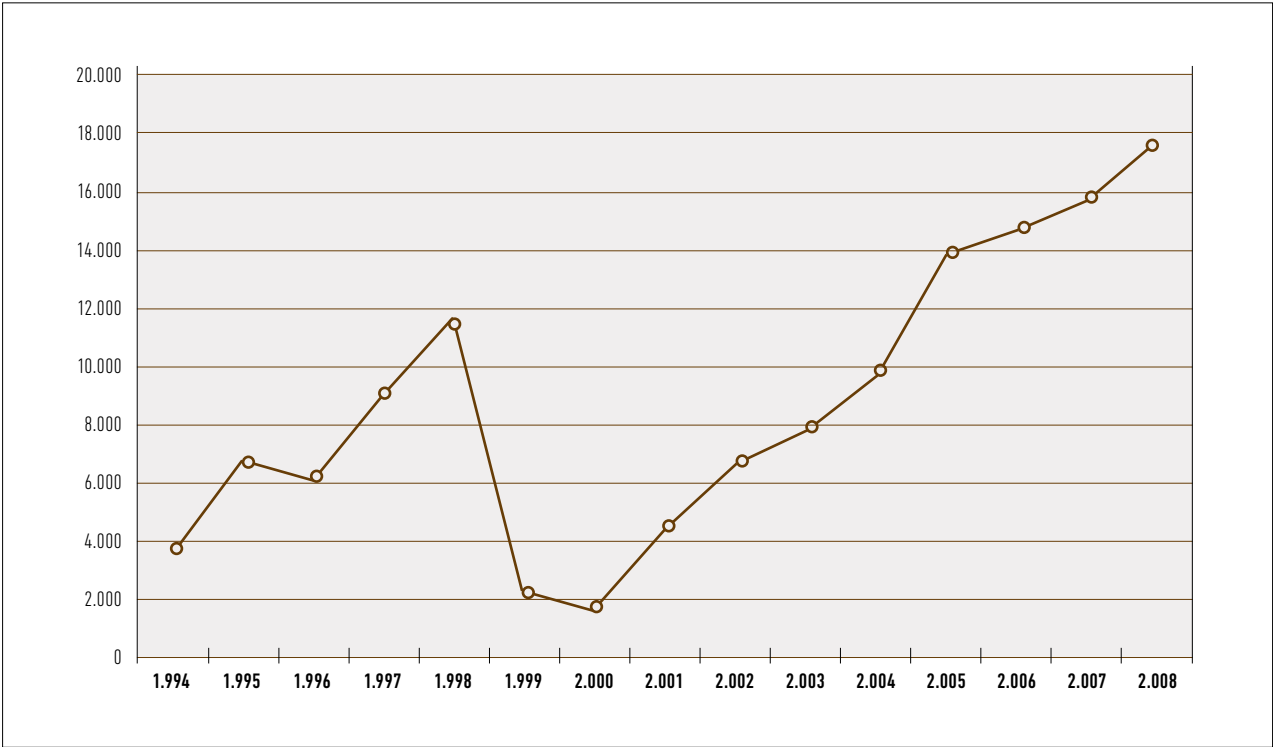
ANNEX 2. PLAN OF ACTION ACCORDING TO REQUIRED PROFILES

GRUPO	ÁREAS DE AYUDA / DPTOS	AYUDA REQUERIDA	OBJETIVOS ESPERADOS
Diseño STEFANO RIGON	Arquitectura STEFANO RIGON Equipo de Ingeniería y Medio ambiente ZADIA SALAMANCA	Revisión de los diseños arquitectónicos del hotel y sus dimensiones, en concordancia con las funciones previstas.	Ayuda en la adecuación de la construcción del hotel en coherencia con los fines del mismo.
	Diseño interiores STEFANO RIGON	Asesoramiento en cuanto a los equipos necesarios, en calidad y cantidad.	Ayuda en el diseño del interior del hotel y distribución del equipamiento necesario de acuerdo con la filosofía y fines del mismo.
	Compras MARÍA MADRID	Asesoramiento y contactos para obtener proformas y, en su caso, compra del equipamiento determinado por los asesores del diseño de interiores.	Provisión de los contactos necesarios para la compra del equipamiento del hotel.
Operación MARTA MARTÍN	Personal RAFAEL JIMÉNEZ	Asesoramiento en relación con la estructura del personal necesario en el hotel, perfil de los puestos y de los empleados, formación adecuada, incentivos para el personal y ruta de progresión dentro del hotel.	Ayuda en la previsión de un organigrama del hotel y un manual de recursos humanos adecuado a los fines del hotel + un plan de formación del personal.
	Marketing DENNIS BAARTMANS	Asesoramiento para organizar la estrategia de marketing del hotel según el público objetivo al que nos dirigimos y el presupuesto disponible.	Ayuda en la elaboración de una estrategia de Marketing del hotel ajustada a nuestras necesidades.
	Calidad / Higiene / Mantenimiento ALEJANDRO ARANDA	Asesoramiento para elaborar un manual de estándares requeridos de calidad, higiene y mantenimiento del hotel.	Ayuda en la elaboración de un manual de calidad del hotel que abarque los estándares requeridos en diversos ámbitos.
	Restauración FRANCISCO RONCERO	Asesoramiento en el menú del hotel y en los cursos y contenidos necesarios para asegurar una formación de calidad de los alumnos del hotel en temas de restauración.	Apoyo en el desarrollo del restaurante del hotel y en la mejora de la estrategia de formación de la institución contratada para la formación.
	Facturación + cobros y pagos MANUEL FERNÁNDEZ MARCOTE	Asesoramiento en los sistemas contables necesarios para asegurar un correcto control del flujo de caja, amortización de bienes, pago de impuestos y distribución de beneficios.	Apoyo en la elaboración de herramientas contables para el control de las finanzas del hotel.
	Recepción	Asesoramiento para establecer el sistema de reservas adecuado acorde con las características del hotel.	Ayuda en la elaboración de una plantilla de reservas.

ANNEX 3. NUMBER OF VISITORS TO TIGRAY



TTCC forecasts that by 2011 the number of tourists that visit Tigray will have been over 63,000 and the income will have been 153 million birr (expecting a 30% annual increase from the figures of 2004).



Source: Manos Unidas Statistics.



ANNEX 4. PROJECT TIMELINE

	1-15 ENE	16-31 ENE	1-15 FEB	16-28 FEB	1-15 MAR	16-31 MAR	1-15 ABR	16-30 ABR	1-15 MAY	16-31 MAY	1-15 JUN	16-30 JUN	1-15 JUL	16-31 JUL
ARQUITECTURA														
Revisión documentación del proyecto														
Revisión de los planos														
Propuestas de adaptación														
Diseño de interiores														
Revisión de la documentación del proyecto														
Revisión de los planos														
Propuestas de diseño														
Enlace con el departamento de compras														
COMPRAS														
Revisión documentación del proyecto														
Propuestas equipamiento														
Listado de posibles proveedores														
Enlace con otros departamentos														
Personal														
Revisión documentación del proyecto														
Preparación propuestas organigramas														
Manual de recursos humanos														
MARKETING														
Revisión documentación del proyecto														
Análisis de medios y público														
Plan de marketing														
Calidad/Higiene/Mantenimiento														
Revisión documentación del proyecto														
Estudio estándares del país														
Apoyo en el desarrollo del manual de calidad														
FORMACIÓN														
Revisión de documentación del proyecto														
Revisión institución de formación														
Estructuración de los recursos														
Animación														
Revisión de documentación del proyecto														
Análisis turistas														
Plan de animación														
ECONÓMICO														
Revisión de documentación del proyecto														
Revisión documentación financiera														
Elaboración herramientas														
Reservas														
Revisión de documentación del proyecto														
Plantillas reserva														

ANNEX 5. AGORO LODGE

Source: www.agorolodge.com



"Staying in Agoro Lodge is like going back in time with all the comfort of a modern lodge"

"We had a great stay in Agoro Lodge. Wonderful interiors, really good service and some excellent dining too"

"A unique opportunity to enjoy and relax while knowing about life in Adigrat"



"The rooms are cozy, rustic and at the same time comfortable and relaxing"



ANNEX 6. LETTER OF SUPPORT AND APPRECIATION FROM NH HOTELS' PRESIDENT



Madrid, 31 de Enero de 2011

Beatriz Meseguer
Departamento de Responsabilidad Corporativa

Querida Beatriz,

Me dirijo a ti para agradecer tu implicación e interés como voluntario en el proyecto **"Creación y puesta en marcha de un Hotel Escuela en Etiopía"** con la ONG Manos Unidas.

Gracias a tu constante apoyo y conocimientos como experta en la gestión hotelera, se está haciendo realidad esta iniciativa a través de la cual se logrará dar una oportunidad social y laboral a la región de Tigray.

Es un orgullo informarte que el hotel se encuentra en la última fase de construcción y se espera su apertura y puesta en marcha en abril de 2011.

Asimismo, conscientes del esfuerzo que todos los voluntarios participantes habéis realizado y de la relevancia que vuestra ayuda ha tenido y tiene en la consecución de la iniciativa, la Compañía valorará las necesidades para la mejora de las condiciones del hotel invitando a conocer el proyecto en terreno a aquellos voluntarios participantes que puedan ser clave para la gestión y operativa del mismo.

Aprovecho, además, para darte mi más sincera enhorabuena por tu colaboración en esta iniciativa social que ha merecido recientemente una mención especial en los **Premios CODESPA al Voluntariado Corporativo**, cuyo galardón fue entregado a NH Hoteles por el Presidente de Honor de la Fundación, el Príncipe de Asturias.

Muchas gracias,

Un cordial saludo

Gabriele Burgio

Gabriele Burgio
Presidente Ejecutivo de NH Hoteles





CASE STUDY | CANAL DE ISABEL II

Canal Voluntarios: Corporate citizens in Corporate Volunteering

Global Corporate Volunteering as a tool to put a company's commitment to the Millennium Development Goals into action

Two years had passed since Canal Voluntarios, the Corporate Volunteering (CV) initiative of the water cycle management company, Canal de Isabel II (CyII),¹ came into being in 2008. It was an initiative that, from the off-set, had great media expectations and which had been accepted with great enthusiasm among employees.

Luis Miguel Garrido, director of Canal Voluntarios, had selected 75 company employees to form a “volunteer pool” – professionals and experts in matters related to water – willing to take part in the event of emergencies in which support might be required in specific areas related to water access.

The vast, historic complex where Canal de Isabel II has its head office is located in the central Madrid street of Santa Engracia. The first water tank built to supply Madrid is found under its large gardens and still operates today. In a meeting in his office with Sonia Conde, coordinator of Canal Voluntarios, and Alberto González, the driving force behind the initiative right from the start, Garrido tried to look for ideas to increase the number of opportunities to participate for the volunteers since many of the – despite the expectations that had been generated for some months – had not been able to take part in any initiative.

Since the programme's focus had been on emergency intervention, and due to the great complexity of these situations, the possibility to participate had been limited. Despite the fact that the impact and assessment of the employees who had taken part in projects was positive, some of those employees who had not yet participated began to show malaise with the initiative.

Concerned about the possibility that discontent could arise amongst the volunteers, Garrido, González and Conde began to look for alternatives that could provide a solution. How could the expectations that had been created be managed to keep the volunteers satisfied and motivated, whilst maintaining the essence of the programme? Would it be possible to enhance the benefit and impact that had been achieved by the people who had taken part? In what way could the commitment, motivation and vision that these people had acquired be extended to the rest of the organization?



¹ The present case study was finished in November 2011. In July 2012 the company changed its structure and is now called Canal de Isabel II Gestión, S.A., after its new constitution was approved by the Madrid Community Government Board.

WATER AND DEVELOPMENT COOPERATION

According to data gathered by the World Health Organisation (WHO) and UNICEF in the report “Progress on Sanitation and Drinking Water - 2010 update,” 884 million people have no access to drinking water and approximately three times as many have no basic sanitation. The majority of these people live in Africa and Asia.²

Demographic growth, the rapid transformation of lifestyles and economic development in emerging countries have been at the forefront of major environmental and social dilemmas at a global level, of which water scarcity is by far the worst. The UN Commission for Sustainable Development (CSD) estimates that by 2020, almost two-thirds of the world population will be living in countries that suffer from water scarcity.

The CSD has indicated that the use of water for human needs can be divided into three major categories: 70% is used for the Agricultural and Livestock sector; 20% for Industry, and the remaining 10% for Domestic use; and in these three areas the demand for water will increase as the world population continues to grow and countries become increasingly industrialised. According to the Director of Public Health and the Environment Department at the WHO, “We all recognise the vital importance of water and sanitation for human health and well-being as well as its role as a stimulus for development. Now, the question lies in how to accelerate the advancement toward achieving the Millennium Development Goals and, especially, how to move forward so as to finally make universal access a reality.”

INTERNATIONAL COMMITMENT TO WATER

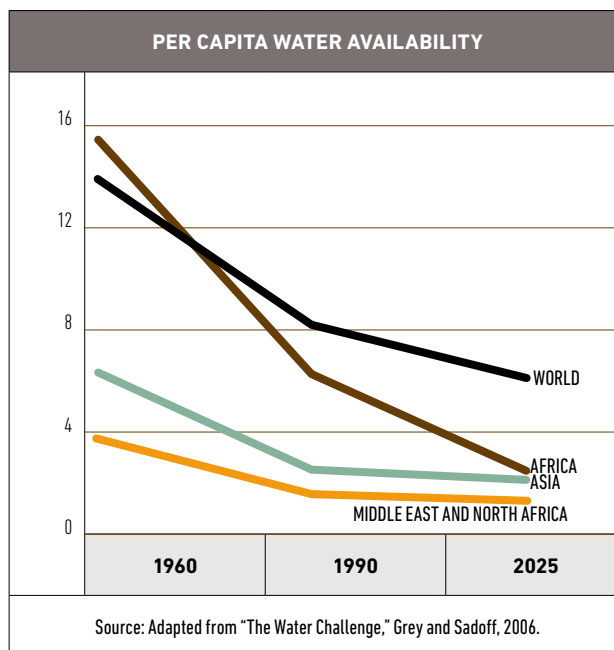
The Istanbul Water Consensus (IWC), signed at the V World Water Forum in Istanbul in 2005, set out its chief premise that “access to clean, safe water and sanitation is a basic right for all human beings. Water plays an essential role in life, in protecting public health and in combating poverty.”³ Health, food, security transport, trade... water is an cross-sector issue that influences and affects all other areas of which are provided for in various development initiatives.

To this end, in December 2001, the European Commission unveiled a series of recommendations at the International Conference on Fresh Water held in Bonn (Germany). Said recommendations paved the way for the European

Community’s contribution to the international debate on the challenges of water. These recommendations were also laid out in a more concrete manner in 2002 through the publication “Water Management in Developing Countries: Policy and Priorities for EU Development Cooperation,”⁴ where the European Commission highlights the importance of an approach that tackles all water use, setting out priority action in the following areas:

- A secure water supply and adequate sanitation for all.
- The use of water in agriculture and food production to guarantee food security.
- Protecting and restoring water resources and ecosystems to contribute to the long term sustainability of water use.
- Water as a source of energy and a resource for industry.
- Management of water-related risks and of coastal areas.

To implement these actions, the European Commission makes an appeal in its text to “mobilise all sources of public and private financing.” Similarly, the UN has tried to raise the matter at international debates on water challenges through actions like the Commission for Human Rights’ initiative on the right to water or the publication



² WHO and Unicef, 2010. “Progresses on sanitation and drinking water.”

³ World Water Forum, 2005. “World Water Compact.”

⁴ European Commission. “Water management in developing countries: policy and priorities for EU development cooperation,” 2002. www.europa.eu/legislation_summaries/development/sectoral_development_policies/r12514_es.htm



of CEO Water Mandate,⁵ launched within the framework of the United Nations' Global Compact – the main and most far reaching global initiative to promote private sector involvement to achieve the Millennium Development Goals.

Global Trends in the Water Sector

The world water and waste water market was worth an estimated \$412.3 billion in 2010, according to the study “Water Markets Worldwide 2004-2015,”⁶ conducted by Helmut Kaiser Consultancy.

Water treatment – states the study – is an area with an especially high rate of growth. The world's drinking water market is dominated by 20,000 companies worldwide – most of which are either municipal companies, which are partially or wholly publicly owned, or large multinational corporations. Of the private companies, the French-owned SAUR, Suez and Veolia were the leaders in the water sector in 2010 – as reported in The Water Yearbook, a sector reference study published each year by Pinsent Masons. They are followed by the German company RWE AG, the Italian company ACEA and the Spanish company Aguas de Barcelona (Agbar Group).⁷

“Everybody understands that water is essential for life, but a lot of people are only just beginning to realize how essential it is for everything inside our lives (food, energy, transport, nature, leisure, identity, culture, social norms and practically every single product used on a daily basis). With a population increase and economic development stepping up demand for everything, the full value of water is becoming more and more obvious to us all.

Companies cannot afford to ignore this trend. For some, this means new economic opportunities by making water available to meet this demand or by finding ways of improving water quality and the efficiency of water use. For others, it calls for a more thorough examination of how they, their supply chains and markets access and use water and how new business risks are emerging for companies that have to compete with others. In any case, the time has come for companies in all sectors and of all sizes to include water in their strategies.”

Prologue of **Water Scenarios until 2025**
World Business Council for Sustainable Development

Regarding this, the Dow Jones and Sustainability Assessment Management (SAM) index, in its 2011 Sustainability Yearbook, analyzes the main challenges facing leading water companies: increased scarcity of water resources globally, the deterioration of water quality and increasingly stringent legislation. With a view to overcoming these challenges, leading companies are implementing innovative strategies to improve efficiency in the water supply and reduce water loss during transit and distribution. Given all of this, SAM assures us that “the current trend towards the privatisation of public water services is increasing competition between the companies in the sector and the approach of having an integrated, cost-effective, client-orientated service is paying off.”⁸

In Spain, water supply and sanitation is characterised by universal coverage and a good quality of service, and the prices are the third lowest in Europe.⁹ Approximately 60% of the population is served by private companies that work under concessions granted by town and city authorities. Thus, MERCO Empresas – the Spanish ranking company – rates the Agbar Group as the leading Water Cycle Management Company. Its headquarters is located in Barcelona. From said headquarters, 50% of the nation's private concessions are managed. Agbar is followed by Canal de Isabel II in Madrid.¹⁰

5 UN Global Compact, 2007. CEO Water Mandate. www.ceowatermandate.org.

6 Helmut Kaise. 2010. “Water Markets Worldwide 2004-2015.”

7 Pinsent Masons, Water Yearbook 2010.

8 Sustainable Assessment Management (SAM), 2011. Sustainability Yearbook.

9 November 2011 data.

10 MERCO, 2011. www.merco.info

CANAL DE ISABEL II

THE HISTORY OF MADRID IS THE HISTORY OF CANAL DE ISABEL II

Canal de Isabel II (CyII) was set up in 1851, three years after the project draft of engineers Rafo and Ribera had been approved to channel water resources to Madrid, the capital of Spain. On 25 June 1851, the first session of the Board of Directors of CyII was convened and, since then, its activities have been closely tied to the history and development of the Madrid region.

Over the last 160 years – in addition to channelling, distributing and managing water resources – the company has undertaken several of the most important engineering projects that Spain has ever seen. Canal de Isabel II has been involved in the construction of some of the most well-known dams, reservoirs, deposits and water channelling projects. Thus, CyII's contribution has not only been key to development in the region but has also played a major role in generating knowledge and technological advancement which have given a significant boost to innovation in the water sector in Spain.

COMPOSITION, DATA AND STRUCTURE

At the present time, Canal de Isabel II defines itself as a “public company responsible for the management of the whole water cycle in the Autonomous Region of Madrid.” Its activities include traditional services such as water supply, waste water treatment, and improving and conserving rivers.

CyII's capitalisation process was approved by a large majority in the Asamblea de Madrid (Autonomous Region of Madrid's highest legislative body) and made official in Law 3/2008 on the Autonomous Region of Madrid's fiscal and administrative measures. The Board of Directors of Canal de Isabel II is the top decision-making organ of the group. It is made up of the Chairman Mr. Ignacio González González, First Vice-Chairman and spokesperson for the Autonomous Region of Madrid, The General Technical Secretariat and the heads of the eight departments that make up the structure of the company.

CyII's activities in 2011 included supplying water to some six million people, managing fourteen reservoirs, eighty one underground water capture tanks, twelve drinking water treatment plants, an almost fourteen thousand kilometre distribution network, five hundred kilometres of main water pipelines, one hundred and fifty waste water treatment plants, five thousand kilometres

of sewage and almost seven hundred kilometres of collectors. To do all of this, the company has 2,385 members on staff.¹¹

CHANGES IN THE STRATEGY: DIVERSIFICATION AND EXPANSION

In recent years, continuous growth in the company's capital from business earnings, private investment and public funds (Autonomous Region of Madrid, Ministry of Economy and the Treasury, EU Cohesion and FEDER Funds) has led to an approach of consolidation and expansion beyond the borders that fall within the remit of the Autonomous Region of Madrid. Additionally, it is interesting that, while in 2003 the turnover was 378.25 million, in 2009 it reached 750.39 million.

In an article published in 2004 entitled “Excellence and Diversification: A strategy for solid growth for Canal de Isabel II,” the former Managing Director of CyII, Gaspar Cienfuegos-Jovellanos, pointed out the two directions that the company should be heading in over the coming years. On the one hand, business activities should be diversified to create a multi-utility business that will provide consultancy services, waste management services and recycling services while establishing “growth in the areas of the generation, distribution and sale of electricity along with the distribution and sale of gas and other added-value services.” On the other hand, expansion beyond Madrid should be undertaken, both nationally and internationally.¹²

11 Canal de Isabel II. 2009. “Corporate Social Responsibility Report.”

12 Jovellanos – Cienfuegos, Gaspar, 2004. “Excelencia y diversificación: una estrategia de crecimiento sólida del Canal de Isabel II.” Outlook Accenture.



Corporate Social Responsibility in CyII

As a public company and because of its long history, Canal Isabel II has a long track record of social commitment in the Autonomous Region of Madrid. However, it was only in 2004 that its Board of Directors decided to make its vision on Corporate Social Responsibility (CSR) official.

A FLAGSHIP PROGRAM TO CONTRIBUTE TO THE MDG

The commitment started as a result of the appeal made to the private sector by Kofi Annan, then Secretary General of the UN, through what was to become the UN Global Compact. For the first time ever, one of the most influential organisations on the planet made it clear that companies had to make a contribution toward achieving the Millennium Development Goals (MDG) by making a commitment and bringing their resources and knowledge together to solve the main problems in the world that lead to poverty and inequality.

“We were very struck by the United Nations’ statement that companies have a great deal more responsibility for development and development aid than we thought,” recalls Fernando Arlandis, Head of the Section for Studies, Programmes and CSR. Thus, CyII became one

of the founders of the Global Compact Network in Spain, which was set up in 2004.

The Board of Directors decided then to create a CSR committee to give a structure to the CSR initiatives that the company had been carrying out throughout its history. The creation of the CSR Committee meant that the company management body would have a place to discuss the orientation and substance of Canal Isabel II’s response to the UN’s appeal and what form it would take. As one of the founding companies of Global Compact in Spain, the company had made a major commitment to global inequality. However, it was necessary to focus and formalise how exactly they would approach meeting the MDGs.

TWELVE COMMITMENTS THAT START WITH TOP MANAGEMENT

Following a series of discussions in the different areas of the company, twelve commitments were set out to serve as the guidelines for the action that Canal Isabel II would take with regard to CSR. Of all of these commitments, special emphasis was placed on initiatives that aimed to help disadvantaged communities in developing countries. This would be done keeping in mind where CyII’s greatest added-value lay: its know-how and experience in the water sector.

CYII’S TWELVE COMMITMENTS

1. Listen to and, when applicable, support the concerns of the different groups we interact with so as to improve people’s quality of life – especially those who come from disadvantaged communities.
2. Continue to integrate environmental considerations into our company strategy and objectives, giving priority to initiatives that make the most efficient use of resources and minimise the environmental impact of our business activities.
3. Promote initiatives that contribute to economic and social development in the Autonomous Region of Madrid and other regions where we are present by investing in and creating infrastructure that facilitates economic growth and job creation.
4. Approach our dealings with clients knowing what their expectations are, developing our relationships and setting up new products and services that promote the rational use of water and community programmes.
5. Invest in our people, in their capacities, potential through training tools, health and safety in the workplace; promoting equal opportunities, ensuring non-discrimination and work-life balance.
6. Build on relations of mutual trust and respect with our suppliers and contractors, promoting social and environmental best practices in their organisations.
7. Foster culture, sport and leisure by organising and sponsoring events and making our facilities available to other organisations; and by conserving and protecting the cultural heritage of Canal de Isabel II.
8. Develop a culture of responsible water use among the citizens of the Autonomous Region of Madrid – from schools to companies to town halls – as a way of contributing to sustainable development.
9. Boost innovation and research as a driving force to improve all our processes to better serve society.
10. Bring our technical, human and economic potential to development and aid projects, to swiftly tackle emergency situations that fall within our field of expertise.
11. Participate in and support national and international institutional initiatives that promote sustainable development in our business activities.
12. Communicate the results of our initiatives regularly, reporting on the extent to which we have honoured our commitments in a rigorous and transparent way.

Canal Voluntarios: Making Commitments a Reality

Arlandis – as head of the company's Department of Studies, Programmes and CSR – had coordinated the process of defining the commitments. They were well received because they proved to be consistent with the company culture by which CyII is characterized.

One autumn morning in 2006, the Board of Directors met to discuss the next steps to be able to transform these commitments into practice.

The eight Department Managers of the company,¹³ the Management Director and Arlandis, along with the CyII Chairman, Ignacio González, started to set forth their own personal vision, which gave way to an interesting brainstorming session. The top decision makers in the company found themselves discussing about how CyII's social contribution could be implemented in the most deprived areas of the planet. The prospect of the company being able to contribute something to people in developing countries was both exciting and possible.

It was then when they began to get a sense that the best way of putting into practice their commitment to help improve the lives of people in developing countries was through the company's know-how – i.e., it's highly qualified professionals, engineers and staff. At this point, the Chairman took the floor and expressed his agreement with the ideas set out and made a further proposal: CyII, as a water sector company, had to make a commitment to provide water to those who had no access to it. He added that the company should do so using its own employees.

The idea emerged for the first time to launch a Corporate Volunteering (CV) programme within the company to provide access to water within the context of catastrophes and emergencies. From the very onset, two factors seemed to fit: first, an emergency programme would call for intensive training, order and organisation; and second, Luis Miguel Garrido's personal motivation with regard to the proposal that had been born from the company's decision makers. Garrido took on the challenge of making a CV programme to provide assistance in emergency situations a reality.

FIRST STEPS

Garrido had taken on a considerable commitment before the Board of Directors: he had to present a proposal on how CyII's new volunteer programme for international emergencies would be implemented.

Luis Miguel Garrido's professional background is rather interesting. He is a Political Science graduate with an Advanced Degree in Criminology. Prior to being appointed Head of CyII's Security Department in 2004, Garrido worked as a teacher to prepare candidates for the civil service exams to become inspectors in the Spanish National Police Corps (CNP) and Security Directors. Among many other things, the Security Department that he runs manages and controls the security of the entire complex and also deals with the protection of company employees.

In the Security Department, Alberto González, Head of the Self-Defence division, and Loli Muñoz Gijón, Garrido's personal assistant, were those who – due to their own motivation – would support the Director in the initial stages of setting up the initiative.

So, the first thing they did was create a small committee to work on what they would need to start to set up the project. As starting points, this committee asked, "What do we have that can be of help in emergency situations?" They had highly-qualified professionals, good techniques and valuable tools. However, the team also asked, "What do we need?" González recalls, "We had no training in emergency situations. We were starting from scratch with no experience whatsoever in social engagement initiatives or volunteering."

With the support of the Board of Directors, channels were opened up to attempt to resolve the issues that had arisen. They requested help from organisations that were key players in disaster and emergency intervention, like the Red Cross and Cáritas, with whom they signed agreements to work in conjunction.

Thus, from the very beginning, Garrido and his team were aware of the needs and concerns and they submitted a proposal to the Board of Directors to organise a programme that would address these issues. The Board of Directors gave the go-ahead to this proposal and the different channels to address the needs identified.

¹³ See Annex I, Organisation Flow Chart of Canal de Isabel II – 2011.



INSTITUTIONAL COMMITMENT AND PERSONAL CHALLENGE

In early 2007, an official memo was sent to Canal Isabel II's 2,300 employees. Canal Voluntarios generated huge enthusiasm: a new initiative whereby the company's professionals could voluntarily support those affected by international emergencies or catastrophes where there was an urgent need for access to water.

140 employees would respond to the announcement and express their interest in finding out more about the call for participants in this new initiative. According to Garrido, "we didn't impose any age or fitness conditions, whether the applicant was just 20 years of age or over 60, because we thought that physical fitness would be necessary for some risk and emergency situations and other forms of support would also be needed to coordinate teams on the ground and in Madrid; because on some occasions, it would be necessary to provide help from Madrid."

From the moment in which Garrido took on the task of presenting the CV Programme before the Board of Directors, his determination to make it a success became a personal challenge. Thus, partly due to his position of responsibility and partly due to his own motivation, Garrido dedicated several weeks to conducting detailed interviews with each and every one of the 140 candidates.

He asked about the type of work they were doing in Canal Isabel II; which aspects of water they were most specialised in; what motivated them to take an interest in the initiative; if they had ever been in emergency situations or developing countries.... Putting those he interviewed at ease with his very warm, affable personality, Garrido was trying to find out – on the one hand – if the candidate's commitment and interest was genuine – and on the other – if they had the skills to work on the front line or if they could be more useful in Madrid.

The experience of interviewing each candidate one by one also served to discover that there were "people that were already very committed and had extensive experience within Canal de Isabel II. For instance, one of our employees had been in emergency situations on four occasions."

In the end, Garrido selected 75 employees who were to be part of the Canal Voluntarios pool of volunteers. Thus, when an emergency situation arose where CyII could help, the volunteers' profiles with the best match would be selected.

Similarly, to determine who would be part of the team "working on the field" and those who would stay in Madrid to provide support, the volunteers underwent medical examinations, psychological assessments and physical fitness tests. "The objective of this selection process

was to ensure that those who went to emergencies were a help and not a hindrance," pointed out Garrido.

One of those selected to work on the ground was Alberto González Moreno, who had been working since 2006 as Head of Control Systems for the Innovation and Engineering Department, though he had been working in Canal de Isabel II since 2003. As a volunteer, he wholeheartedly agreed with the need for a strict selection process because he believed that "not everyone is cut out for" the harsh conditions of emergency situations.

OFFICIAL LAUNCH OF CANAL VOLUNTARIOS: EXCITEMENT AND ANTICIPATION AMONGST EMPLOYEES

Canal Voluntarios was set up following the signing of two agreements with Cáritas and the Red Cross and with a team of 75 professionals who were prepared to do what they could in emergency situations in which there was an urgent need for access to drinking water. The time had come to announce the initiative to the outside world.

It was the Chairman of Canal de Isabel II who lent his support and led the official launch of Canal Voluntarios. An event was organised to which the Media was invited and press releases and informative articles were sent out to organisations that might be interested, such as NGOs. The launch of Canal Voluntarios received coverage in the leading national Media.

"Canal Voluntarios was set up in accordance with the guidelines of the Department Managers who were setting down stringent criteria, which came from the Chairman's Office of Canal de Isabel II." As a public company, "when a country requested assistance from the Autonomous Region of Madrid, the Government made arrangements to send assistance – blankets, planes, etc. – and it also considered and requested help from Canal Voluntarios," recalls Garrido.

Canal de Isabel II's commitment was decisive: time was allocated during the working day to train and prepare for interventions and the necessary resources – uniforms, thermometers, water pH indicators, computers, software, GPS, audio and video equipment, etc. – were provided.

However, despite having a strong team of highly qualified professionals and all the necessary resources, Garrido and his volunteers started soon to encounter their first barriers. The NGOs that they were working with did not always ask Canal Voluntarios for help. Despite having a pool of volunteers who were willing, trained and prepared, the complexity of the emergency situations meant it was not possible for the volunteers to participate.

INITIAL PROBLEMS: LIMITED POSSIBILITIES TO ACT IN EMERGENCIES

After a year, the percentage of volunteers who had participated was approximately 10%. These people took part in emergencies in China, Pakistan, Nicaragua and El Salvador. “We found ourselves with a large pool of volunteers and were facing the problem that time was going by and these people had not been able to do anything. We met with the volunteers a number of times and were very upfront about this problem – we wanted to let them know what was really going on,” recalls Garrido.

For the Director of Canal Voluntarios and his team, transparency was crucial so as to avoid losing the confidence and motivation of the volunteers, which in some cases was beginning to show. In many ways, Garrido knew that he had set his expectations very high for Canal Voluntarios, both inside and outside the company.

Having met with the volunteers, a number of ideas emerged to keep up their commitment and enthusiasm. The idea was to provide more employee training, awareness and preparation sessions as a way of keeping volunteers interested by providing constant activities for those who hadn’t had the chance to participate. “Teams of eight were created and every weekend they would take a portable drinking water treatment system to the countryside and the previous weeks’ team would then teach the following team. Thereafter, the volunteers became the people in charge of maintaining these drinking water treatment systems,” explains Alberto González.

Thanks to the training initiatives, the Canal Voluntarios team got closer to the employees. The camaraderie that resulted from working together during the training sessions meant that the employees felt more engaged. Some even started to propose NGOs that they had already worked with in the past and that they knew ran international cooperation projects in which they did not have adequate technical resources to provide access to water.

González and Garrido saw that this opened up the possibility of giving volunteers the chance to become involved. They realised that the volunteers’ qualifications and experience in water issues were valuable not just in given situations, but also they saw how exporting and passing on this know-how could be very valuable indeed. Network Engineers, Civil Engineers, Water analysts, etc. Development Cooperation projects were precisely where these skills were required.

The idea of opening up the possibility of providing assistance to NGOs that periodically requested help from water professionals for Development projects appealed to González and Miguel; however, it also meant they were venturing into unknown territory. Having studied the

NGOs closely, they realised that assisting Development Cooperation projects required an ongoing commitment and monitoring, and in some cases, financial support. If they wanted to explore Development Cooperation as a way of mobilising their pool of volunteers, they would need some support.

THE MOVE TOWARD “PERMANENT EMERGENCIES”

With the incorporation of Development Cooperation, Canal Voluntarios had taken on a new dimension that was becoming increasingly complex to manage. The time had come when the success of the programme depended on finding someone who would be devoted full time to coordinating the initiative.

The Board of Directors understood the scale of Canal Voluntarios and was in favour of hiring staff specifically for the programme. Arlandis, the Deputy Head of CSR, believed unreservedly that, “In the case of Canal de Isabel II, there’s no doubt that Canal Voluntarios is the company’s key priority in terms of CSR – financing, treatment of employees, provision of resources and dedicated staff – you don’t often see that in other companies.”

Sonia Conde was selected as the Coordinator to manage the bustling activity the programme was generating, reporting to Garrido as Director of Canal Voluntarios, Conde had worked for 10 years in the Development Cooperation sector. She immediately saw the potential for Canal Voluntarios to participate in development projects since she had first hand experience in the “permanent emergency” situations that exist in countless developing countries where poverty is a consequence of the lack of water, poor water quality or the complete lack of sanitation.

TOWARD A GREATER COMMITMENT TO PROJECTS

This new form of cooperation that had emerged called for a new form of participation. The volunteers and the company would be involved in designing the intervention from the outset, in conjunction with the NGO they would be working with.

This new vision of Canal Voluntarios’ work, which was shared by Garrido, González and Conde, immersed the company and its volunteers into the heart of the NGO projects. “For us, it was very important to be actively involved in the projects – even in key decision making. To ensure the technical success of the cooperation we must supervise, manage and make decisions,” states González. The three of them were sure that the greatest contribution



that the employees of Canal de Isabel II could make was to apply their professional knowledge “because we knew where we could make the greatest contribution was in water related matters, given that our professionals are specialists in water-related issues.”

Those in charge of Canal Voluntarios do concede that this proposal could have been met with some reluctance by potential partner NGOs since it could have been perceived as external interference in the very core of their projects. How did they manage to create a climate of trust between the company and NGOs? González explained that it was “fundamental to be clear on what contribution we were going to make, what we were going to do, what we needed and what we were offering. It’s very important to be very clear about the value of the know-how our professionals can bring and the results that can be achieved to improve project actions.”

Thus, with the possibility of working on water and development projects, the volunteers could express their interest in working on concrete initiatives. “Each time there was a new request for a project, several volunteers applied,” explains Conde. This, she says, was a way to identify volunteers who had never applied for any of the other projects that had been announced in previous years and to see whether or not they were interested. After the initial applications, Conde, González and Miguel would select the team of volunteers, trying to match professional profiles with the project’s general needs. The incorporation of development projects allowed a substantial increasing of volunteering opportunities for the volunteers registered in Canal Voluntarios’ pool, reaching 51 volunteering spots among the various development projects, training experiences and emergency situations.

One such a profile that matched the needs of the NGO Acoger y Compartir (Give Refuge and Share) in Haiti was that of Alberto González Moreno. Since he had been included in the pool of 75 volunteers, he had provided support in training sessions; however, he had not had the opportunity to work on the ground. “The day they chose me I felt like crying of joy,” he recalls.

A NEW WAY FORWARD

The selected volunteers started working on the projects with intensive training on matters related to Development Cooperation as well as an immersion in the context of the country and the problems in the area. To do this, they worked in conjunction with the NGO that was coordinating the project, through meetings to share information on the project.

As the volunteer González Moreno recalls, he had to study the country, the area of intervention and the context. He recalls, “in the first meeting we looked at the needs in the area. Acoger y Compartir explained the project, the problems with water access the area was experiencing, and together we decided on how to go about resolving the situation.”

Following meetings with the NGO in Madrid, the volunteers travelled to the area to assess the technical requirements so they could bring their technical know-how to the design of the project. González Moreno told how “[they] had planned the trip to Haiti and had studied the project very well.” He goes on to say, “you think you know what to expect, because we had undergone psychological assessments and we were trained; but then, when you get to the country everything is magnified and it’s completely different from what you had expected.” Thus, he explains, during the first trip they tried to make an assessment, see and verify the needs and the problems to be tackled on site, and come up with solutions and define the shortcomings regarding water.

In this way, when Alberto González Moreno travelled to Haiti, he found that the lack of access to water directly affected the education of the future generations. “One thing that really motivated me was seeing the children carrying water and not going to school. The springs were various hours away and they made up to three trips a day, each day carrying 20 litres of water on their heads. When I saw this, I said to myself, I’ve got to fight to make this project happen – for the sake of these children.”

Once they were back in Madrid, the team of volunteers analysed the information that had been compiled and, keeping in constant contact with the NGO, they came up with “the best solutions – the most optimal socio-cultural, environmental and economic ones – always keeping in mind the information provided by the NGO to try to tackle the problem of water access in the project,” says Conde. Once the intervention had been designed, the volunteers and NGO staff held regular meetings and exchanged reports periodically, depending on the characteristics of the project and the NGO. In this way, work done in Madrid combined with planning follow-up trips on the ground.

In the case of González Moreno, when he returned from his first trip to Haiti, he already had some ideas that could be worked on in Madrid. Thus, after about three years and five follow-up and monitoring trips, four reservoirs with over 30,000 litres of capacity each were built and the whole of the Bellefontaine area was served by a pipeline network.

“Our projects are conducted in accordance with the techniques and working methods that we use on a daily basis in Canal de Isabel II. Our engineers, analysts,

hydraulics; it brings pride to the company to see its people, its professionals, lend a helping hand to the needy in the world,” says Garrido.

“We want the same team of volunteers that starts a project to see it through to the very end.” The working model – based on a group of volunteers that is small but is very involved in the design, execution and monitoring of cooperation projects – offers guarantees as to the quality of the intervention and good results in terms of the impact on the local population, which in turn helps to consolidate the engagement, commitment and satisfaction of the volunteers participating. “We believe it’s fundamental that volunteers feel they have done their bit, that they have made an important contribution and have genuinely solved a problem.”

RESULTS AND THE CHALLENGES THAT LIE AHEAD

According to Garrido, since Canal Voluntarios started working on Cooperation projects, water has been provided to over 65,000 people. “For instance, in Santa Fe de la Laguna, Mexico, a reservoir and a supply network have been constructed to serve 9,000 inhabitants. In Las Juntas, Argentina, a new reservoir and a solar powered pump deliver water to fountains in schools and another similar project has been started in Las Majadas. In Haiti, we have built 22 reservoirs, half of which are next to schools to promote the schooling of children.”

Four years after its creation, the managers of Canal Voluntarios have managed to get a large number of volunteers to participate; however, even so, all of the volunteers still have not had the opportunity to participate because, to date, the focus has been on working with NGOs that the volunteers know – on projects the volunteers themselves have presented.

Garrido, González and Conde still face two further challenges. On the one hand, to maintain the enthusiasm of the volunteers who have not yet actively taken part in development projects or in emergency actions. On the other hand, they have to offer alternatives to those who have taken part in projects to ensure their continued engagement with Canal Voluntarios. Since some volunteers have not yet participated it is not appropriate to send those who have already worked in the field a second time; but, in Garrido’s view, “all of the volunteers want to serve again and this is precisely the main challenge I face as the Director of Canal Voluntarios.”

“Keeping up the volunteers’ spirits is one of the most difficult things. It’s been four years since Canal Voluntarios started up and some people have still not been on a mission, which means their enthusiasm may be waning.”

Luis Miguel Garrido

KEEPING VOLUNTEERS INTERESTED

Each volunteer that has participated in a mission has come back transformed and committed to the cause they had participated in. Aware of this, Canal Voluntarios’ management team had to find a way that would allow employees to stay connected to the cause.

Thus, they started to organise internal awareness-raising events for the rest of the employees. “The volunteers who have already served explain the projects to everyone, show photos and let them in on Canal Voluntarios. Not only do we send them information through memos and newsletters, but we also try to keep up the spirit of volunteers and once they have been on a mission, we continue to train them.”

“For us,” says Conde, “it is very important that every single person in the company knows about the work our volunteers do and acknowledges the effort they put into these initiatives, which also affects their superiors and colleagues considering the time this takes out of their working day. For this very reason, Canal Voluntarios has a section in the company’s Intranet, its own Activities Report, and a newsletter that comes out every 6 months and which is sent to every one of Canal de Isabel II’s 2,200 plus employees. In addition, Canal Voluntarios has been participating in largely informative projects that deal with all aspects of water such as Madrid Rumbo al Sur (Madrid Heading South) or Ruta Quetzal (The Quetzal Trail).”

As a volunteer who participated in the Haiti project, G. Moreno considers himself “privileged to be able to volunteer within the company, since you are taking advantage of your technical skills and know-how to help others. Really, words can’t express how it motivates me to do more in my job.” He is also grateful to the company for allowing him to continue his commitment to Acoger y Compartir: “I sponsored three children to pay for their schooling, which means I have a very large family,” he says, laughing.

Although Canal Voluntarios had achieved continuity in the engagement of those who had already been on missions through training and awareness-raising sessions, they were still facing the challenge of giving those who have not yet been on the field the chance to participate.



CALLING ON NGOS: GUARANTEED VOLUNTEER PARTICIPATION

At this stage, Garrido, Conde and González found themselves seeking attractive alternatives to satisfy the demands of Canal Voluntarios' participants, without losing sight of the purpose of the initiative.

As someone who knows the Sector well, Conde was convinced that beyond assistance and periodic action by Canal Isabel II's professionals, Canal Voluntarios had a whole lot more to offer NGOs and beneficiaries. She envisaged an integrated approach to cooperation, a joint effort between NGO professionals and volunteers, from the cooperation project design stage to the subsequent evaluation.

Conde admits that what proved trickiest for the management team was coming up with ways of ensuring the participation of all Canal Voluntarios employee volunteers. After years of trying to come up with a solution, it

was decided to follow the traditional format used by public funding bodies and launch an official Call for Proposals. The Call was open for NGOs to present cooperation projects related to water issues and thereby gain access to financing and the company's professionals.

In February 2011 Canal Voluntarios launched its first official Call for Proposals worth 450,000. With this funding, the management team calculated that seven cooperation projects could be funded, in which at least an estimated twenty-two volunteers could participate. In Garrido's view, this would ensure the participation of the volunteers and improve the planning of their activities.

"When we were working based on periodic requests from NGOs, we were not able to guarantee the participation of volunteers, whereas now with the Call for Proposals, we believe we can ensure a certain number of people will participate the following year as volunteers. There's no doubt we're going to solve the problem of participation," stated Garrido.

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Case study finished in November 2011. Original text in Spanish

TEACHING NOTE

The case of Canal Voluntarios, the Global Corporate Volunteering programme of the water cycle management company Canal de Isabel II, shows the evolution of an initiative that attempts to put into practice the Corporate Social Responsibility (CSR) commitments that the company acquired with the Millennium Development Goals.

The company originally developed its business and social activity limited to the scope of the Autonomous Region of Madrid, the region where the capital of Spain is located. However, the call for the involvement of the private sector in the fight against global poverty was answered by the company's Board of Directors, which decided to establish twelve social and environmental commitments.

In this way, the creation of a Corporate Volunteering (CV) programme is considered a means of satisfying part of those commitments. This initiative also allows for, in addition to fulfilling the commitments, the involvement of employees in the vision of Canal de Isabel II's social contribution. In this sense, Canal de Isabel II's initiative is important from two perspectives.

We must discuss the decision to become involved in the global problem of poverty. Canal de Isabel II is a Spanish company with a local character that could feel more compelled to act in a social problem within the community but demonstrates having internalized a vision of being a "corporate citizen" – not just concerned and involved in its local problems, but also in those problems affecting the world on a global scale. This vision can serve as an example for many small and medium-sized enterprises that do not have an international presence but are considering whether or not they can make a contribution to global development. Many such businesses may be considering including the fight against poverty in their CSR initiatives but they do not know whether to do so or how to go about it and thus prioritize projects that are "closer to home." The vision of a company, regardless of its size and location, as a "corporate citizen" immersed in a global world may help encourage intervention activities in line with the fight against poverty – extreme and urgent causes that require a global and joint effort, whether you are close or far away from those causes.

Secondly, we should discuss the use of CV as a tool to transfer a company's know-how to the context of poverty. In fact, the specific knowledge of a company, derived from its daily business routine, may be extremely valuable in the efforts made in the fight against poverty. The key will be to identify allies to make it feasible to combine the company's technical knowledge with a specific social need in a developing country. The figure of the NGO is essential as an ally in this process.

In relation with the programme's philosophy and constitution, there are other important lessons learned throughout the case. Specifically, our attention has focused on Canal Voluntarios' evolution, which starts out seeking participants in emergency initiatives and moves on to development cooperation projects. Indeed, the main problem facing Canal Voluntarios is that it offers very limited opportunities to collaborate due to its configuration, which is based on volunteers providing help in emergency situations. Over the course of establishing the programme, the managers have become familiar with the functioning of the social sector, which has allowed them to contemplate possibilities other than emergencies. This has brought them round to exploring the field of development cooperation, with the idea of guaranteeing employee participation that is not only sufficient in number, but also gives their contribution a clear meaning as while having a substantial impact.

At the same time, there are key factors that contribute to the programme's functioning as to guarantee a relevant and impactful participation by volunteers, making the enterprise successful in its attempt to contribute to the Millennium Development Goals which it endorses, as well as its own CSR objectives as an organisation:

1. **Commitment and support from senior management.** In this case, the initiative began among senior managers as a proposal for materialising its CSR commitments. This support was demonstrated by the freedom to suggest how the CV programme was set up and openness in the provision of resources (time, money, etc.). As mentioned earlier, the company's top management envisioned that the programme could be the perfect way to put its commitment as a corporate citizen into action, which additionally provided the opportunity to expand Canal de Isabel II's knowledge. From the onset, it was believed that Canal Voluntarios could become the "flagship" initiative of the company's social commitment activities and there was no doubt about investing in it to make it a success.

At the same time, support from top management helped the entire organisation to see the initiative as something important, boosting the involvement of all business areas of the company, through encouragement from each of the respective directors. "Practically all divisions of Canal de Isabel II are involved in Canal Voluntarios. For example, the notifications are developed and the trips are managed in conjunction with Human Resources; Image and Public Relations design the bulletins and reports; Internal Communication is in charge



of their distribution; Vehicles and Machinery manages maintenance of water purification plants,” indicates Fernando Arlandis, manager of the Studies, Programmes and CSR Department. The idea coordinated by Canal Voluntarios is to make the initiative something that belongs to and is common in the whole organization.

2. **Continuity of the commitment.** In general terms, employees who take part in Global CV programmes undergo a significant personal transformation. There is a high-impact process of awareness-generation that affects how these people see the world following an experience that brings them closer to the reality of poverty and that allows them to make a contribution towards eradicating it using their professional knowledge. This helps to create a bond and a personal commitment to the cause in which they have collaborated and this is why managers of Global CV programmes need to pay attention to alternatives to travelling that allow volunteers to remain committed, so as not to disappoint the expectations generated.

As reflected in the case of volunteer Alberto González, Canal Voluntarios helps the bond created between the volunteer and the NGO to stay strong, since working hours are facilitated even for occasional follow-up meetings about completed projects. The idea is to check whether the transfer of knowledge has been valid and useful and whether there is adequate conservation of equipment and infrastructures. At the same time, and in line with making Canal Voluntarios the “flagship” initiative, the impact of the commitment and awareness of all other Canal de Isabel II employees is increased through the volunteers who have taken part in interventions. This implies involving other colleagues and bosses through workshops, internal communications, corporate magazines and reports – taking care to mention all of them in communications – given that they also contribute to Canal Voluntarios by covering for the absence of a colleague who is travelling, for example.

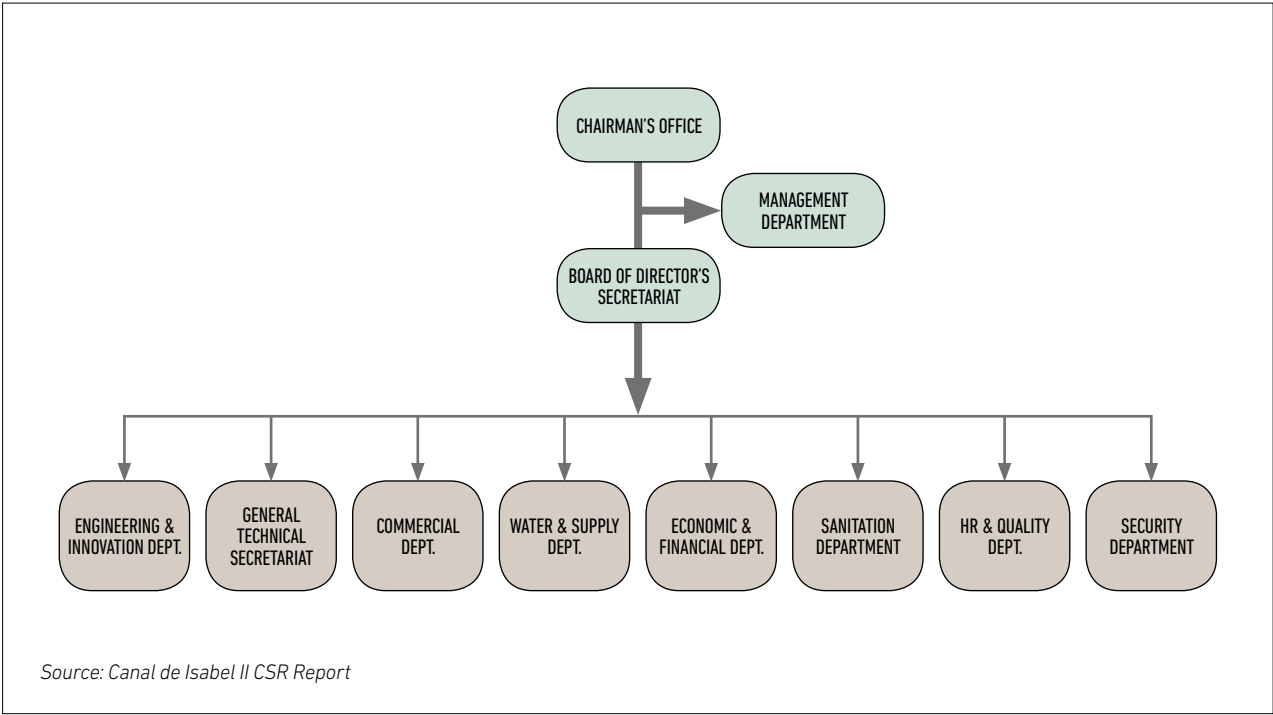
3. **Concern for making a substantial contribution.**

CyII wants to achieve and transmit the real and tangible results of its contribution to development. It invests in the success of Canal Voluntarios, as mentioned in point 1 of this note, but also wants measurable results on what that investment has achieved in terms of improving the quality of life of the persons involved in the projects. From the very start, and aware of the complexity of a new unknown field to them, Canal Voluntarios professionals have been right to establish alliances on equal terms with NGOs in the field. They make a considerable effort to build trust with these partners, insisting on the transparency of “what I give” and “what I want in return.” The managers of Canal Voluntarios provide water professionals that development projects genuinely need and who can make a substantial contribution; in exchange, they want to form part of the NGO project and to be able to make suggestions and have decision-making power about how to implement intervention related to water access and management under the cooperation projects.

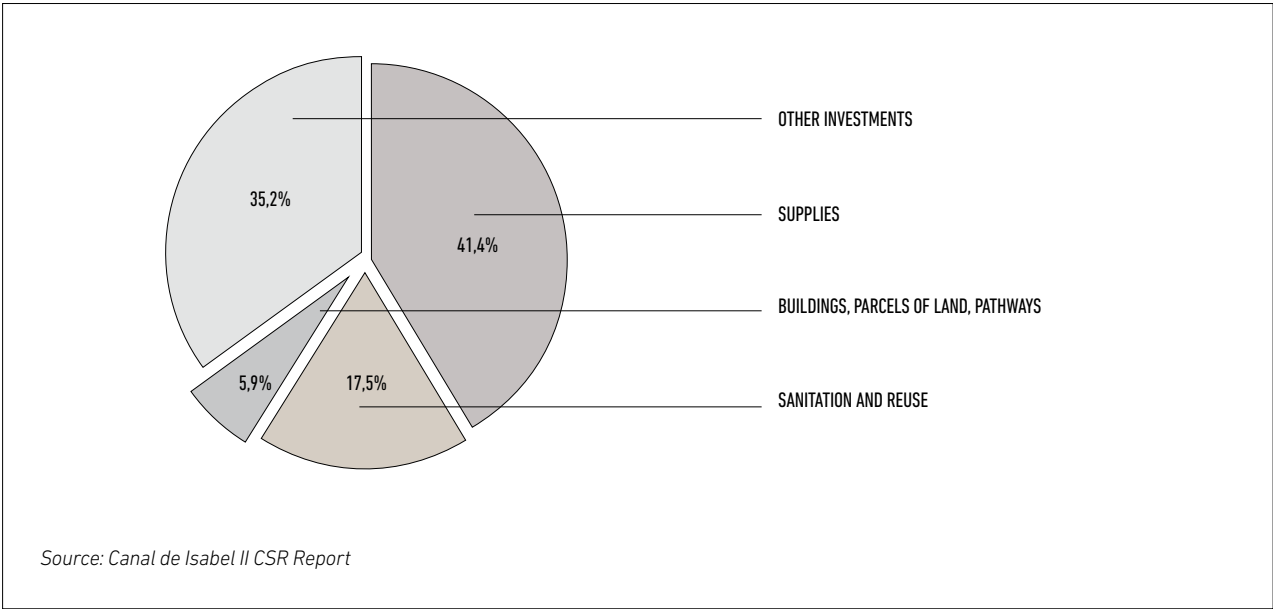
The imbalance of power in NGO-enterprise alliances has been identified as a critical issue. The position of the professionals of Canal Voluntarios is based on equality, acknowledging mutual collaboration toward the same objective. This approach reduces the learning curve and means that the major problem faced by Canal Voluntarios, namely the limited offer of volunteering opportunities, is gradually solved.

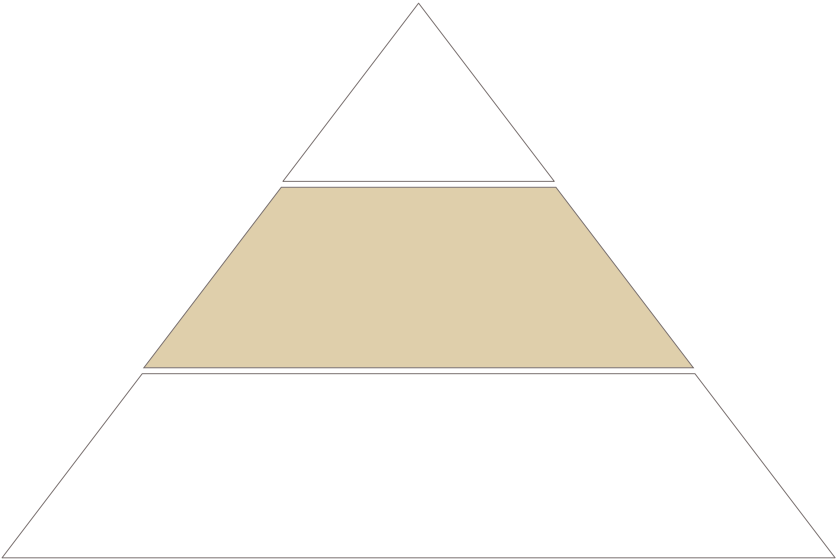
Annexes

ANNEX 1. ORGANISATIONAL FLOWCHART OF CANAL DE ISABEL II - 2011



ANNEX 2. BREAKDOWN, IN PERCENTAGES, OF INVESTMENTS MADE IN 2009







Global CV as a tool for Human Resources management

CHAPTER 2



Introduction

How to motivate and develop skills through Global Corporate Volunteering programmes

One of the business areas in which the benefits of Global Corporate Volunteering (CV) programmes are most extensively recognised and valued is related to Human Resources management and development. It is also one of the most debated aspects. In this respect, different experts provide their different opinions below, just as different companies adopt different approaches and objectives.

The essays

The fundamental task of Human Resources departments is to manage the balance between the need to develop the business strategy and to attend to employees' needs and strengthen their motivations. In his essay, **"Global Corporate Volunteering as a Human Resources management tool. Fostering values and developing skills"**, professor Gómez points out how CV clearly helps in learning about the enterprise's social context at the same time as satisfying employees' aspirations and motivations. Global GV, given the change in scenario and reality that it presents to its volunteers, has even more potential as a key tool for development objectives on a personal and professional level.

Nonetheless, and despite the major agreement that experts share on the subject, in an economic context of crisis, the need for an empirical demonstration of the benefits of CV, and by extension of Global CV, is greater than ever. To do this, a study carried out in the UK by the Corporate Citizenship consulting firm, researches the work and development of a group of corporate volunteers from leading companies in different sectors. The results suggest that CV is a profitable and effective tool for developing employees' skills and capabilities. The conclusions set out in the essay **"Corporate Volunteering: The business case"**, although based on local volunteering efforts, are transferable geographically and to the different models of volunteering.

The fact is that, in a context of globalisation, it is logical for CV also to be global. The benefits of this type of volunteering are therefore based on and extracted from the experience of being in an international, multi-cultural environment, and exposed to new working contexts. In this sense, Global CV objectives are aimed at developing skills to adapt to the new challenges encountered in an international setting, as well as developing employee skills and loyalty.

In this respect, among the different groups of employees who can gain from these initiatives, the management level is according to Maydell, one of those that can most benefit and learn. In his essay **"Global Corporate Volunteering. A tool for developing management competencies"**, Maydell points out that, taking into account a business context that requires an increasingly higher level of sensitivity and capacity for intercultural management, Global CV programmes, when adequately managed, have the potential to become tools for training these global and intercultural leaders and managers.

Case Studies

Within the theoretical framework of the essays, three cases show us how leading companies in their respective sectors have incorporated Global CV in their companies, with different modalities and models of management, but with the common objective of developing and improving their most important resource: their human capital. Through programmes with a high level of selection, training and commitment on the part of their professionals, these three companies develop very high impact initiatives.

The case study of the pharmaceutical company **GlaxoSmithKline** highlights how the 3-6 month absences of the volunteers are successfully handled and managed, and how they seek to integrate the programme in the context of developing leadership skills. The case shows the numerous aspects affected when it comes to managing people, and not only the volunteers, but also the whole of the workforce: internal communication, image of the programme, implication of seniors and colleagues, among others.

LGT, a capital management group from the Principality of Liechtenstein, presents its iCats programme, which is not strictly a CV programme, but a programme that provides qualified volunteers with access to a different work experience within social enterprises. Nevertheless, the case shows how this experience does become a seed for developing a CV programme aimed at developing leaders with a global vision.

Finally, in the case of **Randstad**, a Human Resources company, the strategic alliance with an international NGO stands out as the key for channelling its programme, along with the backing of top management and the involvement of superiors to facilitate volunteers' departure.





PROFESSOR SANDALIO GÓMEZ | IESE BUSINESS SCHOOL

Global Corporate Volunteering as a Human Resources management tool

Fostering values and developing skills

Sandalio Gómez is a Professor of Organizational Human Resources Management at IESE Business School, Holder of the Chair Seat of Labor Relations and President of the Center for Sport Business Management. He is an Honorary Professor of Austral University in Argentina, holds a PhD in Economics and Business from the University of Navarra, and a PhD in Business Management from the University of Navarra.

Professor Gómez has acted as a consultant in the Human Resources Departments of several national and international companies. He has published numerous articles, cases and technical notes, as well as the books “Labor Relations in Europe” (“Relaciones Laborales en Europa”), “Retribution and Profesional Careers” (“La retribución y la carrera profesional”), and “Expatriation policies in multinational companies: The people’s view” (“Políticas de expatriación en multinacionales: Visión de las personas”).

In 2009, IESE Business School and the NGO Coperación Internacional launched the “Observatory of Corporate Volunteering in Spain”, where professor Gómez acts as Academic Director. Iberdrola, The Repsol Foundation and The Telefónica Foundation are also a part of the Observatory.

ABSTRACT

Given that the current function of a Human Resources Department centres on helping to develop the business strategy and improving staff skills and motivation, this essay presents the arguments in favour of Human Resources departments becoming involved in the creation and development of Corporate Volunteering (CV) programmes and, furthermore, if possible, in Global CV programmes.

In the “micro-society” created by enterprises, CV programmes play a key role in satisfying certain employee concerns. At the same time, they help Human Resources departments to achieve their objectives. In this regard, the essay describes many ways in which CV can contribute to the work of a Human Resource Department and the enterprise as a whole. The author mentions how Global CV maximises this potential. However, bearing in mind the high investment cost associated to setting up Global CV initiatives, it also reflects on whether Global CV is for everyone.



SANDALIO GÓMEZ

In the business world, values have to be set through decision-making and through people’s actions; particularly those of the people who hold senior positions and who - with their example and charisma - foster good business practices.

Original text: Spanish

Evolution and functions of the Human Resources Department

Human Resources Management has gone through many stages since it started to be regarded as a management area within companies in the middle of the last century. There has thus been an evolution from what was initially the purely administrative role of the “Personnel Manager” to a more instrumental role of the department as a whole in devising company strategies – this is how Human Resource Management or Personnel Management is now understood.

The formal assimilation by companies of this important and meaningful transformation has needed not just time but also the emergence of new paradigms in society that have changed and focused on the role of people in companies. Making the shift from a theoretical idea that people should become the central focus of companies to actually taking action falls, first and foremost, on the Human Resource Department with its specific knowledge and overall vision. This arrangement gives greater coherence to all the actions that are carried out in this regard.

Carrying on with this assumption in mind, it is currently the norm for the Human Resource Department to cater to two fundamental areas of the company’s business:

1. **Participating in devising the business strategy**, or in other words, playing a part in the company’s mission.
2. **Taking care to improve the professional skills and the motivation** of Senior and Middle Management professionals and their staff.

From there, the main aims of Human Resource Management are defined to achieve, on a permanent basis, a balance between both functions. Human Resource Management must fit with the company strategy and should be compatible with employees’ motivation whilst at the same time adapting to the constant evolution and changing social and business realities and to people’s own personal aspirations. This calls for a constant effort to continually assess the transformations taking place in society and its values, the evolving concept of companies, technological innovation and what motivates citizens.

Economic crisis, values crisis and the role of managing people

Following an in-depth analysis of the current troubled situation, we can observe that the economic crisis has its origins in a more profound crisis; that of the gradual deterioration of society’s values on which the harmonious coexistence of people and cultures is based. Once certain limits of solidarity and loyalty have been breached, a reality emerges in which people shift to being mere consumers. This new reality leads first to a lack of harmony and later to moral disarray that is difficult to remedy. For this reason, we have to work on resolving the serious economic and financial situation that has cropped up. First and foremost, said situation must be resolved by restoring a moral scale that guides citizens to act responsibly and show solidarity. It is precisely the leadership of companies that plays a key role in this challenge.

Genuine Corporate Social Responsibility
will work in parallel with Individual Social
Responsibility

In business practices, values must be reflected in decision-making and the way people act – especially those in positions of high responsibility who promote certain values through their example and their charisma. We need to restore a genuine sense of traditional values such as: solidarity, hard work, loyalty, strength, generosity, etc. We also must put those values into practice in our everyday lives. All of this means that these values must be reflected first and foremost in how company Senior and Junior Managers act, which in turn will become a defined Management Style and Corporate Culture. In this way, genuine Corporate Social Responsibility (CSR) will work in parallel with Individual Social Responsibility.

Given the amount of time people spend at work,
it is only natural that they bring their personal
and professional aspirations and concerns
about the issues they care about to companies

Meanwhile, the role of individuals in Western societies has changed significantly: citizen participation, equal opportunities, information and training, the standard of living, and social and economic development have become firmly established and play an increasingly important role. As a result, given the amount of time people



spend at work, it is only natural that they bring their personal and professional aspirations and concerns about the issues they care about to companies, and from there, try to come up with solutions.

This means that, in addition to financial incentives for people to offer their services to companies, another two motivating factors play a crucial role:

- a. **Professional motivation** that seeks to develop personal and professional qualities that help achieve high levels of professional excellence through a greater number of assigned tasks and more extensive on-the-job training.
- b. **Transitive motivation** that focuses on the impact and usefulness of one's job for others: for one's team, for the department and –ultimately– for the company. Thinking beyond oneself and being useful to others allows people to identify with a worthy company project that includes values such as respect while embracing a type of harmonious coexistence within the company – one where people feel they play an important, active role. Putting these values into practise enhances people's motivation and extends personal and professional morale within the company, both of which are fundamental aims for Human Resources departments.

A CRISIS OF ENGAGEMENT AND ITS HAPPY EXCEPTION

Extract from the essay "Charity that works at works", 2011 | Beatriz Boccalandro | Boston College - Vera Works

Once upon a time, a traveler entered a city packed with stonecutters. He first met a man moving sluggishly, cutting sloppily and producing uneven stones. The traveler asked this stonecutter, "What are you doing?" The stonecutter responded, "I'm laboring to pay the bills." The traveler next approached a man who worked intently, whistled an upbeat tune, carefully handled each stone and produced smooth, beautiful building blocks. When the traveler asked again, "What are you doing?" this stonecutter responded, "I, my friend, am building a cathedral!"

The modern management term that distinguishes the behavior of the cathedral builder from that of the laborer in this popular parable is engagement.

The engaged employee is rare in the corporate world. If your company is like most, the vast majority of its workers are like the parable's laborer. They come to the workplace reluctantly and, once there, slog through the day. Research conducted on nearly 11,000 individuals from North America, India, Europe, Southeast Asia, Australia, New Zealand and China found that a mere 31 percent of employees are engaged¹. Gallup surveys put this number at 29 percent. It's likely that seven out of every 10 employees at your company resemble the lackadaisical laborer, not the coveted cathedral builder.

The crisis of engagement isn't just unfortunate for workers; it's unproductive for business. Disengaged employees "erode an organization's bottom line while breaking the spirits of colleagues in the process," according to Gallup. Low employee engagement costs companies more than \$300 billion per year in the US alone.

Companies that perform in the top 10 percent in employee engagement have earnings per share at nearly four times the rate of companies with lower scores².

Volunteering and engagement

Despite capitalism's crisis of employee engagement, most companies have a humble little function in the hinterlands of the organizational chart that is the happy exception. When performing this function, employees exhibit a rarefied zeal to perform. They show up early, stay after dark, exceed expectations, work through exhaustion, and overcome formidable barriers. They even persuade their peers to join in their productive frenzy.

You, of course, very well know exactly who these extraordinary people are. They are your employee volunteers. Every time an employee voluntarily organizes a clothing drive to help victims of disaster, lobbies for a corporate grant in support of a worthy cause, or sews 100 blankets for hospitalized children, she or he is engaged. Your volunteers are likely the bright spots of employee engagement at your company.

Scientists have amassed large quantities of psychological, physiological and evolutionary data establishing that one of the strongest and most enduring human drives is to serve a purpose greater than the self, such as reducing the suffering of others or improving the lot of the world. Several recent books—including "The Empathic Civilization" by Jeremy Rifkin, "The Social Animal" by David Brooks and "Wired to Care" by Dev Patnaik—eloquently and convincingly detail the altruistic and empathic inclinations that humans naturally possess. Empirical data from the workplace supports this view.

Based on data collected from hundreds of companies, Gallup has identified 12 drivers of employee engagement. One driver is a purpose that confers importance to the job. Significantly, none of the drivers is monetary compensation. In other words, evidence suggests that employees are more interested in volunteering for societal benefit than they are in their own financial remuneration.

Thus, it's not surprising that employee volunteering has a conceptual connection to employee engagement, as has been convincingly presented elsewhere³.

1 Blessing White (December 2010). "Employee Engagement Report 2011."

2 Gallup (accessed August 30, 2011). "Employee Engagement: A Leading Indicator of Financial Performance." <http://www.gallup.com/consulting/52/employee-engagement.aspx>.

3 Realized Worth (accessed September 7, 2011). "The Business Case for Employee Volunteering - Case #1, Employee Engagement". http://realizedworth.blogspot.com/2011/07/business-case-for-employee-volunteering_27.html.

Human Resources Department: How to take advantage of Corporate Volunteering as a tool to manage people

Continuing from this, one of the activities that has been gathering momentum in the area of CSR has been Corporate Volunteering (CV) projects, which have been carried out thanks to the enthusiasm of activists and the profound belief that they are an effective way of promoting certain values that, when properly managed, bring considerable benefits in terms of the skills and competencies that people develop.

The setting up of these programmes has led to the need to decide - firstly within the company's formal hierarchy - where to place CV projects as well as how to define their aims, functions, competencies and responsibilities. Each company, depending on how it is organised and its initial perception of CV, assigns one of its departments to oversee and coordinate these initiatives.

In the beginning, many companies initially placed CV in departments related to Communication and Marketing or in the CSR department. However, it can be observed¹ that, over time and with the experience we have acquired, the preference is now to put CV in Human Resources departments.

The fact that the internal focus of attention of CV activities comes from the company's employees, i.e. people, means that the idea that Human Resource departments are increasingly becoming involved in devising CV projects in a direct and practical manner and have the opportunity to take advantage of the benefits they offer.

CV clearly helps to discover the social issues that motivate employees, which makes it easier for the company to offer them the chance to take part in initiatives that support social issues they care about. At the same time, being in contact with society's needs broadens people's horizons and enhances their perspective and value scales. It makes them feel more useful both within the company and in society: they enhance their personal and professional qualities, which as is mentioned above, is one of the main aims of the Human Resources Department. In addition, volunteering allows employees to put their professional know-how to good use to help a social cause - which means that the impact, in terms of motivation and pride in being a part of something - increases considerably. Volunteering sometimes serves as a mirror where employees see the "social" usefulness of the knowledge they have acquired over the course of their professional life. This results in far greater satisfaction

and a sense of gratitude towards the professional setting that enabled them to acquire these skills.

There are other aspects to which CV makes a positive contribution, including the following key examples: training and enhancing employees' professional capacity of adapting to complex settings, which helps them to accept ongoing change; learning to make decisions in difficult situations; team work; enhancing motivation. CV work placements are an ideal and effective tool to achieve objectives that are within the remit of Human Resources departments, since it is their role to improve all of the aspects we have mentioned.

The benefits of CV activities extend not only to the direct beneficiaries of the social initiative in question but also to those who work within the project; they discover a new dimension to their job and use that new dimension to help others and companies acquire a more human element, greater solidarity, whilst also achieving tangible objectives of personnel development.

CV work placements are an ideal and effective tool to achieve objectives that are within the remit of Human Resources departments

Global Corporate Volunteering: An effective commitment

The outpouring of support for CSR and the swift and far-reaching changes that companies have experienced in recent decades have facilitated the creation of initiatives such as CV that help to put this joint effort into practice to bring about a greater culture of solidarity within companies and society.

These programmes focus on local social volunteering initiatives and, in some cases, extend the sphere of their activities to an international level through initiatives in developing countries that aim to help eradicate poverty. In these cases, the projects have a specific name: Global Corporate Volunteering.

The international dimension of companies, the "information society", and the globalisation of the world economy have led to a greater awareness of these realities and to the possibility to offer generous aid and solidarity in the most remote areas of global (and western) culture. Global CV offers, in this global environment, a setting to put the company's social responsibility into practice with an international vision.

¹ Report on Corporate Volunteering in Spain 2011, CV Observatory in Spain IESE.



Global CV, by its very nature, goes even further than other types of CV in terms of values inherent to volunteering: solidarity, generosity, strength, etc.; it proposes a different approach that makes it possible to learn about some very different social realities from those in Western countries. To a large extent, it clashes head-on with volunteers' normal lifestyles, which results in a farther-reaching internal transformation process.

Global Corporate Volunteering is a high-impact commitment; it is up to the company to provide the means to ensure the bet pays off

Prepare the bet to be able to win

Through the research conducted in conjunction with CODESPA and ICEP to produce this publication, we have been in contact with companies that have set up Global CV initiatives and are convinced that it is "good for all involved, for the organisation and for identifying with the company's values,"² as is reflected in the Randstad case study.

There is no doubt that setting up a Global CV initiative is a considerable commitment. It requires an investment of time and financial resources; adapting policies necessary to make it easier for employees to go abroad without this being detrimental to their career. In addition, the effort required to set up Global CV calls for clarity regarding the objectives to be achieved, proficiency at managing this type of volunteering, and knowledge about the positive impact that it can have on people's motivation and their commitment to the company.

What emerged from this research is that Global CV helps to discover people's real talents, which often go unnoticed by company management. After seeing everything that these people can give back to the company, all of the value that they have brought about, employees can have far greater prospects within the company – prospects which would otherwise not have existed.

This reflection brings us to an idea that may be difficult to accept: Global CV is not for everyone nor is it for all companies. By its very nature, it is not a mass initiative nor can everybody take part: the cost per person is too high and Development projects are complex and have very

specific needs that call for a long term commitment. The decision to invest in setting up a Global CV programme must go hand in hand with identifying people that have a proven track record within the company: selecting the most qualified professionals with the best professional prospects and those that have brought the greatest value to the company. The participation of volunteers will have a greater impact when the professional profiles are properly defined to meet these needs. In this way, the overall benefit is likely to be greater.

In short, we must be very clear that Global CV is a complex process both in terms of motivation and the cost-effectiveness of the investment. Global CV is a high-impact commitment that, when carried out with its scope and all of its other characteristics in mind, is certain to succeed and whose results will demonstrate that it has been worthwhile.

2 Testimonials taken from interviews conducted to produce the case study "Randstad: Human talent serving society. Challenges in the management of a Global Corporate Volunteering program," included in this same chapter.

INTERVIEW WITH RALPH THOMAS | PERSON IN CHARGE OF DEVELOPING VOLKSWAGEN PRO EHRENAMT



“WE ARE CONVINCED THAT WE CAN ONLY BUILD GOOD CARS IF OUR EMPLOYEES ARE EMOTIONALLY COMMITTED TO THE CORPORATION”

The **Volkswagen Group**, Europe's largest automotive manufacturer, altogether employs more than 500,000 people at almost 100 different sites worldwide. In spite of different cultural backgrounds and customs, what all employees at the Group share is the common corporate culture. Volkswagen Group values include responsibility, sustainability, and respect.

In line with these values, volunteering is highly regarded at Volkswagen. Accordingly, in 2007, at the instigation of the Volkswagen Group Board of Management – and in particular Dr Horst Neumann, Member of the Board and person responsible for Human Resources – the Volkswagen pro Ehrenamt scheme was established to facilitate the volunteering of employees. In the same year, the Volkswagen pro Ehrenamt office was set up, with the central goal of optimising and increasing the strategic orientation of volunteering at Volkswagen.

Among other things, Volkswagen sees volunteering as part of its strategy to increase employee satisfaction, develop employees' skills, and maintain its image as a top-employer

In its core, Volkswagen pro Ehrenamt aims at boosting the profile of volunteering in public perception and at motivating employees at the Volkswagen sites to get into and stay active in volunteering. Volkswagen pro Ehrenamt wants to honour voluntary work and recognize its value: employees who volunteer receive promotional items (pin, work ID holder and sweat band) featuring the Volkswagen pro Ehrenamt logo. Formerly “unknown” volunteers are in this way “made visible” within the company. Well in line with corporate values, the volunteers are shown respect for their efforts.

In order to further facilitate volunteering, a web-based Volkswagen pro Ehrenamt platform was established in 2008 that matches employees interested in donating time with local organisations seeking a volunteer. In addition, retirees can apply to partake in the internal Senior Expert Service group offered as part of the Volkswagen pro Ehrenamt scheme, which allows them to apply their expertise in volunteering positions worldwide. In this way, the program provides employees of all ages

and from all social backgrounds with the sense of meaning and purpose that comes with volunteering.

The pilot version of Volkswagen pro Ehrenamt was carried out at the German Volkswagen sites in Wolfsburg, Braunschweig and Salzgitter and was later expanded further across Germany. Since it was set up in 2008, Volkswagen pro Ehrenamt has registered 2,400 volunteer openings and placed some 1,050 volunteers. Volkswagen pro Ehrenamt is now set to be rolled out globally. Beginning with this means that workshops must be launched about Volkswagen pro Ehrenamt and exchange must be fostered to develop national implementation strategies and interlink volunteering activities already in place at various Volkswagen plants.

Since 2007, **Ralf Thomas** has been responsible for the development of Volkswagen pro Ehrenamt and the Senior Experts Service of Volkswagen AG. Furthermore, he is a consultant to the European Parliament on various CSR programmes and to the EU Commission on its roadmap for the “European Year of Volunteers 2011.” Mr. Thomas started his career with Volkswagen in the Department for Technical Innovation and Development in 1988 and has worked in different locations such as Mexico and Pamplona. He has a degree in Mechanical Engineering and he is a qualified national league manager, a licensed football coach as well as an IT security expert.

QUESTION: Corporations and Volunteering, how do they fit together?

THOMAS: Speaking for Volkswagen, we are one of the biggest corporations globally. We currently have 94 locations we are producing vehicles at. Volkswagen has been engaging in some form of Corporate Volunteering (CV) since its foundation. Back then, it was called “social engagement.” Today, the Volkswagen Charta of working relations states that the corporation will take on responsibility and participate in the respective society that it operates in.

QUESTION: What are the challenges Volkswagen faces in its strategy toward volunteering?

THOMAS: Our strategy for volunteering – Volkswagen pro Ehrenamt – distinguishes us from our competitors. We are not following a competitive strategy; otherwise we would be doing a lot more marketing for it. We promote CV because, on the one hand, we believe it builds competencies and, on the other hand, because we are convinced that we can only build good cars if our employees are emotionally committed to the corporation.



We need employees who feel as if they are part of the corporation and are recognized as individuals. They happen to spend a very large part of their days at work. You can't just leave all your emotions and feelings at home.

At the corporation, we have engaged in a discussion about our core values in order to analyse how different values can be brought together, ranging from Brazil to China. We have people across the globe building cars for us. These people also have to communicate with one another and work together, and this can only work if we agree on certain values, which unite us. As a corporation, it is important to include people in this. We can't do that by implementing new rules or regulations. Employees have to feel free within the corporation.

As a basis, we have developed seven core values complemented by introductory preambles. Coming up with these values was a challenge, taking – for example – the terms responsibility and respect: these are understood very differently in China than they are in Germany or in the US. What we have managed to do is define these two terms by adding two sentences, which explain their actual meaning.

QUESTION: How does Volkswagen motivate people to volunteer – particularly in an international context?

THOMAS: Our goal is to create a regionally customized environment in which the employees feel understood and accepted. In Mexico, for example, at our location in Puebla, one of the most pressing issues is water scarcity. That's what is bothering people and therefore we have established a lot of projects that aim to improve the water supply.

The focus is placed on the initiative of employees themselves. They themselves are the drivers of a lot of projects. Currently, we have more than 250 volunteering projects underway worldwide. Employees often approached me with ideas for new initiatives, not the usual things such as: "I would like to create a colourful Kindergarten for my children, please provide me with the necessary money." That's not really the type of volunteering we focus on. A classic example of what we understand as volunteering is the fire brigade. In Wolfsburg, for example, out of our 60,000 employees 16,000 do volunteer work – a third of those in the fire brigade. That means they are faced with a pretty simple problem: on a daily basis fires have to be put out and therefore they need to be able to leave work to do this. This is where Volkswagen is opening up possibilities. Of course we can't have 15,000 people leave production at the same time. In this case, we have to come up with solutions suited to the employees and the corporation.

QUESTION: What about your personal approach to CV projects?

THOMAS: For me, volunteering isn't really something you can handle as a singular project. Mr. X going to a Kindergarten to paint the walls – that is more of an exception. Volunteering means getting people involved in the fire brigade or as first aid workers. People have been doing this for years, not because they want to promote in their careers or look good. These are people who are actually doing something for society by getting involved. These people also tend to be the employees who get involved in what is going on within the corporation, because they have experience. This can be beneficial for business. Whether they are working in leading positions or as a delivery boy is irrelevant. They bring certain skills, know-how and competencies with them, which they have acquired during their volunteer work. As I said, I believe volunteering can't be viewed on a project basis.

QUESTION: How can you measure the success of volunteering for a corporation?

THOMAS: We apply some standard methods to do this. For eight years, we have been asking the same eleven questions – and an additional one which varies each year – about the corporation in order to gauge the mood. One of these questions focuses on the social engagement of employees. This is a pretty simple method, with anonymous feedback ensuring truthful responses. Just with this simple tool, we can gather a huge amount of information and can interpret competencies. We can also figure out the success of the corporation using this method. This is happening on a scientific level, we are supported by the Leuphana University in Lüneberg.



ANDREW WILSON | CORPORATE CITIZENSHIP

Corporate Volunteering: The Business Case

Andrew Wilson is the Director of Corporate Citizenship, a global corporate responsibility consultancy that uses clear insights and a simplified approach to sustainability to deliver growth and long-term value for business and society.

An economist by training, with a 20-year track record in consulting on sustainable development, Wilson advises senior executives on developing a strategic approach to corporate citizenship.

Prior to working for Corporate Citizenship, Wilson was the Director of the Ashridge Centre for Business and Society, a business unit within Ashridge Business School, conducting consultancy into all aspects of sustainable development.

ABSTRACT

In the face of the current economic crisis, there is increasing pressure to scrutinize, minimize and justify every spending decision. It is in this context in which there is a bigger need to look for the business case of community investment initiatives, including Corporate Volunteering (CV) and its different types of actions.

Corporate Citizenship has tracked the learning and development of volunteers in blue-chip companies in London. After analyzing their activities, evolution and development, and after some research on the field of employee training, the study gets to interesting findings that suggest that CV programmes are a highly cost effective instrument for employees to develop skills and competencies.

This essay presents the business case that companies and Corporate Social Responsibility managers so much need to keep exploring and implementing CV programmes that positively impact not only the beneficiary communities, but also the development, spirit and learning of employees and, therefore, the company itself.



ANDREW WILSON

CV programmes are a highly cost effective route to help employees develop business relevant skills and competencies.

Over recent months, companies around the world have experienced unparalleled economic challenges. In the face of one of the deepest global recessions for decades, firms have had to cut back on non-essential functions, reduce headcount, and control costs. Despite recent signs of an upturn in many markets, the pressures remain to scrutinise all spending decisions.

In such turbulent times, the temptation might be to reduce corporate contributions to local communities. A careful business case has to be made in order to justify spending shareholder's money on community investment initiatives.

However, new research evidence appears to provide a strong business case for continued investment in this important aspect of corporate responsibility. A well managed programme of community investment activities can deliver business returns that far outweigh the costs involved. Specifically, it seems that employee volunteering programmes are a highly cost effective route to help employees develop business relevant skills and competencies, while at the same time giving something back to society.

Skills development through Corporate Volunteering. The study

Research carried out by Corporate Citizenship on behalf of the City of London Corporation tracked the learning and development of 550 volunteers in sixteen blue-chip companies (including Aviva, Bank of America Merrill Lynch, Deutsche Bank, Ernst & Young, Nomura, and Santander)¹. These volunteers were involved in a range of activities, predominantly in schools and colleges, which involved everything from mentoring young students to taking a leadership role as a school governor.

One of the major findings of the research is that volunteering does help employees learn and develop a wide range of business relevant skills and competences. The majority of volunteers (between one half and two thirds) report skills development in three areas that are strongly related to their personal effectiveness: communication skills, coaching skills, and their adaptability.

More than four in ten employees also report developing a set of competencies more closely related to their managerial effectiveness. These skills include influencing and negotiating, team working, leadership, planning and organisation, and problem solving.

It is important to note that this process of skills

development took place across the board. Volunteers involved in the research are drawn from all levels – from graduate recruits to vice presidents and partners.

In addition, this is not simply a resource issue. The nature of support offered to volunteers varies across the companies. While some organisations offer quite generous allowances (up to four days paid time-off each year for volunteering activities) others have a more informal and ad hoc approach. Even those companies that have relatively modest investments in the volunteering programmes are reporting significant gains in the skills development of their volunteers.

A cynical reader might well jump to the conclusion that volunteers who have invested time and effort are highly likely to claim their time has been well spent and they have learnt from the experience. However, it is vital to stress that this is not simply a self-reported gain in skills. The research asked the line managers of employees if they too had observed the skills development claimed by the volunteers.

The key finding is that 86% of line managers feel that volunteers do gain useful skills from their volunteering experience. In addition, Human Resources managers in these same companies were asked whether the skills gained by employee volunteers are of relevance to the business. Again the response was overwhelmingly positive. Companies reported that they are currently investing significant resources in training to develop these same skills and competencies in their staff.

4 major factors in the skills development process

In the light of these findings, it is important to consider the way in which volunteering helps people develop skills and competences. Participants in the research identified four major factors that are strongly influential in the skills development process:

- Being exposed to a new environment
- Having the opportunity to interact with a wider group of people
- Being required to take on a leadership role
- Developing empathy and understanding

It is the experiential nature of learning that is so powerful in developing skills

¹ "Volunteering – The Business Case" (2010)



The overall message is clear. It is the experiential nature of learning that is so powerful in developing skills. Volunteering requires employees to step outside their normal working role and build relations with people who have a very different world view from their own. Employees report that moving outside their “comfort zone” in this way is extremely useful in both developing their skills and transferring these skills back into the workplace.

One very simple but direct way of illustrating this point is the quote from an employee volunteering in a local school who said, in a rather understated way:

“Presenting in front of thirty bored teenagers sharpened my presentation skills and improved my ability to interact with people.”

Anyone who has ever faced such a challenge will appreciate the developmental potential of such a situation. The fact is that volunteering assignments offer a route to skills development and transfer that no traditional form of classroom-based learning could ever replicate.

In addition, volunteering offers employees a chance they might not get in their day-to-day work to adopt a leadership role and learn from the process:

“Volunteering gave me the opportunity to work within a team of people that were senior to myself and showed me that I did have all the abilities and skills required; and more in some cases! I learnt how to apply and assert them - and have the confidence to become a team leader in a safe environment which built and increased my self confidence no end.”

Integrating Human Resources and CSR to manage CV

An important lesson to draw from the research is that if companies are to harness the power of volunteering as a route to learning and development, they need to manage the process properly. There needs to be a clear link and strong working relationship between the leaders of the Human Resource function and those responsible for Corporate Social Responsibility (CSR) in the business.

In particular, the findings underline the importance of integrating volunteering activities into mainstream Human Resources processes of appraisal and development. There are two distinct aspects to this.

First, prior to starting the volunteering, it is important that the employee is made aware of the potential opportunity for skills development. This will involve a proper briefing on the aims and objectives of what the company is expecting to achieve through the volunteering assignment – for the charity partner, for the businesses itself, and for the volunteer in terms of skills development opportunities.

“Presenting in front of thirty bored teenagers sharpened my presentation skills and improved my ability to interact with people.”

*A corporate volunteer
“Volunteering. The Business Case.”
Corporate Citizenship, 2010*

The second aspect of integration involves a formal appraisal and evaluation process after completing the volunteering assignment. The research shows that among those whose volunteering activities are part of the appraisal process, the majority agree that the experience has helped them perform better in their job.

In other words, there is a virtuous circle in explicitly making skills development part of the volunteering process at the beginning and end of the assignment, which reinforces the learning potential.

So, if volunteering is really able to offer these learning and development benefits, the question becomes – what is the potential cost of this approach to skills development? The research goes into some depth to calculate expenditure on volunteering programmes in terms of management time, additional costs such as brokerage fees in setting up partnerships, the expenses of volunteers – so on and so forth. In summary, the average cost to run a volunteering programme among the sixteen companies participating in the research was £381 (approximately 483 Euros) per person per annum².

In contrast, data from a UK survey on training costs shows that the typical training spend per employee can be as much as £1,400 (approximately 1,772 Euros) per person per annum.

On this evidence a very strong case can be made that volunteering assignments are a highly cost effective method of developing a range of mainstream, business relevant skills and competencies.

2 “UK Commission For Employment And Skills – Ambition 2020” (2009)

Beyond financial benefits

However, as well as the financial benefits flowing from the learning and development potential of volunteering, it is important not to discount the wider business benefits of these activities.

The first thing to note is that the majority of respondents reported that their experience of volunteering made them feel more positive across a range of measures including self confidence, a sense of well being and happiness, and pride in and commitment to the company. Specifically, as a result of their volunteering experience, between two-thirds and three-quarters of respondents report:

- Greater commitment to the company
- Increased motivation
- More pride in the business
- Higher job satisfaction

The following quote is typical of many that highlighted how engagement in volunteering increases loyalty towards and appreciation of the company:

“Only a few of the top companies do this sort of thing. With my skills I could work for any company, but I would choose one that ran this sort of programme. It sets my company apart as one that is doing its bit for society.”

In addition, it is not just the individual who benefits from the intrinsic value of helping others. Several respondents reported that this “feel good factor” transfers positively into the workplace.

“No matter how bad a day you are having, once you have visited the school you come back much happier and can have a more productive afternoon’s work.”

“No matter how bad a day you are having, once you have visited the school you come back much happier and can have a more productive afternoon’s work.”

A corporate volunteer
“Volunteering. The Business Case.”
Corporate Citizenship, 2010

It is also important to recognise the reputational benefits for the business associated with volunteering. We all know that in today’s environment a company needs to be seen as a good corporate citizen. Investing directly in the

local community in which the business operates is one of the most obvious ways of demonstrating commitment to CSR. There are at least three common themes that emerge when considering the business benefits related to community investment:

- **Risk management.** There are a range of issues that can threaten the value, viability and future health of a business. While many of these are related to broader issues of corporate responsibility, the way a company discharges its social and environmental responsibilities in the local community can impact on its “licence to operate.”
- **Brand reputation.** Issues about brand are often related to the complex process by which consumers make their buying decisions. Part of this process is peoples’ direct experience of the behaviour of a business in its local community, which can be a powerful factor influencing whether or not one feels favourably towards a company.
- **Impact on staff.** There is a wealth of evidence which shows employees are more likely to stay with, and more likely to recommend, their employer if they perceive them to be socially responsible. As this research study shows, support for employee volunteering does impact positively on staff morale and motivation.

Finally, and perhaps most importantly, there are the real positive social gains that stem from the skills, experience and knowledge the charities gain from the volunteers. Obviously this is a huge benefit to everyone involved. It is vital that these positive returns are not forgotten when considering the costs and benefits of organising a volunteering programme.

Looking forward

Looking forward the financial outlook is still relatively bleak – 2012 is likely to be another challenging year as the economic climate, although improving, remains uncertain. In this environment, companies will only succeed if they make sound investment decisions.

Everyone in business knows that cutting costs is the simplest way to bring immediate savings, improve the bottom line, and ensure that the business remains competitive in the short term. But wise business leaders also appreciate that cost control needs to be carefully managed in order to avoid unintended and damaging consequences in the long term.

Some investment decisions, including the provision of



targeted and systematic support in the communities in which your business operates, can make important but indirect contributions to your bottom line. A well managed programme of volunteer-led community investment should start from your business objectives and draw on your company's core competencies.

This research has shown that harnessing the skills, energy and enthusiasm of employees to make a positive

difference in the community not only enhances a company's reputation, but delivers real benefits in terms of skills development and improved morale. The experience of the leading companies involved in the study should be a powerful lesson for others on the business case for corporate community investment.



LARS MAYDELL | EGON ZEHNDER INTERNATIONAL

Global Corporate Volunteering

A tool for developing management competencies

Lars Maydell, in his role as director of the Global Technology and Communication, Services and Sustainability for Egon Zehnder International, is the responsible of the search projects and management appraisal work on a worldwide basis. Before, he worked for the consulting companies Berliner Beratungsdienste and Arthur D. Little International. Maydell has an Environmental and Water Management Engineering Degree from Universität für Bodenkultur, Vienna, and a Masters in Business Administration from the Rotterdam School of Management.

ABSTRACT

This essay presents why and how Global Corporate Volunteering (CV) can become a tool for developing the skills that current business context demands from its leaders and managers.

The author presents what are the main benefits that Global CV brings to managers' training and development, taking into account that its great transforming potential stems from being an intercultural type of CV that takes volunteers out of their comfort zone.

The essay also describes the profile of the manager that can most benefit of these experiences, the environment and management that should be in place, and the role and focus the Human Resources Department should take for Global CV programmes to achieve the development goals of the group of volunteers.



LARS MAYDELL

Understanding international markets means understanding different cultures; managing a culturally diverse team calls for emotional intelligence and a finely tuned sensitivity to differences.

Original text: German

Managers and Leaders

Increasingly, businesses are recognizing that the demands on management are changing radically and that they need to redefine their concept of leadership for the long term. In a globalized world characterized by economic and financial crises but also, and particularly, by a crisis of confidence in business, those at the very top of companies face new rules and new demands on their skills and experience.

What is generally recognized, though, is that the more extreme the assignment and the further it takes volunteers from their everyday routine, the more likely these volunteers are to face experiences that challenge, and transform, their patterns of behavior and their perceptions of their working environment.

Then, when their assignment comes to an end, they face the challenge of integrating often unexpected and unconventional experiences into their everyday working lives. Having to do this equips them much better to take on a leadership role in today's culturally diverse and increasingly interlinked business world

One major challenge is to regain the public's trust in companies and their leaders, which has taken a major hit in the wake of the economic and financial crisis. Against a backdrop of globalization, with many markets integrating, executives are now expected to display a high degree of intercultural sensitivity. They need to be willing, and have the skills, to get involved in unfamiliar areas and issues, to look beyond their own backyard, and to challenge their own way of seeing things. At the same time, it is clear that the up-and-coming generation of "high potentials" – the key players of the future – are also making new demands on their employers. Material incentives are very important, yet finding a satisfying and meaningful job is increasingly high on the agenda when this generation scrutinizes its potential employers.

Executive development, which many companies handle through a department created specifically for this purpose, is gradually adapting to these new competencies, roles and demands. Corporate Volunteering (CV) is an instrument well suited to tackling these challenges and

Against a backdrop of globalization, with many markets integrating, executives are now expected to display a high degree of intercultural sensitivity

is already being used successfully by some businesses. Commitment to volunteering is, of course, nothing new: it has been an established part of both the world of work and society more broadly for many years. Now, though, it has a new face and is being used in a more targeted way.

Many businesses are now making CV programs available to large sections of their workforce, with several objectives: boosting their employees' social competencies, fostering executive development, enhancing the company's Corporate Social Responsibility (CSR) profile, and supporting non-profit organizations by providing valuable expertise. However, the ways in which these businesses go about supporting their employees' commitment differ radically. Examples range from regularly giving individuals time off to spend a few hours working on a neighborhood project, via initiatives where groups spend a whole day on a project, to assignments that involve employees spending several weeks in another part of the world.

What is generally recognized, though, is that the more extreme the assignment and the further it takes volunteers from their everyday routine, the more likely these volunteers are to face experiences that challenge, and transform, their patterns of behavior and their perceptions of their working environment. And this is exactly where CV can be used as an effective management development tool.

Volunteers spend time working in an unfamiliar social environment, immersing themselves in a very different kind of life, so when their assignment comes to an end, they face the challenge of integrating often unexpected and unconventional experiences into their everyday working lives. And having to do this equips them much better to take on a leadership role in today's culturally diverse and increasingly interlinked business world. This chapter describes this type of CV – as a means of developing the competencies of top executives that complements more conventional tools, such as mentoring and strategic project work.



Global competency as a criterion for excellence

What competencies do top executives need in an economy that is increasingly networked, complex, and uncertain? These days, entrepreneurial creativity is increasingly unlikely to be confined to top management and is more likely to be found throughout the business or even at its margins, where employees step out of their comfort zone and into unfamiliar territory, to confront new influences.

Understanding international markets means understanding different cultures; managing a culturally diverse team calls for emotional intelligence and a finely tuned sensitivity to differences. The modern business world therefore needs individuals who demonstrate not only formal management expertise and relevant experience – conventionally acquired in their own organizations and international markets – but also, in more general terms, a feeling for different worlds, individuals who take a wider view than just that of their own department or company and who have experience of dealing with cultural diversity. The vital importance of the ethical responsibility that corporate leaders are now expected to demonstrate is vividly highlighted in research carried out by the International Central European Institute into the views and motives of Austrian businesses involved in social responsibility. The researchers surveyed more than 1,000 Austrian decision-makers, and the findings show that respondents consider the values of “fairness”, “reliability”, and “modesty” to be the greatest management challenges. And social competency that embraces all of these aspects is now the major criterion when it comes to assessing excellence in international top executives.

Those whose career has been hot-housed in the ivory towers of the elite universities and the top echelons of business will not, though, necessarily be best equipped to take on a leadership role in today’s rapidly changing, interdisciplinary, and culturally diverse world. The high potentials are entering the executive suite increasingly early in their careers, and while they command excellent technical abilities, they do not always have the right experience of, and contact with, other social realities and cultures. And although many of them are second to none in terms of quick reactions and efficiency, they may not always have yet learned to step back, question their own attitudes, build bridges to other worlds, and venture off the beaten track.

These individuals stand to benefit from a challenge outside their normal environment, whether at home or abroad, that brings them face to face with a different social reality and enables them to use their technical expertise to make a valuable contribution. When volunteers

report back, they often reflect on how humbling the experience has been: they have learned to be more modest, they say, and have unexpectedly discovered a new equanimity. They are frequently surprised by the degree of cultural alienation and social diversity they have encountered and speak of a new-found awareness of respect and social responsibility. They have been confronted with far-reaching inequalities of education, with poverty, or with apparently disastrous living conditions. They have had to demonstrate all the flexibility and creative thinking they can muster to get to grips with working processes, priorities, and levels of education and training that bear no relation to anything they are familiar with. Some say that they now know what really counts, citing fairness and solidarity. Individuals who have spent some time confronting their social responsibilities, and who have been willing to engage in unfamiliar experiences, take a different view of entrepreneurial activity and are more comfortable with change. They have seen their skills develop and blossom in a completely new environment – an experience that even top universities and leading businesses cannot give them.

Individuals who have spent some time confronting their social responsibilities, and who have been willing to engage in unfamiliar experiences, take a different view of entrepreneurial activity and are more comfortable with change

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Solidarity increases leaders' emotional intelligence

The majority of participants in humanitarian projects in third world countries gained in empathy, flexibility and sociability.

Managers who spend a few months in developing countries working on humanitarian projects **become more responsible leaders**. This is the main conclusion of a research study by Nicola Pless and **Thomas Maak**, professors of Esade, and published in the "Journal Academy of Management Learning and Education." The study's authors say that being in direct contact **with poverty-related issues profoundly transforms leaders' management style** and substantially improves their leadership skills upon return to their country.

In particular, 80% improved their emotional intelligence and gained in empathy, flexibility and sociability. The researchers applied **quantitative and qualitative methods to monitor all participants in the "Ulysses" project**, a leadership development programme run by PricewaterhouseCoopers that involves sending teams of managers to developing countries to work with NGOs, social entrepreneurs, and international organisations. Participants **were involved in teamwork experiences** and were challenged to translate their business knowledge and skills into projects aimed at poverty relief, tackling environmental issues, and improving health.

The research study involved the participation of **70 business leaders**

from the US, Central America, Europe and South-East Asia, who took part for a **two-month period in development projects** in Namibia, **Kenya** and Cameroun (NGO for reducing the social and financial impact of AIDS), Zambia (NGO for agricultural development), **Madagascar** (UNDP, Enterprise Development Project), **Eritrea** (UNDP, mining prevention and recovery), and in Ghana (NGO for mental health care). For the "Ulysses" programme study, the researchers conducted qualitative and quantitative interviews before and after their journeys **using scientific parameters to observe the changes** in the personal and professional knowledge, values and attitudes of the participating leaders.

CHANGE IN ATTITUDE

In all fields established as relevant for global and responsible leadership an **increase in knowledge or changes in attitude were perceived** in respect of the way of seeing things, speaking and behaving prior to their experiences. Almost all participants, more than 90%, **gained in knowledge and awareness of the global situation on social, sanitary or environmental issues**, and also became more aware of the enormous responsibility of corporate leaders in the world.

91% are more aware of the role of enterprises in society and of the responsibility of leaders, and **75% change their position on standards such as social justice and wealth distribution**. They also increased their belief in the importance of values such as respect, tolerance, integrity and honesty. At the same time, the study noted important changes in behaviour or personal attitude.

"The findings show that, upon return, **all of the participants** in the 'Ulysses' programme became more socially responsible, **more empathetic, more respectful, more tolerant**, and, also develop a greater awareness of their own prejudices and **learned to suspend judgment**" says Esade's researcher Nicola Pless, expert in organisational psychology and personal management. "They also develop certain leadership attitudes, such as moral awareness, stronger values and a global mindset."



The cornerstones of competency-based Corporate Volunteering programs

If CV programs are also to serve the purpose of executive development, however, they require careful planning and organization on the part of the businesses concerned. Human Resources departments must get to grips with what is needed and approach the programs systematically: a hands-off approach brings too great a risk that programs end up being frustrating experiences for both sides.

Below, we describe some of the cornerstones of a successful program in terms of the executive development potential they offer.

- 1. The target group:** If competency-based CV programs were targeted at the entire executive population in a business, they would be unlikely to fulfill their full potential and might even be detrimental. To be effective, the tool needs specifically to target individuals who are deemed to have – and have already demonstrated – top management potential. Basic training should never be the aim of such programs: they are much better suited to stimulating and honing the skills of managers who already have some experience of social engagement. Egon Zehnder International's experience has shown that the best candidates for such programs are usually in their early to mid-thirties, have already demonstrated aptitude in initial leadership roles, and have the necessary management expertise and an adequate level of experience. This group is sure to benefit most. Candidates who have already shown that they can be flexible, highly adaptable, tolerant and bold meet the personality profile required.
- 2. The objective of the assignment and technical competencies:** It is also important to ensure that the commitment shown by volunteers is not allowed to dissipate but is harnessed to make a valid contribution to the non-profit organization involved. This is the main source of the satisfaction and positive new attitudes that volunteers take away with them – and it is precisely what makes such programs attractive not only to businesses but also to their non-profit partners. It is nonsensical to assign an expert outside his or her area of expertise. Competency-based CV programs are not about unfocussed commitment but about enabling volunteers to use their expertise to make relevant contributions. It is, of course, also vital that businesses assess the extent to which the selected area of work can help the volunteers to develop the competencies identified; not every area will be a

perfect “social fit” for the volunteer, and some areas will be better suited than others to helping the volunteer enhance specific competencies. To enable them to make decisions in individual cases, Human Resources departments need to assess in advance which skills and personal qualities best fit specific organizations and assignments. And at the selection stage, it is important to involve the potential volunteers, so that their views, interests, hopes and fears can be considered transparently.

- 3. Preparation:** It is vital that both the non-profit organizations and the volunteers are given careful preparation for working together. This covers not only such aspects as arrangements for travel and accommodation but also laying the groundwork for what both sides will be doing. It has, for example, proved useful to use briefing files to give both sides the opportunity to familiarize themselves with the project and to ensure that they “hit the ground running” when work starts. Careful preparation of this kind significantly increases the likelihood that both sides will find the cooperation satisfying and meaningful – and greatly reduces the risk of frustration on both sides, too.
- 4. Location and duration of the assignment:** Assignments should run for a minimum of five to six weeks. Anything shorter, and what should be a cooperation project risks being merely a flying visit. But as to how far volunteers need to distance themselves from their familiar living and working environment, there is no one-size-fits-all solution. The Human Resources officers responsible for executive development should differentiate between different levels of assignment, dividing them up, for example by blocks of one month, and making individual decisions on this basis. The general principle, though, is that volunteers need to be taken out of their comfort zone: only then can they really get involved with the realities on the ground and become part of the local community, even if only temporarily.
- 5. Support from the board, management and owners:** Assignment support is provided by the Human Resources Department and the line managers, who support the volunteers by enabling them to step aside temporarily from their responsibilities in the business and facilitate their return. It is also, however, vital that senior management lend their personal support to the volunteering program. This is essential if the program is to be seen not as an isolated initiative but as a business-wide project that is recognized and supported at the

highest levels. The personal backing of top management for the values demonstrated by volunteers can form the basis of a model for a company's management and business culture.

6. **Debriefing:** A systematic debriefing after the assignment is vital to provide a framework for reflection by both sides on the success of the volunteering activity. It should cover such issues as what the volunteer learned, what contribution he or she was able to make, whether the expectations of the non-profit organization were met, and what the strengths and weaknesses of the cooperation were.

A win-win partnership

If competency-based CV programs are devised and monitored carefully, the cooperation they involve can bring substantial rewards. The businesses concerned can use them to deepen their top executives' competencies while at the same time promoting a cosmopolitan, respectful, and flexible business culture oriented around social values. This enables them to develop a management culture that is fully in tune with the current demands placed on leadership.

The non-profit organizations also stand to benefit from the time and effort involved by tapping into the technical expertise and specialized experience of volunteers who are experts in their field. What would take the non-profit partner substantial time, effort and expense to achieve can be delivered rapidly, in a format tailored to them, by experienced specialists. Egon Zehnder consultants have, for example, had very positive experience of supporting non-profit organizations in their executive development efforts, building efficient teams with the right balance of skills, and getting teams to work together effectively.

Regardless of their area of expertise, volunteers bring a new perspective and, in most cases, open up unexpected prospects and solutions for their non-profit partners. These volunteers may well have a different take on why "donor fatigue" has set in than those who have been fund-raising for many years. And their international experience and outlook too are assets for many non-profit organizations.

Non-profit organizations may also enjoy a different kind of public attention and recognition when a leading business chooses to become involved with them. Support from a major corporation with sympathetic brands or products that gives its employees substantial periods of time off to volunteer may also send a signal to the broader public that these organizations and what they do should be taken more seriously.

Conclusion

There are enormous rewards for businesses willing to become involved on a global scale in competency-based CV and to view such arrangements as a partnership. Businesses demonstrate that CSR can be translated into something concrete, with tangible and measurable benefits. They build bridges between worlds that are widely assumed to have little in common and that may traditionally have taken a clichéd view of one another, along the lines of "crazy do-gooders" or "mercenary idiots", depending on your perspective. And by linking social involvement to targeted competency development, they have established CV as a successful way to strengthen sustainable business practice and a sustainable leadership culture.



CASES



CASE STUDY | GSK

On the PULSE of change

Professional development, team development, and international development cooperation

It was June 2011 and Manu Juneja had had quite a tough week. At the beginning of January, a new volunteer cycle of PULSE – the employee volunteering programme of the international healthcare giant GlaxoSmithKline, GSK – had opened. It was the third year in a row that GSK deployed a select number of employees to apply their expertise in a much different working environment: in NGOs in developing countries or, if preferred, in the area surrounding their current work site. By means of PULSE, GSK was helping to improve healthcare infrastructure – where feasible and required – worldwide.

Juneja herself had been part of the coordination team of PULSE for about one and a half years. As a marketing and communications expert, she was especially responsible for raising awareness of the “brand” PULSE – similar to how she had worked on GSK’s consumer brands in the past.

When GSK’s CEO, Andrew Witty, launched the programme in 2009, he aimed at establishing a common, values-based corporate culture that every employee could be part of.

Juneja was very ambitious in her own right. Her overarching vision, very much in line with Witty’s goal, was for PULSE to become one of the iconic brands that GSK had created in the past. In the midst of preparing the last volunteers to leave, Juneja was thinking. What could she contribute through communications in order to create this iconic status? Could her communication strategy help improve the whole programme in this respect? What implications did this have for her current strategy?

About the company

GSK is the world's third largest pharmaceutical company (measured by revenues) after Johnson & Johnson and Pfizer. In 2011, GlaxoSmithKline generated a total turnover of £ 27.4 billion. Its global headquarter is in Brentford, UK – a suburb in west London – while its US operations are based in Philadelphia, Pennsylvania and Research Triangle Park, North Carolina. GSK was formed in 2000 by the merger of GlaxoWellcome plc (formed from the acquisition of Wellcome plc by Glaxo plc), and SmithKline Beecham plc (from the merger of Beecham plc and SmithKline Beckman Corporation). In 2011, GSK employed over 97,000 people in more than 100 countries.

Its three primary areas of business are pharmaceuticals, vaccines and consumer healthcare products, whereby the first makes up nearly 70 percent of the total turnover. The biggest part of GSK's pharmaceutical turnover has been made in the field of respiratory medicine. With regard to vaccines, GSK distributed 1.1 billion doses in 2011, of which 80 percent went to developing countries. In consumer healthcare, accounting for 19 percent of the group's total turnover, GSK holds leading positions in over-the-counter medicines, oral healthcare and nutritional healthcare.

The major growth areas are Vaccines, Consumer Healthcare, Emerging Markets (like the Asian Pacific and Japanese Pharmaceuticals Market and Dermatology Market), which altogether made up 54 percent of turnover in 2011. The markets with the greatest number of customers remained the United States and Europe.

BUSINESS STRATEGY OF GSK

Since 2008, GSK has focused its business strategy around the delivery of three strategic priorities:

- (1) Grow a diversified global business: GSK has been re-shaping its business to capitalize on the higher growth potential of markets outside Europe and the USA. These territories, in 2011, accounted for 38 percent of GSK's total sales. Emerging markets alone generated a turnover of almost £ 3.7 billion. In addition, GSK aims to maximize promotion and distribution synergies between pharmaceuticals, vaccines and consumer healthcare businesses in these markets.
- (2) Deliver more products of value: GSK changed its Research & Development (R&D) organization so that it is better able to sustain an industry-leading pipeline of products that offer valuable improvements in treatment for patients and healthcare providers. Measures include breaking up the traditional hierarchical

business model and creating smaller, more agile groups of scientists who are more accountable for delivering their projects.

- (3) Simplify the operating model: During the past four years, GSK has implemented a global restructuring programme aiming to reduce its complexity and make business operations more efficient. Since starting this programme, GSK has taken £ 2.2 billion of annual costs out of the business.¹

GSK and Corporate Responsibility

Pharmaceutical companies worldwide have been struggling with challenging reputations over the past years. This is largely due to accusations of putting a focus on “first world diseases,” neglecting research on drugs that would help fight diseases occurring more often in developing countries, like AIDS and tuberculosis. Other points of controversy are the use of lobbying, drug development and testing. Therefore, reputation management to increase acceptance within communities around the world is of high strategic importance to most pharmaceutical companies; and so it is to GSK. The group is, for instance, one of the few healthcare companies researching both new vaccines and new medicines for all three of the World Health Organization's priority diseases: HIV/AIDS, malaria and tuberculosis. The year 2011 marks a milestone in vaccine research – developing a vaccine to reduce the risk of malaria by half in African children aged 5 to 17 months.

Beyond continuous investment in R&D and dedicated research programmes for diseases that affect the developing world, the mission GSK pursues for being a good corporate citizen is as challenging as it is broad. The core of GSK's Corporate Social Responsibility (CSR) strategy, which aligns with its business strategy, is to improve the quality of human life by enabling people to do more, feel better and live longer.

In its most basic form, this implies that every decision taken by GSK is underpinned by the following key values: commitment to transparency, respect for people, demonstration of the highest integrity and a focus on the patient. Beyond that, GSK believes that businesses should play a greater and more active role in tackling social, economical and environmental challenges worldwide.

Altogether, GSK's CSR initiatives have been developed around four themes considered important for responsible and sustainable business growth: Health for all – making

¹ GSK Annual Report 2011



new and established products available worldwide, investment in its people and communities, its behaviour – creating a values-based culture, and the planet – this implies minimizing the environmental impact of business operations.

FOCUS ON DEVELOPING COUNTRIES

GSK – as part of its core business strategy – invests in new medicine and healthcare products for the most challenging diseases and thereby already creates value for society. Another crucial issue is the delivery of these products to those who are in need and cannot afford them. During the year 2011, one of the key priorities for GSK with regard to CSR, therefore, was to align commercial success with forming new partnerships to tackle the healthcare needs of developing countries – particularly focusing on vaccines and pneumococcal diseases. As a result, GSK – in 2011 – provided pneumococcal vaccines to Kenya through an innovative financing mechanism allowing for flexible pricing depending on the ability of the country to pay. While assuring sustainable access to vaccines across Africa, GSK discovers new markets and comes across new business opportunities.

Furthermore, GSK – in 2011 – invested almost £ 3.8 million through international development organizations like AMREF, Care International, and Save the Children to support the training of frontline healthcare workers in Least Developed Countries. This initiative was based on GSK's so-called “20 percent initiative,” aiming to reinvest 20 percent of its profits in Least Developed Countries back into the healthcare infrastructure of said countries.

Other social initiatives include PHASE, a low-cost education programme established in 1988 which helps to reduce diarrhea-related disease by encouraging school children to wash their hands. PHASE currently operates in 16 countries – Bangladesh, Bolivia, Brazil, India, Indonesia, Kenya, Malawi, Mexico, Nicaragua, Peru, Philippines, Senegal, Tajikistan, Uganda, UK and Zambia – reaching more than one million children and their extended families.

As much as GSK considers it part of its core business strategy to create value for communities worldwide, it wants its employees to be part of the plan: on the one hand, this implies that employees must understand the positive impact GSK – as a business – has on society and acknowledge their own contribution. On the other hand, employees at GSK must have the opportunity to engage in social initiatives themselves.

INCLUDING EMPLOYEES

At GSK, employees are actively encouraged to participate in the CSR efforts of the company in order to contribute and generate positive impact; but also to increase their knowledge and capabilities. To facilitate the most direct involvement possible, GSK runs two Corporate Volunteering (CV) programmes. In this way, employees become familiar with the corporate values and culture and, above all, leverage their capabilities and skills for the welfare of local communities.

The employee volunteering programme Orange Day, introduced globally in January 2009, enables employees to make a significant difference through engaging with their local community. The initiative allows each employee to take one fully paid day a year off to volunteer for a chosen community project, organization or cause that they support. Building on the strong number of active volunteers currently within GSK, Orange Day has brought volunteering within the company to substantial levels. Not only does the employee benefit from the team building experience, but also the organization receives help with projects at no cost. Events which have recently been supported include distributing rice to the homeless in North Carolina, volunteering in charity shops in the UK, refurbishing nursing homes in Sri Lanka, planting trees in Mexico and donating books to children in China.

The PULSE Volunteer Partnership Programme is an integral part of GSK's commitment to serving communities around the world by empowering employees to volunteer their professional expertise toward sustainable change in the areas of healthcare, education and environment. Launched in 2009, PULSE aims to make a positive, sustainable difference for non-profit organizations and communities while at the same time supporting leadership growth and development of employees. By putting employees outside their comfort zone, PULSE additionally fosters a culture of simplification, creativity, ingenuity and teamwork in the partner organization – and ultimately back at GSK. An important aspect of the PULSE Volunteer Partnership in that regard is that in its core it aims at creating a common culture and establishing common values amongst the entire workforce.

In order to achieve that, PULSE offers its participants two types of assignments: a volunteer can either engage in a three or six-month home and away assignment located in the same region as his/her current work site or sign up for a six-month international assignment taking place in another country. In both cases, PULSE volunteers work full time with the partner non-profit or non-governmental organization, using their expert skill-set and knowledge to make a significant impact on communities in need.

Among the PULSE Partners are international organizations like Direct Relief International, AMREF and the OGRA Foundation.

Creating another iconic brand of GSK: Corporate Volunteering programme PULSE

Juneja loved her job and loved seeing all those enthusiastic volunteers who were committed to PULSE and had the potential for a life-altering experience – in both personal and professional terms. She knew exactly what they were going through. She had joined the PULSE team after going on a PULSE assignment herself. In fact, Juneja was working for GSK in Gurgaon, India, in the marketing department when she first heard about the programme and instantly decided she wanted to sign up. As part of the first project cycle in 2009, she worked for one of the partner NGOs, AmeriCares in Mumbai, India. Among other things, Juneja created a sustainable revenue-generating and visibility-building model for AmeriCares.

Upon returning from her assignment of three months, which impacted her deeply, Juneja learnt that a position would be opening up with the PULSE programme team in the US. She decided to take up the opportunity and apply. The whole programme was coordinated centrally: the core PULSE team of 5 all being located in Philadelphia, U.S.A. and London, U.K. Juneja got the job, moved from Delhi to Philadelphia and assumed her current role as marketing and communications manager for PULSE.

Since then, she has been successfully working on developing and adapting communication channels and material about PULSE. In the beginning, she knew there was a long way to go before PULSE would become iconic, but thought genius would take time and effort. Back in her days at GSK in India, Juneja had been working on the product side – marketing different GSK products and brands. Similar to GSK's other iconic brands, which can be found in many households worldwide, she envisioned PULSE to be understood as an effective and far-reaching corporate volunteering programme that has a great influence in the provision of health care to communities around the world. Furthermore, when it came to the internal perception of PULSE, she wanted it to be considered part of the personal and professional development path of employees. Also, PULSE had to be that one programme at GSK that was known to truly be having a positive impact on the corporate culture.

In Philadelphia, Juneja now was responsible for the internal communication as well as for preparing material about PULSE to be used for external communication. The

latter was primarily important with regards to improving the reputation of GSK in society and building trust externally. When it came to internal communication, Juneja had to differentiate between two purposes. On the one hand, the goals and benefits of PULSE needed to be presented to everyone working at GSK. Showing the opportunities GSK as a company offered its employees was a goal in itself and contributed to a common GSK culture. Regardless of whether or not an employee wanted to join the programme, just knowing about PULSE would make employees feel proud about being part of GSK and understand the corporate culture. On the other hand, Juneja had to promote the programme and accurately inform those interested in it about the process of applying and participating. What should PULSE volunteers expect when working for NGOs or international organizations, particularly in developing countries, and later when coming back to GSK? Additionally, communication had to be targeted to those directly affected by an employee leaving for an assignment, which particularly included line managers and the teams left behind.

Juneja's major focus obviously was the internal communication strategy. She knew that for PULSE to become iconic, she had to get the most motivated and talented volunteers to apply in higher volumes. Boosting GSK's reputation as a trusted partner in healthcare would particularly require high-achieving volunteers to show proof of their expertise while working on community development assignments and, therefore, build trust in society.

Looking at the list of volunteers on her desk that were now on the way to their respective assignments, Juneja was happy to come to terms with one fact: that this success was partly a result of her achievements in internal communication. In 2011, there indeed had been more applications than in the two project cycles before. Still, as PULSE was generally open to everyone at GSK who had been with the company for at least three years, it did not seem to be enough for a programme that was supposed to become iconic.

Juneja knew that if she wanted to advance her communication strategy and think of new possibilities, the first step would be looking into her portfolio of different communication tools. She would have to analyze and find what had worked particularly well and identify areas that challenged her goal of making PULSE iconic and more widespread.

GSK communicates regularly with its employees in order to provide up-to-date information on progress toward goals and changes to its business, to listen to feedback and to stimulate innovative ideas. During the past years, the group had made improvements to its internal communications; for example, improving "Connect GSK,"



a global intranet site, to help people obtain information more quickly and connect them with colleagues across the company. This platform also contained information on PULSE. Whenever a project cycle started at the beginning of January, the news and messages about it would be posted there. In order to get more attention on Connect GSK, Juneja had decided earlier to increase the number of stories posted in the intranet and launch promotional events. After talking to many volunteers and asking about how they had heard of PULSE, Juneja discovered that awareness campaigns had indeed been working well. Furthermore, the intranet contained so-called PULSE team sites that were accessible to volunteers as well as their line managers and other team members – providing for all the information and materials needed to assure a smooth process.

Another vital communication channel for the PULSE programme was the PULSE alumni who had returned to GSK. They worked as ambassadors of the programme and were able to provide people interested with the most accurate and hands-on information – particularly on the types of programme experiences offered and challenges when applying and participating. PULSE “Lunch & Learn” sessions were set up so that alumni could share their experiences with interested employees. Also, former PULSE volunteers who were willing to share their experiences and knowledge about the programme got the chance to do so during a week in November called the PULSE “Awareness Week.” The PULSE team provided materials like banners and brochures in order to set up stands at their sites. Juneja knew how important these events and informational weeks were for increasing the word of mouth on PULSE. Similarly, field reports that the volunteers compiled upon return were frequently shared via blogs or presented at sites or events.

IDENTIFYING AREAS OF IMPROVEMENT

When going through the list of the participants, Juneja came across one fact in particular that struck her: most of the participants were from the US and the UK. The PULSE coordination team had been aware of that fact and had been investing in diversifying the reach of the programme, which was not an easy challenge to tackle.

Juneja knew one obvious reason was that the PULSE coordination team was present only in two countries: the UK and the US. The programme therefore was “closer” to the employees in these countries, more present in their daily lives and more easily accessible. Another factor explaining why most of the PULSE volunteers came from these regions was that the majority of GSK’s global

workforce – 55,403 employees – was working in the US and Europe. As more people from the UK and US participated at PULSE, there were more ambassadors promoting PULSE at these sites. This was even more troubling as Juneja had heard from Ahsiya Mencin – the Director of the PULSE Volunteer Partnership and a member who had been part of PULSE from its very beginnings – that, apparently, employees would be highly interested in participating in the PULSE Programme – especially in India and Latin America. However, it seemed that they did not have enough information about it. In developing and emerging countries like these, the first and foremost challenge regarding the reach of a higher number of employees lay in the remoteness of certain areas. In these remote sites, hardly any PULSE ambassadors had the possibility to present their experiences or give first-hand advice on how to participate.

Secondly, once information on PULSE had been transmitted, Juneja identified the language barrier as the next major challenge related to targeting more employees outside UK and US. The whole programme was managed in English, from the communication, the application, in most cases the assignment, as well as the reporting formats – the language was mostly English. While in Latin America most employees spoke at least a little bit of English, it was harder to target sites in countries like Japan where business operations were solely managed in Japanese.

One final issue was that the internet and intranet were often not accessible at remote sites in emerging countries to a substantial number of employees. The application form of an Indian production site manager of a remote area in the South of India was the very rare exception in the pile of applications that had reached the PULSE team this year. Juneja obviously wished for more applications like these in order to diversify the pool of PULSE volunteers.

DIVERSIFYING THE REACH OF PULSE

Interested in how her Indian colleague had found out about the programme, Juneja decided to briefly get in touch with him and was surprised to find out that he had actually learnt about PULSE indirectly via she herself. After she had finished her own assignment back in 2009 and had returned to her marketing department, she presented PULSE and her own experience at a local event. As there was another volunteer following Juneja, there was enough communication on PULSE in that area. Somehow, in that way, the news reached the product site manager.

For Juneja, it became clear that on-site presentations of some of the former volunteers were a highly valuable

means of communication. Based on that insight, Juneja decided to suggest to the PULSE team that more former volunteers like she should, in the future, present their experiences at site from which no volunteers had so far come. She recalled the success of the awareness weeks and imagined that these kinds of PULSE events could be deployed across borders. She was sure that they would help increase the reach of PULSE and recruit more and more volunteers from outside the UK and US.

On the language matter, Juneja called Mayuko, one of the very few Japanese employees that had applied and been accepted into the programme. She had just returned from her assignment in Africa, when she changed her role at GSK and joined the CSR team in Japan. This happened right at the same time as the Tsunami struck Japan in March 2011. Mayuko was very passionate about engaging in disaster relief and took over the leadership of “Team Orange Japan,” in which employee volunteers delivered food, blankets, facemasks and other emergency supplies to people in affected areas in the Tohoku region.

As the news about Mayuko’s commitment had reached the PULSE team, they wondered if there was a way that Mayuko could help set up a local PULSE coordination centre – a local HUB in Japan for PULSE. Mayuko, who herself had gone through the entire process, could act as a primary PULSE contact for those interested in applying. After all, the PULSE team didn’t want to lose volunteers only because of language barriers. Mayuko agreed, and the PULSE HUB in Japan was quickly set up. Mayuko’s team went out and identified NGO partners that they could work with. They were supported by the PULSE team, who established a PULSE HUB website for them. Similar to the other PULSE sites on the intranet, the volunteers there were provided with all the necessary information and materials like budget templates, health enquiries or any other frequently asked questions, giving them access to the PULSE infrastructure. The first group of volunteers soon had been deployed to work for the selected NGOs in their home country, Japan.

Juneja understood the need for local people in order to spread PULSE’s message and reach people outside the English language circle. The PULSE HUB in Japan illustrated a perfect solution for this need. It made Juneja think about strategically using the instrument of PULSE HUBS in the communication process – as local information centres on PULSE, functioning as a link to the central PULSE coordination team. They would be a great way to decentralize her communication strategy. After all, that was what Juneja had to do in order to reach more people – move from central to decentralized communication channels.

She knew that decentralized communication channels adapted to local specifics like language requirements would make sense mainly for home assignments. The five people of the coordination team would still have to drive the international assignments, for which the English language was an absolute prerequisite as most partner organizations and assignments were managed in English.

As far as reaching out to an increased number of employees and diversifying the reach of PULSE was concerned – Juneja was happy with this approach and decided to discuss her ideas soon with the whole coordination team.

COMMUNICATING THE RIGHT MESSAGES TO THE RIGHT TARGET GROUP

In addition to thinking about how to reach out to more potential candidates for PULSE with her communication strategy, Juneja knew that truly widespread participation and the success of the programme strongly depended on the content and messages communicated via these channels. The fact that, between 2009 and 2011, only 200 of 97,000 employees had participated in the programme made her wonder whether the right information was actually getting through.

The most crucial questions Juneja needed to solve in that regard were the following. Why would those who knew about the programme not apply for it? How could those reached by the communication material be persuaded to apply?

When it came to admission to the programme, a first, and important, obstacle the prospective participants needed to overcome was to get the approval of the respective line manager. This, for one, depended on whether the applicant – in his opinion – fit the programme’s requirements; and, on the other hand, whether the line manager could afford the absence of a team member for three to six months. Juneja knew that absentee management was the bottleneck for many applications. In order to secure widespread support, the line managers would have to be truly convinced of the benefits of PULSE for the volunteer, their team and GSK as a whole. This was also important with regard to creating a common culture – even those who were not actively participating in PULSE had to feel included and benefit from the programme. The line managers would play a crucial role with regard to informing the teams that were left behind and making them feel included in the whole process.

In order to learn more about the line managers’ attitudes and understanding of PULSE, Juneja decided to invite a group of line managers, who all had experience in managing a PULSE volunteer, to her office.



How information on PULSE is perceived: Line managers

At GSK, the relationship between an employee and the line manager is the most critical factor in ensuring employee engagement. Juneja knew that the absence put a strain on this relationship and was a huge challenge in itself: the absence of the employee was not supported or managed centrally, but instead by each team or department independently. The direct superiors of the PULSE volunteers were the ones that had to reorganize their teams and achieve their business goals with one employee less. They had to carry the load for the employee, and determine how to cope with the absenteeism.

“The value is more at a GSK-level and at the individual employee level than at the team level,” one line manager said. “I think, from a departmental functional level, we accommodated it for two reasons: it benefitted the employee’s motivation and development; and, from a GSK perspective, we are aware that contributing to that is of value in itself.” A second line manager agreed that PULSE, in his opinion, was of great benefit for the company as a whole: “It’s great press for GSK. We are not doing enough to get a positive image out there; instead, we are always firefighting the negative press – now PULSE is a great opportunity to do something proactive.” Another point she positively acknowledged was that of giving employees the opportunity to make a contribution.

Juneja realized that even though the line managers did perceive PULSE to have a positive impact on the volunteers and GSK as a company, they did not seem to realize the benefits to their full extent on the departmental level. In the further course of their conversation, they emphasized the challenge of having to manage the absenteeism of one of their employees. In addition, one line manager mentioned that communicating to a team that everyone could apply would also raise the wrong type of expectations – not only with regards to the qualifications required. It disregarded the fact that line managers would have to make arrangements in order to let the employee go. “While I would love everyone to have that experience,” he said, “I could certainly not afford to let every single employee leave, if only for cost-efficiency reasons.” Juneja was aware of this issue and, in fact, had already heard of employees who were kept from applying because their line managers had not been able to afford the loss of a team member.

In most cases, absenteeism would be managed in a way that the volunteers’ work would be distributed amongst the remaining team-members. On the bright side, that way PULSE would provide GSK home teams the opportunity to enhance their own work experience and hone

their skills while their colleague was out on a PULSE assignment. In that sense, PULSE’s absentee-management strategy provided a source of learning not only for the volunteer – if the duties were to be distributed amongst the colleagues, learning could take part with the volunteers as well as the remaining team members taking over new responsibilities. Furthermore, this was a cost-effective way of managing absenteeism.

On the other side, Juneja learned from the conversation with the line managers that not all the remaining team-members saw it that way. Having to take up more work while a colleague goes on a seemingly much more exciting assignment was not always encouraging. A line manager explained that the crucial part about this way of managing the remaining workload was to clearly communicate, in advance, the tasks that would be handed over to each remaining team member and make a concrete action plan.

Besides having the team take over the workload of the volunteer, another possibility was to temporarily employ an external expert to fill the vacant position. This was common practice in some departments due to project-based work. This solution would mean that the department would have to carry double costs, which was difficult in times of tight budgets and close review of costs. One line manager sitting in Juneja’s office had done this; but, as he said, not every department would be able to afford doing it that way because the cost of the absent employee and, in this case, for the one filling in was to be borne by each department itself.

Even though more and more line managers seemed to be willing to bear the burden of paying the leave of absence of one of their team members, those sitting in her office were proof of the doubts that many still had with regards to the benefits promised. Messages about the benefits, particularly with regards to Human Resources development, had to be communicated more clearly to the teams and line managers – volunteers usually returned with higher motivation for their work and new capabilities.

The intranet, Juneja thought, had been improved during the past years to provide a great opportunity to target specific groups of employees with specialized information. However, the reach of blogs where people that had been involved in PULSE reported on their experience could also be increased. This would certainly give line managers some kind of orientation in dealing with the situation. The bottom line was that it needed to be made clear that having one of the team members being accepted into PULSE was a commendation for the whole department and proof of how efficiently and progressively a team worked.

Additionally, the teams had to be made aware that, depending on how the absence was managed, they would

benefit to some extent as well. Even if they did not take over the volunteers' duties, they had to learn more about the larger purpose of the programme so that they felt motivated to support the volunteer going on the assignment. The PULSE team sites that had been established on the intranet would come in handy at this point and provide a good platform for communication.

What's more, Juneja had an idea. She had learnt from several volunteers that she had talked to in the past that they, on occasion, presented their experiences to their team members – not just during coffee breaks, but during formal meetings. Juneja was certain that this would make the team members feel as if they were more a part of the experience and allow them to gain insight into PULSE as well. Juneja made a note to suggest that the PULSE team formalize this type of presentation. Returning volunteers telling about their experiences in a structured and goal-oriented way would help to create the sense of unification that PULSE was supposed to foster. It would be easy to make this request because the returning volunteers had to write reports on their assignments anyway. Juneja decided to suggest this idea to the rest of the PULSE team as well.

Identifying areas of ambiguity

Juneja agreed that PULSE, in general, targeted every employee with specialized talents who had been with the company for at least three years and had a good working knowledge of the English language. Beyond that, no further formal requirements to apply were communicated. Obviously, PULSE needed to select the most qualified and engaged employees to work at their partner NGOs – after all, these volunteers were the outside face of GSK and would shape its reputation in society. Last but not least, the success of the project that the volunteers got involved in would depend on the skills of the PULSE volunteers.

Juneja explained that this was exactly the reason why the application process was very lengthy and, in the end, only a select group of employees could be sent on assignments. Hence, the fact that the programme was perceived as elitist did have a ring of truth. Still, in contrast to how the programme was viewed, PULSE was not restricted to candidates for leadership roles; but rather wanted to identify the high-performing employees. Increased leadership capabilities like the ability to work in teams, build relationships or flexible thinking skills indeed were an important outcome of the programme, but this applied to all levels of employees.

The line managers perfectly understood but also showed their concern that this kind of perception

frequently resulted in resentment and a feeling of separation when one team member finally was selected and left for a PULSE assignment. From that moment on, he was distinguished as a high performer. This feeling sometimes would be reinforced if the team further had to take on the volunteer's workload.

Juneja realized the very thin line that lay between resentment and honest support. She agreed that the team members left behind should be more integrated in the whole process from the start in order to better cope with the situation.

She acknowledged the important role that the line managers once again would play in that regard. They would be responsible for clearly communicating the benefits that the remaining team members were to expect from taking on the responsibilities of the PULSE volunteer and for distributing the workload in a timely, fair manner. Still, Juneja knew that this would only reduce resentment, not dispel the perception of PULSE being an overly elitist programme. In addition to better communicating the benefits of PULSE for the remaining team members, Juneja thought that she could mention that employees who did not consider themselves eligible for PULSE could participate at the local volunteering initiative, Orange Days, that had no specific entry requirements. This would foster the notion that volunteering was broadly supported at GSK, which in turn would lay the basis for PULSE to become iconic.

GSK offered specific, truly competitive programmes that equipped candidates for leadership positions with the skills, capabilities and knowledge required. PULSE, on the other hand, was about targeting employees at every level who had performed well in their position and demonstrated their motivation. PULSE would then make them understand GSK's corporate culture and feel connected to it. Furthermore, it was about improving their leadership skills in line with that culture.

What do the volunteers think about PULSE?

Juneja was happy about the talk with the line managers, as they had provided her with a lot of ideas for improving the program as well as new ideas for the way it was communicated. What had particularly stuck to her mind was the fact that PULSE, to some employees, came across as too elitist. She wondered whether this could be a reason why many employees, even the ones that were eligible with regard to their profile, would not apply. If not, what else was keeping them from applying? What could volunteers feel unsure about when considering applying? What



risks did they have to take into account when going on a PULSE assignment?

Juneja thought that talking to those who had actually been through the whole process would be another highly valuable source for her research on how to strengthen the marketing of the program. After having talked to the line managers, she therefore invited a group of former volunteers to see how they felt about the program.

When they arrived, Juneja saw how diversified they were. They had nothing in common except for being former PULSE volunteers. Their ages varied from the late twenties to the mid-fifties, they worked in different departments – from marketing to R&D to secretarial staff – they had been with GSK from 3 years up to 17 years. Four of them were female and three were male. The group exemplified the broad range of PULSE volunteers perfectly and confirmed what Juneja had told the line managers: PULSE indeed chose motivated employees from all levels and did not focus on high potential and candidates for leadership roles at the higher employee levels.

When Juneja initially asked about their experiences with PULSE, she got a genuinely positive response. The volunteers were very well aware of how they had benefited from the program. “I was really boosted when I came back; I had a fresh perspective and way to look at life in these countries. Most of the time, the situation in these countries is something that you learn from TV, but you don’t realize how hard it really is and how much these countries need this kind of contribution. So, it definitely changed my way of thinking,” the first one said, who had been on a six-month assignment in West Africa. Similarly, another former PULSE volunteer who had worked in Africa added: “I think one of the benefits is that I’m more resilient. I wouldn’t say that I’m very strong or that I don’t let anything get to me. But I do think that I’m a lot stronger than before I went out there. I am able to see things a bit more objectively. In terms of lessons learned, I suppose that I am a bit more open to ideas and to think outside my comfort zone. So I’m more willing to challenge things.” The third volunteer pointed out how she learned to be flexible: “Things change very often once you’re working with the partner organization; and being pro-active and showing a lot of self-initiative is essential. They don’t have a lot of time to hold your hand. So, I had to think about how to get people informed and get their input in the least time-intensive way possible.” Another one added: “What was an eye-opener for me was really how they get their work accomplished with so little money at hand – so you had to be creative in how to get things done. Since I’ve come back I’ve realized that I sit in meetings and propose different ways.”

By putting employees outside their comfort zone, GSK wanted to foster a certain sense of purpose and simplicity; in other words, they were looking for simple solutions. This very well aligned with one of GSK’s key strategic priorities: simplifying business operations and increasing efficiency.

Checking for the other goals PULSE pursued, Juneja was happy to acknowledge that it seemed the programme mostly achieved what had been envisioned in the first place. Firstly, GSK aimed to make a positive, sustainable difference for non-profit organizations and communities. Via PULSE volunteers, GSK more precisely wanted to build trust among organizations and society and establish a position as a vital partner in healthcare. Secondly, PULSE supported leadership growth and development for GSK’s high-performing employees by having them apply their skills and know-how to a social project, at times in developing countries. Thereby, employees should feel empowered to make a sustainable difference on the ground but also upon return at GSK. Thirdly, PULSE strengthened a culture of simplification, creativity, ingenuity, proactivity and teamwork. Volunteers should be able to think “outside the box.”

From the statements of the volunteers, Juneja could tell that by putting them to work outside their usual comfort zones for three to six months, PULSE indeed had strengthened these skills and capabilities among the participants – skills such as creativity and teamwork; but also a widespread understanding for the need of simplification. These skills were valuable, when working in different environments on the ground and ideally would also be useful at their offices back home.

The volunteers confirmed what the PULSE coordination team had already observed when doing an impact survey the year before after the first group of volunteers had returned. Juneja herself had been part of that group. She remembered well what she considered to be the major benefit of the programme. Not only did she learn how to trust her own ideas and follow them to the end with passion, but she also returned with a “can-do” and entrepreneurial mindset that helped her in being more creative, making decisions to maximize benefits and challenging the old ways of working, when appropriate. In the end, Juneja also felt a deep sense of gratitude towards GSK. The experience of working with the non-profit sector had left a lasting impression on her. That being said, she wouldn’t want to leave GSK and work in the non-profit sector as she felt deeply connected to the company. “Maybe,” Juneja told the volunteers, “I even felt gratitude toward the firm for letting me experience the rewarding work I did for the NGO.” One volunteer could very much relate to what Juneja had said: “It has also made me feel more strongly

tied to GSK. I feel more loyal. Maybe that's because of the way people at the organization perceived me as a GSK employee – It made me realize how much GSK was valued by AMREF and the NGOs we had relationships with. This put emphasis on the fact that GSK was a great company to work for, I suppose.”

Juneja acknowledged this important outcome. The volunteers seemed to understand the larger benefits of GSK's work for society and realized how poorly a health-care system would work without the products of leading healthcare companies such as GSK. This, in turn, would make volunteers re-evaluate the relevance of their own work and contribution and change their attitudes toward their daily job. The general internalization of what GSK wanted to establish as a common culture and the change in its employees' perception of their job were the dynamics PULSE generated that could make the program iconic. Very well in line with that spirit, the impact survey of the year before served as proof that the volunteers further obtained soft skills with regards to teamwork and building relationships. In fact, PULSE volunteers had returned as strong advocates of one-to-one conversations as opposed to relying on e-mails and technology to communicate with colleagues. They brought the spirit of sharing, collaboration and camaraderie that they had witnessed in the NGO world back home to their GSK teams.

Expectation management

While participants grew together in terms of a common culture that would embrace change – something still stuck to her mind: elitism. Juneja asked the present volunteers whether they perceived the programme as being elitist or felt others would perceive it that way. What else, in their opinion, were then the factors that kept others from applying?

For the most part, the volunteers confirmed that even though the program was communicated as being open to everyone at GSK, it in fact came across as being quite elitist. A large factor contributing to that perception seemed to be the application process that was very tough and competitive. Juneja knew for herself that the application process was no piece of cake. After the line manager had agreed to letting one of his team members participate and supported the application, the so-called “PULSE gene” would be tested. The PULSE gene was a set of characteristics that were particularly important to GSK and reflected its corporate culture – emotional, cultural and social intelligence, flexible thinking, humility, situational judgment and a thirst to learn, among other key attributes. It was tested during two phases of the application process

– a questionnaire and a diagnostics test.

Juneja also knew that a detailed application process like the one used involved a great degree of self-selection. Applicants realized, while filling out the questionnaire or during the test, the intensity of the programme and would drop out unless they were determined to go on PULSE. On the positive side, the tough selection process also resulted in low drop out rates during the assignment itself. As much as Juneja agreed that the programme needed to be based on tough selection, the fact that even those who had succeeded in applying perceived it as elitist, again confirmed that she had to adapt the way PULSE was presented. She had to not raise false hopes in line with “everyone can apply,” but rather present PULSE as the competitive programme it was.

Another point Juneja was curious in finding out more about was the reaction of the remaining team members who didn't go on PULSE. Juneja was surprised that most of the volunteers felt strongly supported, admitting that their line managers had played an important role in that regard. If the absence of one was managed well, resentment was widely avoided. At the same time, one former PULSE volunteer admitted, “Some of my co-workers were thinking that it was a bit strange that I got to take a six-month ‘holiday’ off work. Especially since the organization was still going through head count reductions across the board. It in fact was a very worrying time for people who wondered if they were going to lose their jobs.” Seeing one of the team members leaving for a special assignment in the midst of this time, seemingly getting a different treatment, must have put some strain on the team, he presumed.

This statement led Juneja to think about the risks involved when leaving the workplace for such a long time. When asking the PULSE volunteers about it, Juneja learnt that there initially was a serious amount of uncertainty when it came to applying for PULSE that was related to fears of losing one's position. Particularly in times of restructuring, employees were concerned about how it would look if they were not around for half a year. Also, Juneja found out that employees were frequently worried that going on an assignment could have a negative impact on their GSK performance ratings and that they could be overlooked when it came to promotions. Another former volunteer said that he initially had been concerned about returning to the team because of the things that could have changed while he was gone. Juneja realized at this point the need for assistance with regard to risk management and the return process, which needed to go beyond the information offered via the intranet.

Regarding the fear of losing the former position and managing expectations upon return, Juneja thought



about the following. Throughout the time the volunteers were on assignment, there should be stronger and more continuous communication with the respective line manager. That way, the latter would follow the development of the volunteer and directly observe how he gained new skills. The volunteer, on the other hand, would be updated about the developments in his team and given confidence that being on the assignment would not delay his/her career development plan, but rather the contrary. At the same time, team members would be kept informed about the work the volunteer was doing, in this way keeping them “in the loop” back at home.

Furthermore, Juneja thought it would be helpful to strengthen the network of PULSE volunteers, including prospective volunteers. In a way, those who had been on an assignment and gone through the whole PULSE experience could function as mentors or buddies for those aspiring to go down the same path. This could happen by exchanging information via blogs and the intranet but would be even more effective if it was person to person. Juneja thought about assigning each volunteer a mentor to guide him/her through the whole process, including the assignment on the ground and when returning.

The concerns that PULSE volunteers had regarding their former position and whether they would still be able to manage in their own team upon return were new to Juneja as were the following issues related to the return process. Apparently, the group of volunteers sitting in her office seemed in part to have been expecting more upon return, namely a change in position. Most of the volunteers present had returned to their old positions. With regard to one of the goals PULSE pursued – to empower its employees – Juneja realized that many of the volunteers did not feel that they could truly apply their newly gained skills and wished for more opportunities to do so. Juneja realized that, unlike her, who had managed to find a position within GSK where she could do something in line with her PULSE assignment, not all former volunteers were able to do that.

Staying more closely in touch with the line manager would help in this situation again, Juneja thought. In case the volunteer expressed a desire to change positions, the line manager could be prepared and therefore would find it easier to adapt to the new situation. The line manager could even assist the PULSE volunteer in finding the position fitting his/her expectations and newly gained skills. Also, the idea of assigning former volunteers as mentors to prospective ones and guiding them through the process would help with regard to expectation management upon return. Buddies could help volunteers cope with experiences they had had and teach them how to use their newly acquired skills at GSK upon return. Altogether,

this could assure a smoother return process.

Juneja further thought that it would be important to emphasize, already when informing about the programme, what apparently had not been made clear yet. Skills should empower volunteers to drive change and act differently in their original role. Even though there were examples of people making major changes to their career after PULSE, this was not anticipated or even common. There were exceptions, like herself, but it was not the rule. What PULSE predominately tried to do was to create an understanding of the relevance of every single job for the larger goal of providing health services and medication to society. Placing the volunteers at NGOs, particularly in a developing country, would foster a sense of what societies would look like without GSK's products.

Conclusions and future

Juneja was very pleased with the outcome of the talks with the line managers as well as the volunteers. She had managed to gain valuable insight into how PULSE was perceived among its participants and managed to identify areas where she could help improve the programme itself by adapting the information received. Furthermore, over the course of the two discussion rounds, Juneja had developed new ideas about how the programme could be adapted in order to reach more of the right people. Juneja decided to call in her colleagues from the PULSE team in order to discuss the future path of PULSE and introduce them to her newly gained insights and ideas. She picked up the phone and dialed Ahsiya Mencin's number. After all, the next project cycle wouldn't be waiting long.

SPHERE OF IMPACT

GSK has deployed over 200 volunteers from 26 different countries to work with 58 partner organization in 39 countries (data updated at the beginning of 2012). In 2011, 80 volunteers participated in PULSE, up from 58 participants in 2010, with volunteers coming from 22 countries (17 countries in 2010). In 2011, PULSE started new partnerships with 15 NGOs, including CARE International, JEN (a Japanese emergency relief charity) and the Philadelphia Education Fund. In 2012 alone, PULSE will be sending 94 volunteers to 52 non-profit and NGO partners for full-time placements lasting three to six months.

Concerning the development of PULSE in the future, GSK announced that in 2012 it will evolve the programme and launch three “PULSE Pillars” which will focus on multi-year, multi-volunteer projects, strengthening the

contribution in the three priority areas: malaria, access to healthcare and science education. GSK also pledged to continue to improve the evaluation tools in order to better understand the impact of PULSE.

In order to meet the challenges established in the case study and further increase the diversity of PULSE volunteers and NGO participants, GSK will continue to support the PULSE Local Hub in Japan and is working on establishing PULSE Local Hubs in Latin America and India throughout 2012 and 2013. GSK is confident that this new tool will help increase the number of PULSE volunteers in these areas.

One particular challenge of the PULSE program in the past was to include top level employees. Due to the long time period that PULSE volunteers are usually on assignment – and contrary to how some have perceived the programme – so far top-level employees have not been able to go and work abroad. Even assignments away from home that took 3 months would pose a huge challenge for them.

The Human Resource Department therefore decided to integrate elements of PULSE into their existing Leadership Development Framework called the “Enterprise Leadership” programme. This allows top-level managers at GSK to have a similar experience as the PULSE volunteers. Top executives, too, had to be exposed to communities in the developing world in order to develop a true understanding of what creating shared value meant.

As a result, inspired by PULSE, the senior executives participating in this programme now spend a week in Kenya to get to know local organizations and communities. The whole notion of understanding what it means to build trust in society, to have access to medicine – core concepts that are embedded in the PULSE experience – are critical for senior leaders to understand in GSK.

The programme is open for GSK’s most senior leaders – the top 30 only – who currently are running the enterprise (or will be in the future). They are required to think across the board at GSK, not just within special business departments – a skill that the Enterprise Leadership programme wants to develop and that the exposure to developing countries enhances greatly. Altogether, the programme takes two years and includes introducing participants to the concepts of leadership and what it means to lead an enterprise of 100,000 people across the globe.

Offering top executives a PULSE-like experience will enhance the positive image of the programme and assure the long-term and vital support of the senior level. If senior level executives go to developing countries and gain new insight from the experience, there will be less resentment to subordinates wanting to go on PULSE and more appreciation for the benefits of the programme. This will decrease levels of uncertainty on the part of PULSE applicants and will therefore contribute to PULSE becoming a truly global – and iconic – tool of organizational development and transformation within GSK.

The PULSE experience, whether as a long-term assignment as a volunteer or as part of the Enterprise Leadership programme, unifies employees of all levels – ranging from senior executives to secretarial staff – as they share the same corporate values. With more and more employees participating, PULSE increasingly contributes to simplification and a values-based culture.



TEACHING NOTE

The international pharmaceutical company GlaxoSmith-Kline (GSK) considers it part of its core business strategy to create value for communities worldwide and wants its employees to be part of this philosophy. Particularly, through participation in one of the Corporate Volunteering (CV) schemes, employees should become familiar with the corporate values and culture and ideally leverage their capabilities and skills for the welfare of local communities.

“GSK. On the PULSE of change” goes one step further on GSK’s international CV scheme, the PULSE Volunteer Partnership Programme. PULSE empowers employees to volunteer their professional expertise toward sustainable change in the areas of healthcare, education and environment. At the same time, the programme supports leadership growth and development of the employees’ skills and values.

For any company implementing CV, it is vital to acknowledge the role of internal communication and people management for attracting employees and increasing the number of volunteers. “GSK. On the PULSE of change” illustrates how employees’ misperceptions and insecurities relate to CV. If neglected, these issues can lead to unused potential in terms of volunteer numbers and even generate resentment among employees. Providing solutions for these kinds of challenges will, to a great degree, depend on the communication processes, on how information is communicated and on what information reaches people. A comprehensive communication strategy can help generate repercussions inside and outside the company that go beyond the mere social impact.

The case observes how GSK’s PULSE communication manager tackles the challenge of improving the programme in terms of the number of employees reached by PULSE and that of actual applicants. At the onset, the following questions were asked in order to evaluate the existing internal communication strategy accordingly: Do all employees receive information on the programme? Why are certain groups excluded from it? If people are reached by the information, why do they not apply?

In the present case, the CV program communication manager assumes the challenge. However, this same work, and the experience and learning that can be extracted from the case, could be the responsibility of any person in charge of the CV programme, regardless if it is handled from the Communication, CSR or Human Resources Department. Overall, it is about managing people, their perceptions and their expectations; and success in this will lead to success in the programme – both regarding social impact as well as achieving the goal of volunteers’ personal and professional development.

One finding relevant for international corporations

setting up CV programmes was, for instance, that many employees interested in PULSE were excluded from information on the programme and from applying due to language barriers. The communication department provided a solution for this particular challenge by putting in place local information centres, or so-called “PULSE Hubs.”

Other less obvious, but all the more important barriers to the widespread participation of employees are usually the result of misperceptions regarding the programme’s purpose, processes and benefits. Particularly, when it comes to CV programmes that by their mere design or special assignment characteristics tend to exclude a large part of the workforce – by requiring certain skills or a long time of absence – a clear communication of the purpose, processes and expected benefits for all employees involved is necessary.

While PULSE, for instance, was communicated as being open to employees at all levels who performed well in their field, the competitive selection process gave the impression that the program was open to top-level employees only. A strict selection process – a prerequisite for selecting the best employee for the job and generating the highest impact – can discourage employees from applying; particularly if the process is perceived as lacking transparency.

As illustrated in the case study, this could sometimes even lead to resentment among the remaining team members that are not eligible for the programme – particularly when faced with an increased workload resulting from the absence of a colleague.

Similarly, another crucial issue for many CV programmes lies in the management of expectations of those returning from their volunteering assignment to the company. At GSK, for instance, insecurities about the return process occurred. After all, what would you be coming back to if a team member had already taken over your job? Furthermore, PULSE seemed to suggest a change of career after the completion of the assignment while in reality the skills obtained were meant to improve the performance of the employee in his/her original job position – and this, in fact, was what normally happened.

The following measures, as observed in “GSK. On the PULSE of change,” can be put in place in order to deal with these particular challenges:

- **Comprehensive and targeted communication:** The programme’s processes, purpose and expected benefits for the individual – but also the team, the department and the company as a whole – have to be clearly communicated and processes made transparent.
- **On time preparation of the whole team:** All team members should be included in the process

from the start; e.g., by means of regular, formal meetings, presentations on experiences etc.

- **Expectation management:** Communication between those directly and indirectly involved – remaining team members, line managers and CV applicants – needs to be intensified for the duration of the volunteering assignment in order to avoid bad surprises or resentment.
- **Keeping in touch:** During the assignment, there should be particularly frequent communication between the volunteer and the line manager in order to facilitate the return process and manage expectations.

- **Volunteering network:** Putting together a network of CV alumni and involving employees helps.
- **Avoid feeling of exclusion:** Communication material should include information on other corporate volunteering opportunities for those not eligible for a particular programme (e.g. at GSK Orange Days without specific entry requirements or volunteering as part of leadership development – Human Resources development scheme – for top level executives that usually cannot take part in PULSE due to the long absences).





CASE STUDY | LGT VENTURE PHILANTHROPY

The iCats Program: Impact catalysts

Responsible leadership with social impact

Tom Kagerer was sitting at his office desk in Zürich and had just decided to keep his Skype status “busy”. A minute ago he had finished his monthly call with Anne Andrews, a US lawyer, who was currently working as an iCats Fellow for Operation ASHA. Operation ASHA is a non-governmental organisation based outside of Delhi, India, aiming at eradicating tuberculosis in slum areas. As manager of the iCats Program, Kagerer is responsible for matching professionals who want to engage themselves and social enterprises that are in need of professional know-how. The iCats Program is part of LGT Venture Philanthropy, a foundation based in Liechtenstein, that supports social ventures in emerging and developing countries.

Andrews was the first iCats Fellow “volunteer” at Operation ASHA. Apparently it was working out so well that Operation ASHA planned to apply for six more iCats Fellows the following year. Andrews notified Kagerer that they mainly needed iCats Fellows to support the middle management and for the expansion of the organisation to Cambodia.

Due to the ongoing growth phase of LGT Venture Philanthropy and the fact that organisations like Operation ASHA were increasingly discovering the iCats Program as a useful program to overcome a know-how gap, the

number of assignments for iCats Fellows were rapidly increasing. But not only the growing demand for experts kept Kagerer “busy”, but also pressure from the sides of experts: More and more highly qualified professionals were ready to quit their jobs and work as iCats Fellows. In the past four years the iCats Program was successfully set up, but to comprise the economically oriented approach of LGT Venture Philanthropy, the expansion of the iCats Program would need to incorporate external partners.

Sitting at his desk Kagerer thought about how he could expand the program and he started to write down ideas that came to his mind: Who would benefit from the iCats Program? What were its benefits in the first place? Who could be interested in investing in human capital that would not generate any direct profit for the investor? Would the program in its existing structure be able to incorporate partnerships?

Kagerer soon decided to start with analyzing the benefits of the iCats Program and based on that, compile strategic pillars. He wanted to draft a first concept that would provide a good basis for a discussion with the LGT Venture Philanthropy team on how to generate a new partnership model for the iCats Program.

LGT Bank

The LGT Group is the wealth and asset management group of the Princely House of Liechtenstein. It is the largest family-owned private wealth and asset manager in Europe. Its headquarter is in Vaduz, Liechtenstein. With around 1.700 employees, LGT Group is represented in more than 20 locations in Europe, Asia and the Middle East. At June 30, 2012, LGT Group managed assets of CHF 94.7 billion (78.3 billion). In the first six months of 2012 the LGT Group increased group profit by 58 percent to CHF 130 million (107 million) as against the same period of the previous year. Net asset inflows totalled CHF 5.5 billion (4.5 billion).¹

The special ownership structure of LGT Bank implicates that the long-term values and culture of the Princely House are also the corporate culture of the company. In 2006 H.S.H. Prinz Max von und zu Liechtenstein therefore decided to build up a division within the LGT Group dedicated to philanthropy to continue the long philanthropic tradition of his family.

LGT Venture Philanthropy was established in 2007 as a foundation committed to improve the life of less advantaged people in the developing world. LGT Venture Philanthropy supports its portfolio organizations with tailored financial and non-financial products such as funds, management know-how, and contacts to relevant networks. Depending on the initial situation, financial support is provided in the form of either grants, loans or equity investments. LGT Venture Philanthropy invests in or donates to organizations in Latin America, Africa, India, Southeast Asia and China working in one of the following three core areas: alleviation of human suffering, access to education, creation of sustainable livelihoods.

In 2011 LGT Venture Philanthropy supported 20 organizations with an outstanding social or environmental impact within the following issues in particular: water, food, renewable energy, education / empowerment, infrastructure, resource management, and health.

KNOWHOW TRANSFER WITHIN LGT VENTURE PHILANTHROPY

As the name – Venture Philanthropy – already suggests LGT Venture Philanthropy applies its core competencies of venture capital to its philanthropic approach and sees

itself as an impact investor supporting organizations with outstanding social and environmental impact.

Alongside financial support LGT Venture Philanthropy implemented the iCats Program as “non-financial support” to provide intellectual capital to its investees. The program bridges the gap between social ventures in need of professional know-how and resources, and business professionals with the desire to apply their knowledge and experience to benefit the social sector, thus acting as “impact catalysts”. That is how the name iCats came about.

Many social ventures with effective and innovative solutions to social and environmental problems lack human resources and expertise to implement these solutions in the most effective way, especially in their growth phase. The iCats Fellowship Program is an answer to that talent gap: Through the Fellowship Program, specific assignments within philanthropic organizations are matched with skilled business professionals. These iCats Fellows support the organisations with their expertise accomplish sustainable development.

THE ICATS PROGRAM “KNOWHOW”

The main objective of the iCats Program is to provide know-how to LGT Venture Philanthropy’s investees; to do everything possible to make the investment a success, and ultimately increase the quality of life of less advantaged people.

The duration of an iCats engagement varies between three and twelve months. Since 2009 the iCats Program matched up about 50 Fellows and organizations: coming from 14 countries, active on 4 different continents, working at 16 local organizations.

iCats are carefully selected through an assessment centre. The characteristics and skills an iCats Fellow needs to possess are as follows:

- International work experience.
- A minimum of two years of relevant work experience.
- A positive attitude, sensitivity to other cultures and strongly cause driven to make a difference.
- The ability to work unsupervised and take responsibility for their own actions and for those reporting to them.
- The willingness to make financial and personal sacrifices to serve the vision.
- Constant adaptation to a changing environments.

¹ See Media release “LGT Group with a strong first six months of 2012,” [http://www.lgt.com/shared/.content/publikationen/\\$news_attach-ment/120829_LGT-Medienmitteilung-Halbjahresabschluss-2012_en.pdf](http://www.lgt.com/shared/.content/publikationen/$news_attach-ment/120829_LGT-Medienmitteilung-Halbjahresabschluss-2012_en.pdf).



On the other hand, the portfolio partner organisations also have to fulfil strict criteria to secure an efficient partnership. They need:

- A proven track record and strong financial discipline.
- A dedicated and professional management with relevant experience.
- To show a clear sense of mission and values in line with those of LGT Venture Philanthropy.
- The ability to measure positive results.
- Knowledge of, and respect for the community served.
- To not adversely affect the environment.
- To offer effective solutions.

Changing perspectives: From know-how transfer to leadership development

Tom Kagerer is German – Bavarian to be precise. As manager of the iCats Program of LGT Venture Philanthropy he coordinates the program from his office in Zurich, Switzerland. Before he took over his current position, he had been an “iCat Fellow” himself – one of the first fellows in 2009. After ten years of professional experience within BMW Financial Services in Munich he left his position in 2009 to spend a year in South Africa to support the local NGO Heart in Cape Town. Why? Kagerer wanted more: out of his life and out of his project and management know-how – and he wanted to give back to society. The iCats Program of LGT Venture Philanthropy gave him the possibility to leverage what he had to offer: His know-how. His professional profile matched the need of the Hearts foundation: the biggest challenge was keeping up the organisational capacity with the organisation’s fast expansion.

Also the iCats Program was in a fast expansion phase. What was challenging Kagerer now was the apparently increasing discrepancy between the supply and demand side of the iCats Program: On the one hand he had 600 potential iCats Fellows at his disposal, who were all registered on the platform. They were ready to be engaged and to invest their know-how in developing countries. Nearly all of them fulfilled the professional and personal requirements. On the other hand, LGT Venture Philanthropy was still in its growth phase and incorporated more and more start-up enterprises into its portfolio. Due to these increasing investments the need for skilled and experienced experts – respectively the know-how support LGT Venture Philanthropy wants to offer its partner organisations – increased as well. This rising demand on

both sides could not be managed with the iCats Program existing resources. To encompass LGT Venture Philanthropy’s economically oriented approach, any further expansion of the iCats Program would need to include external partners. But how do you find partners?

The Skype call with Andrews had again confronted Kagerer with this dilemma. He decided to immediately put down what he and the LGT Venture Philanthropy Team had already established some time ago: A concept for a new partnership model for the iCats Program. But how should he identify potential partners who were ready to invest in iCats Fellows? Who would benefit from the iCats Program to such a degree that would move them to contribute to the further development of the iCats Program?

To begin with Kagerer played it by ear to gather the benefits of the existing program, but he also reflected on his own personal experience: what were his motivations and benefits? From his own point of view, contributing to a social initiative was a main driver behind the decision to quit his job and apply for the program. In most cases, as Kagerer saw from the applications of other iCats Fellows, the motivations were similar to his own but also more diversified. Andrews for example, similar to him, wanted to engage socially but besides that she had career development plans in mind. She initially got in contact with LGT Venture Philanthropy and iCats through the Social Enterprise Alliance (SEA), a North American membership organisation promoting the topic of social enterprises. While working as a lawyer in the US, Andrews had already focused on the legal challenges of social enterprises. In one of their first talks she told Kagerer: “I really love the field of social enterprises and I already tried to do more of it in my home town, Atlanta, to establish myself as somebody who wants to practice law in that area. But I became aware that I need a different kind of experience. I need to spend more of my time in social enterprises, if possible in an international context. I thought that going in-house with social enterprises like the iCats Program offered the perfect solution for what I was looking for – business experience and social commitment.” That is how Andrews became an iCats Fellow, working as legal strategy consultant at Operation ASHA, India.

While reviewing the iCats applications, what impressed Kagerer most, was that beyond helping underserved communities, there was a strong quest to learn about other cultures and to fulfil career development plans: gaining new personal and professional skills enabled some to move in a different job direction afterwards. Overall Kagerer became aware that the skills iCats Fellows gained while working in the field were highly valued on the labour market – especially by global corporations.

Was this the reason why the iCats applicants usually did not hesitate to quit their former jobs in order to join the program? And how did this look in reality– did Fellows have difficulties finding a new job or were they employed right away after their Fellowship?

Catching up with some former iCats fellows Kagerer found out that they had had no difficulties finding a job. He suggested that 2/3 of the fellows found a job immediately and the rest mostly took more time because they wanted to improve their job-level or use the fellowship to find work in a completely different field – like he did himself. In the end this career development issue, gaining additional skills, seemed to be one of the major benefits for the fellows – or to put it differently: Career development seemed to be the iCats Fellows’ return on “investment.”

Investment. There it was again. Kagerer decided, what he needed were new partners to invest in iCats Fellows. Based on the insights Kagerer gained from looking into the application forms and after analyzing what the major benefits to be expected were he asked himself: Who would be interested in career development and would actually be willing to contribute to it? What does career development mean in the first place? On the bottom line, career development meant developing employee and management skills – and these were exactly the skills iCats Fellows gained.

Not only Andrews mentioned this, but also Thomas Triglone, an iCats Fellow working at the start-up Green Oil in India, told Kagerer: “As you know, a social enterprise like Green Oil evolves in a non-traditional manner. It generally starts as an entrepreneurial firm and moves quickly from chaos to rapid growth. This process creates a “gap” between the actual workload and the human resources available. So the iCats Fellow has to find out for himself, how to maximise the impact of his engagement. You have to be very flexible and open-minded in order to generate innovative solutions while not losing sight of the big picture. In a way you have to act like the entrepreneur himself, not like an employee.”

“Acting as an entrepreneur not as employee is actually acting like a leader”, Kagerer summed up, “and companies spend a lot of money for leadership development.” So therefore Kagerer wondered whether companies were promising partners for the iCats Program. Leadership skill development is a hot topic nowadays in the war for talent, Kagerer reasoned. He asked himself whether this could be the unique selling proposition of the iCats Program – his point of entry for collaborating with companies? After all, similar to the participants of a leadership development program in a company, the iCats Fellows were selected by very strict criteria. Only the most motivated and qualified applicants would get employed. Once

these high potentials had been placed at one of the organisations, they, as Kagerer knew from his own personal experience, often took over functions that were highly challenging. By taking over more responsibility than in their usual workplace, they gain many new skills. As he analyzed what these new skills were, Kagerer wrote down what he considered the four major learnings of an iCat:

- Learning about innovative business models by working in complex socioeconomic environments.
- Learning to cope creatively with unexpected challenges.
- The chance to broaden their horizon.
- The chance to develop additional intercultural competencies.

But what would the benefits for companies be, who deploy their employees to social enterprises within their leadership development program?

Kagerer was sure that the iCats Program strengthens leadership values that were important for a responsible leadership culture. Fellows internalized the urgent need for more sustainable and responsible ways of living and doing business and would therefore become responsible and ethical business professionals of tomorrow. But this was neither easily experienced nor easily measured, as the fellows usually cultivated soft skills like: serving others, responsibility, equality, diversity, cultural sensitivity, empathy, and persistence. To make things clearer, Kagerer tried to translate the iCats Fellows learnings into potential benefits for companies partnering with the iCats Program, to implement an action-based responsible leadership program:

Adaption of leadership skills for new challenges

- Having been exposed to a different environment, managers will have learned to cope creatively with unexpected challenges.
- By enhancing their level of qualification, corporations will benefit from managers with a diversified skills set who therefore are best prepared to cope with the complex challenges of a fast changing, global and at risk world.

Increase of global competency

- Enhanced intercultural skills will increase efficiency and effectiveness of global teams.
- Corporations get access to regional market know how and well established and innovative business models.
- Corporations gain market insights to the growth markets of the future (low-income customers in emerging countries).



- Corporations get access to regional networks (e.g. to identify partnership possibilities).

The iCats Program at the interface of CSR, Corporate Volunteering and leadership development?

Positioning the iCats Program as a leadership development program and partnering with companies in this field, could really be an opportunity, Tom Kagerer concluded. But before presenting his findings to the LGT Venture Philanthropy Team he needed to check what leadership development programs looked like in reality and clarify the following question: Was there actually a broad based demand for leadership skills development for the iCats Program to meet?

In a first research, Kagerer found leadership development programs with a huge spectrum, reaching from summer schools for leadership to intercultural trainings, job rotation programs and up to Corporate Volunteering (CV) programs. With all these different ways of gaining leadership skills, Kagerer even found it hard to compare the programs. The only thing they had in common was their starting point: The fact that all interested companies had the need for people who would lead their business into the future, people that possess skills corresponding to the requirements of a global market, like intercultural competence and flexibility. Taking it from this starting point, Kagerer could easily build on with the iCats Program.

After talking about these ideas to his manager Wolfgang Hafenmayer, they agreed that leadership development really could be the iCats Program unique selling proposition to companies. Hafenmayer was Managing Partner of LGT Venture Philanthropy and had previously gained experience in the same industry: Beside others he had worked as an investment manager for BonVenture and a consultant at Bain&Company. During a trip around the world – before starting at LGT Venture Philanthropy – he interviewed 230 social entrepreneurs, politicians and scientists in 26 countries and recorded his findings in the book “Die Zukunftsmacher.” Due to his experience in the field, Hafenmayer brought in a further interesting aspect for companies: Corporate responsibility also gained more and more importance in the war for talent: for a company’s image and culture as well as for their employees’ motivation. Young talented people frequently selected their employer based on their approach to corporate responsibility. Hafenmayer knew that the latter was particularly challenging for human resource departments in global companies, who were also in charge of leadership development.

Back in his office Kagerer summarised: On the one hand, highly qualified talents were increasingly demanding to work for responsible companies and were motivated to quit their jobs to engage in social matters. On the other hand, companies needed responsible managers to develop sustainable and competitive products, services, and supply chains. To do so, these managers needed adequate leadership skills – and these were exactly the learnings iCats could provide.

Based on this Kagerer noted down in his concept: “The iCats Program could be a great tool at the interface of responsible leadership development and CSR, because social commitment is an important and valuable tool for employee motivation and an advantage for companies in competing for future specialists and executive staff.”

But what were companies already doing to address both of these issues? Kagerer did some more research and found out that big companies increasingly focused on CV to show social commitment and simultaneously motivate their employees. Still – as compared to the iCats Program, where experts were deployed across borders – most of the CV programs were implemented at a local level, in the direct environment of the company. One reason for this seemed to be that these kinds of local programs could easily be set up with manageable resources from within the company. What Kagerer hardly found were Global CV programs that gave skilled employees the possibility to invest their know-how and gain experience in a different cultural context. With regards to intercultural training Kagerer only found training providers aiming to raise awareness for these topics, but no hands-on experience offered in developing or emerging countries.

Kagerer was very pleased with these findings and his reflections with Hafenmayer. Summing it up, he had identified more benefits a company could expect from cooperating with the iCats Program:

Improvement of corporate reputation

- Employees highly value the employers’ commitment when offering iCats engagements.
- Demonstration and promotion of good corporate citizenship by temporarily investing time of staff/leaders to support the good cause and increase the impact of social organizations.
- As ambassadors for good corporate citizenship, managers will support a responsible and value-based leadership style and promote sustainability.

But would the iCats Program truly work as a leadership development module for companies? What were the challenges of setting up such a collaboration? Would the iCats Program function as a kind of “service provider” for CV

programs? Even though now Kagerer was quite clear about the agenda for the expansion of the iCats Program, he still needed more insights on how CV and leadership development programs worked in reality. But for the moment, he decided to present his plans and the next steps to his team. Kagerer defined the four corner stones of the expansion as follows:

- Scaling up Capacity Building through maximising the iCats Fellows and their impact in the field.
- Enlarging the partnership model for companies.
- Developing flexible modules within the iCats Program for companies' leadership programs.
- Sharing know-how with like-minded programs.

At the team-meeting Kagerer received common consent for his ideas. The whole team confirmed his vision to establish a partner program for companies focusing on employee involvement and leadership development. They agreed that if companies would see the extra benefit of the iCats Program and collaborate with them, they would not only gain visionary employees but also attraction as an employer. Furthermore, it seemed to be a matter of fact that the skills gained as iCats were mostly relevant for globally operating companies and these kind of companies would accordingly have the resources to invest in their employees or iCats Fellows. His team's support reassured Kagerer. But now he wondered where to start and how to find companies who were interested.

Presenting the iCats Program as an “Experience-based, responsible Leadership Development Program”

During his research and talks Kagerer had come across the Aspen Institute, an international non-profit organisation dedicated to foster value-based leadership and a think tank for ideas that define a good society. Their leadership program “First Mover Fellows” had the mission to equip business leaders with a new management paradigm for the 21st century: The vision and knowledge to integrate corporate profitability and social value. Their fellows come from a wide range of industries and a number of different countries. Some of the fellows in Switzerland had approached Kagerer a while ago, asking him to present the iCats Program at their Swiss roundtable. He decided that it was finally time to accept their offer.

At this occasion Kagerer would be able to discuss his idea of the iCats Program being a leadership skills development tool and check whether the program was feasible in a business' reality or not. While preparing for his

presentation, Kagerer decided to focus on the needs of global corporations, as most of the First Mover Fellows worked for such companies and those companies would be the target group of his new iCats partner program. In order to provide the audience with the big picture as well, he highlighted why it was so important to have managers with leadership values like fairness, respect and equality to enhance a balanced global development and serve the well being of all. In his conclusion Kagerer pointed out, how the engagement as an iCats Fellow could help to develop, beyond the soft skills already mentioned, the entrepreneurial and innovative spirit of managers who compete in the global market. And finally he summed up the companies' benefits, which he had written down in his concept.

It was June 2011 when the First Mover Fellows roundtable took place and Kagerer was their guest speaker to talk about “innovate ideas for responsible leadership development.” For him it was a great opportunity to discuss his ideas for the iCats Program with people not only outside LGT Venture Philanthropy but also working at leading companies in Switzerland. The feedback was very satisfying. Especially the intense discussion with one of the First Mover Fellows – the Citizenship Lead at an international corporation – further convinced Kagerer that positioning his iCats Program not only as capacity development program for portfolio organisations but also as an experience-based responsible leadership development program for companies would be the right way to expand it. For the first time, thanks to this viable contact, a company seemed really interested in collaborating with the iCats Program.

Despite these positive responses Kagerer was also aware of other participants' general remarks, which showed him that the iCats Program still needed adaptations before it was ready to be implemented with a company. First of all there was the question of who would be in charge of such a program within a company? Would it be the same person who had the power to launch it? What did it mean to have a company as a partner for the iCats Program? What were the practical needs of a company within such a program? Kagerer needed even more detailed feedback on the program's structure as well as a better understanding of the level of management a leadership development program would have to have. Therefore he decided to go back to the First Mover Fellows. They were after all committed people in the management of global corporations.

Kagerer particularly got in contact again with the Citizenship Lead he had already talked to. This time they sat down together and discussed how a global company that already disposed over local employee involvement



activities could benefit from a partnership with the iCats Program and therefore from a global corporate volunteering program. What would the participants and the company get in return for their investment, what benefits could they expect?

They came to the final conclusion that:

- Employees who engage as iCats Fellows receive a personal development experience in a new environment, working with intercultural teams, getting insight into global challenges and gain leadership insights for their work at global corporations.
- The corporation on the other side benefits in terms of investment in talents (leadership capability and retention) as well as in terms of reputation (CSR/citizenship). By cooperating with LGT Venture Philanthropy they furthermore gain a professional external partner able to provide the program's implementation, including the selection of organizations, matching of assignments, and mentoring.

HOW TO ADAPT THE ICATS PROGRAM TO COMPANIES' NEEDS?

All in all, these conclusions were nothing very new for Kagerer. All of the mentioned aspects had accompanied him since he started to work as the iCats Program Director. But the fact that he was seen as a professional external partner who delivers services, was still something he did not feel quite comfortable with. In the end, Kagerer simply wasn't sure whether he had the right services in place.

Kagerer decided to discuss the different kinds of iCats engagements with the Citizenship Lead in more detail, trying to evaluate which of these would be the most suitable for companies. After all, this would be the iCats Program's "service offer." So far the program offered three different types of engagements:

- Fellow: 11 month, on-site, full-time, working with senior management.
- Mentor: 1-12 months, off-site, part-time, supporting the senior management.
- Consultant: 3-9 months, on-site, full-time, providing consulting services for a specific project.

Most people worked as fellows. Asking the Citizenship Lead about her opinion on these models of engagement, the answer was prompt and very clear: "Tom, high potentials – our target group of leadership development programs – are a valuable resource to us. To take such a person out of their current job to work as a volunteer in a completely different context is not only a loss of

manpower, it simply costs money. The longer the absence is, the more it costs – the existing iCats Program with its eleven months duration is definitely too long for our company and the other types seem to be too flexible."

This was exactly what Kagerer had already suspected. He had to adapt the program to the needs of companies and transform the capacity building program "iCats" into the experiential Leadership Development Program iCats: To have a clear framework in which managers could use their business experience, support the social organisations in their critical expansion phase by assessing and improving their business models and mentor their local management talents. At the same time they would be given a chance for personal development in complex socioeconomic environments. For the further development of the program, Kagerer had to re-define the framework for partnering with a company, taking into consideration that the assignments had to be shorter – in his first suggestion three to maximally nine months – and remote support intensified. However, it was clear from the beginning that nobody would be able to achieve the same in three months as in one year.

In order to crosscheck his ideas with the reality of the portfolio partners, Kagerer scheduled a Skype call with his colleague Inderpreet Singh, the Indian LGT Venture Philanthropy Investment Manager.

Together they weighed the pros and cons of each existing iCats engagement opportunity and put them into the context of what they thought were the possibilities of a global corporation. From this they finally drew three new and different options for engagements, depending on the depth of a company's commitment. Each option would have a different impact on leadership development, the organizations' operational disturbances and the effectiveness of the organizations' capacity building.

First of all Kagerer and Singh tried to downsize their "master class," the existing fellow engagement, to a minimum time on-site, which would still allow the generation of impact.

The result:

Option A: High Impact Management Consulting

- Characteristics: on-site, continuous full time engagement, 3 months.
- Working closely with senior management on strategic/management challenges.

But then again, Kagerer wondered, what if three months were still more that a company could afford? And besides, Kagerer thought, he might also need to offer a more flexible engagement. Based on the existing mentor program Kagerer and Singh developed two further options for engagement:

Option B: Flexible Management Consulting

- Characteristics: Partly on-site, part time engagement; 2-3 weeks in-the-field to get to know the organization, the socioeconomic environment, and challenges; addressing challenges off-site (3-6 months) alongside their existing roles at their corporation; optional 2-3 weeks in-the-field at the end of the engagement to transfer know-how.

Option C: Local Management Talent Mentoring

- Characteristics: Partly on-site, part time engagement; 2-3 weeks in-the-field to get to know the organization, the socioeconomic environment, and their mentees; define mentees' personal development plan and establish a mentoring relationship; frequent mentor calls and reviews of the mentees' achievements alongside their existing roles at their corporation; optional 2-3 weeks in-the-field at the end of the engagement to assess personal development achievements

APPROACHING COMPANIES

With these research results, analyses and talks Kagerer went back to the board of the LGT Venture Philanthropy Team to discuss the new types of engagements as well as an entry strategy to approach companies. Kagerer didn't have to explain the three types of engagements for long. The LGT Venture Philanthropy management agreed from the start, that to lose an employee for the duration of three months was the utmost a company could afford. After all, looking at their own team, someone leaving for more than three months would be hard to manage. Things were decided and the team agreed on the new setup. The next step would be to find an entry strategy and to approach companies, which wouldn't be an easy task at all. Now it was on Kagerer to sell the new adapted program to potential corporate partners.

Kagerer was wondering who to approach with the program to begin with. As leadership development was the duty of Human Resources (HR), other than CSR or philanthropic engagements, he decided that HR managers would be his target group. Still, open questions remained: How could he get in contact with HR managers? Would it be enough to talk to HR people? Would they have the capability and power to set up a completely new program within their company? He knew that starting a partnership with the iCats Program was probably similar to starting a skill-based international CV program. There seemed to be three different organizational structures of how to implement corporate volunteering: top-down

company-driven programs, worker-driven programs, and hybrid programs – a mixture of top-down and bottom-up.

Analysing all kinds of companies Kagerer got to the conclusion that there was no “one” model of how an enterprise should implement a CV program. Finding the most appropriate model for a company seemed largely to depend on the company's corporate structure and culture. In a lot of cases it apparently depended on the commitment of one single person, who initiates the volunteering activities. While leadership development programs – especially in a global context – were in most cases set up strategically top-down from the CEO or management team.

So, thinking of “committed people” Kagerer once again decided to go back to the First Mover Fellows to get feedback on the three new iCats Program options. And again he got very positive reactions. In the end it was agreed that: Due to clear modules and manageable timeframes, Kagerer had apparently produced an offer that companies could work with, not matter if the program would be set up from the HR or CSR unit. Especially the Citizenship Lead Kagerer had been talking to all along, was very pleased that she now had a written concept that she could discuss with her company. Just how Kagerer had hoped, she decided to present the iCats Program as an efficient Leadership Development Program to her colleagues, the board of the Swiss subsidiary.

First though, the Citizenship Lead wanted to talk to the CEO of the Swiss subsidiary of the global corporation she was working for. As it turned out, he was very interested in collaborating with the iCats Program. But certain concerns persisted, especially regarding the company's internal implementation level for such a global program. Like most other subsidiaries of global corporations, the Swiss subsidiary could only implement local employee involvement projects within Switzerland. They would not be able to independently set up a global leadership development program which implied deploying employees across borders. In order to bring in a broader view and to establish a sustainable leadership development program the CEO encouraged the Citizenship Lead to present the concept to the company's European Management Board. She invited Kagerer to come along.



Check-up with a global player

Getting the opportunity to meet with the European Management Team of a global corporation interested in setting up a partnership with the iCats Program, was a major milestone for Kagerer, even though there was still a lot of work to be done in the field of recruiting requirements and defining a general framework for an engagement as iCats. Other questions that needed clarification were: Who should be the target group within the company? Should it be open to all employees? What happens if the employees do not meet the iCats' requirements or looked for skills of the partner organisation? But Kagerer was hopeful to be able clarify these questions in the meeting with the European Management Board. In order to adequately prepare for it, the Citizenship Lead connected Kagerer with the Head of Talent Manager Europe.

Together, in November 2011, he and Kagerer developed the framework for the program and prepared a position paper for the European Management Board. Their challenge was to incorporate the whole board – working in completely different areas – and to make clear why a Leadership Development Program in cooperation with the iCats Program would make a difference. So, while preparing, Kagerer started by again highlighting the general aim of the iCats Program, to develop ways of making business leaders more conscious of societal and environmental challenges and solutions. He pointed out that for this matter, the program should bring together the company's managers with leading social entrepreneurs for a highly inspiring experience.

In a second step, Kagerer introduced the iCats partnership as an action-based leadership development program on the company's European level – emerging out of HR but also positioned as a Citizenship Program. The Talent Manager suggested that the program should be offered to selected employees only, who were already participating in the corporation's existing leadership development program. This would narrow down the target group but had the advantage that the corporation could clearly communicate, why certain people were allowed to participate while others were not.

As precondition for participation, Kagerer and the Talent Manager had defined a minimum employment time of three years and the personal interest of the employee to engage as iCats Fellow. Finally, Kagerer proposed to implement a pilot project in order to get started. This would allow the company to incorporate learnings of the pilot phase and adapt the program. At the same time this reassured Kagerer, as the LGT Venture Philanthropy portfolio partners might have to learn how to work with a company as a partner and will need time to adapt to it as well.

Developing an iCats pilot project for a global player

What became clear for Kagerer after his discussion with the Talent Manager was that, apparently, he was seen as a helpful resource, who delivers services the company could not provide within its own structures. The iCats' expertise in the matchmaking of highly skilled managers with social enterprises was something that could not easily be found elsewhere. In the designed program-setting LGT Venture Philanthropy would be the service provider for consulting engagements – something new for LGT Venture Philanthropy and something new for its partner organisations.

For Kagerer on the other hand, providing consulting services was nothing new, as he had worked as a consultant within BMW's financial services. He therefore was very aware of the fact, that a successful consultant needs a detailed project plan including: vision and scope, work breakdown, an engagement schedule with milestones, defined team roles and responsibilities, change management plan, communication plan, quality assurance and testing, implementation plan, etc. Quite a lot of things that even professional consultants in Europe have difficulties to prepare in advance. Kagerer wondered whether all of the LGT Venture Philanthropy portfolio organisations would at least be able to deliver some of those points. At least they needed to be able to clearly define their expectations, and the role and tasks of an iCats Fellow, respectively, a mentoring/consulting person coming from the management of a global corporation.

FINDING THE RIGHT PARTNER ORGANISATION FOR A GLOBAL CORPORATION

But which of the portfolio organisations had the aptitude for being partner in the pilot project? By summing up the feedback of the iCats Fellows in 2011, Kagerer tried to review the portfolio organisations with respect to their capacity to prepare assignments for fellows. He talked to Triglone and Andrews again because both of them had stated in their monthly Skype-calls that it took them weeks – Triglone said even one month – to find their role and tasks within their organisation. Particularly for short-term engagements the preparation of the job role would be crucial. He also further discussed with them that for short-term engagements the consulting part would be much more important. But what were the consulting needs on the partner organisations' side? Why did this need emerge?

Looking at the LGT Venture Philanthropy organisations Kagerer reconfirmed what Triglone had already told him: Many of the portfolio organisations were confronted with a rapid growth phase, that often turned operations internally chaotic, which led to redundancies, inefficiencies, gaps, etc. However, with time, the management recognized these issues and most of them turned the business into stable operations putting in place functional managements and organizational structures. By comparing Operation ASHA and Green Oil again, Kagerer brought a significant difference between them to light: Green Oil was a start-up at a very early stage. It would take a lot of hands-on work, which could not be planned long-term yet. Operation ASHA on the other hand had a stable track record since 2005 and was now even expanding to Cambodia. Even though their organisational structure was still growing, it was a stable organisation and as Andrews confirmed: “Yes, I think I really did a consulting job with added value for Operation ASHA. On the one hand the organisation will not be able to pay an expert like me the money I earned before, even in the near future, but on the other hand I put a lot of things in place that will continue without me. Beside my legal know-how, the most needed skills were being able to take a problem, figure it out, and then communicate the answer – that’s what I think business consultants do.”

To get feedback on his findings and to deepen his understanding of what the portfolio organisations might be able to deliver, Kagerer involved his colleague Singh again, since he best knew the local organisations. Before analysing every single portfolio organisation, they generalized what the right organisation for a leadership development program should incorporate:

- The organisation must be able to express their need for consulting in detail.
- The organisation needs to work in a region and in a topic the candidates feel comfortable in.
- The organisations senior management needs enough bandwidth to work closely with the iCat Fellow.

Kagerer and Singh agreed that the portfolio organisation, in order to be considered eligible, needed to possess a certain organisational structure that would allow it to work with a short-term consultant. Besides, the management needed to be able to define clear roles, goals and deliverables. Together with Singh, Kagerer decided that Operation ASHA could be one possible portfolio organisation for a company’s Leadership Development Program in India. But this was just a first analysis of two Indian portfolio organisations out of twenty, in nine countries on

four continents. “Still a bunch of work to be done” Kagerer thought, “but still, huge potential for development.” He was happy that he now had a clear picture of what a partner organisation should look like in order to establish an efficient partnership with a global corporation. Kagerer knew that he could not prepare much more in advance. After all, the CVs, especially the skills of the potential fellows, would be crucial for the matchmaking and in the end, the partnership’s success.

THE PILOT GETS STARTED

In December 2011 the time had come for Kagerer to present the iCats leadership development program he had developed with the Talent Manager to the global corporation’s European Management Board. It turned out to be a very constructive meeting with a clear outcome: The corporation committed to launch a pilot project in 2012. More precisely, in the meeting they agreed to invite employees that participated in their leadership development program to engage as iCats Fellows and defined a rough timeframe for the pilot project. In this regard, the clear allocation of tasks between the company and the iCats Program was easy for both sides.

Finally, the corporation decided to start the pilot with three chosen employees from their leadership development program, the first corporate iCats Fellows, who are to spend three months in an emerging market. As possible regions they considered India, Africa, Southeast Asia, China, and Latin America. The candidates would be allowed to state a regional preference, which would be taken into account but could not be guaranteed by LGT Venture Philanthropy. The internal selection process would start in January 2012 and should be completed by end of June 2012. The first iCats Fellows could be sent out after July 2012, using their business experience to support one of the LGT Venture Philanthropy portfolio organisations. By the end of 2012 the pilot phase would be internally analysed by the company and presented to the European Management Board in order to discuss how to proceed from there.

Kagerer’s tasks on the other side would be focused on the matchmaking: In order to do this, he would receive the CVs of potential iCats candidates and analyse their skills and capabilities. Together with the local LGT Venture Philanthropy Investment Manager he would seek a fitting LGT Venture Philanthropy partner organisation. Still, it was very important for Kagerer that the final matchmaking, namely the approval of the iCats Fellow, would stay within the responsibilities of the local iCats portfolio organisation’s management.



Revisions and added value for the future

The decision of a global corporation to cooperate with the iCats Program for their Leadership Development Program was a major milestone for Kagerer and could be the door opener for new perspectives on the iCats Program. He concluded that his challenge in this new setting was to select the right portfolio partners to help the company's managers to give and gain at a maximum.

In a way it was almost like a Christmas present for Kagerer that he got the corporation's confirmation at the beginning of the holidays and before the yearly LGT Venture Philanthropy workshop in January. Every January the new iCats Fellows and the whole LGT Venture Philanthropy staff, including the investment managers from all over the world, meet in Switzerland to take part in the orientation workshop for future iCats Fellows. During this four-day event, the iCats Fellows would study different business models of participating social organizations, work in groups on business case studies, learn about cultural differences, exchange experiences with Fellow Alumni, and build up relationships within the LGT Venture Philanthropy staff.

When the time had come, Kagerer decided to use his workshop slot to present the pilot partnership program with the global corporation. This gave him the opportunity to include local investment managers into the process and get further insights into the portfolio partners. Together they analysed possible challenges for the iCats Program and LGT Venture Philanthropy.

Singh supported Kagerer at his workshop and they emphasised two crucial points for the success of a short-time engagement such as the pilot: In order to maximise

the learnings on both sides, the preparation of the job role and the definition of the consulting assignment respectively – which both were the responsibility of the portfolio organisation – would be essential. In this respect Kagerer and Singh also made it clear that the involvement of the Investment Managers would play a major role in the process. Secondly, they pointed out that partner organisations being considered for the pilot need to have a certain level of organisational capacity to be able to meet these requirements. Kagerer's colleagues were pleased about the new opportunities the iCats Leadership Development Program could potentially offer their portfolio partners – but they also agreed that in certain situations, e.g. for early stage start-up organisations, a short-term consultant might not be the right solution.

Contemplating the process he had gone through to set-up the iCats Leadership Development Pilot Project, Kagerer had to concede that, besides the internal backing, he had also had great support from “responsible” people from the outside: People, working for global corporations, convinced of the necessity of companies acting responsibly and being led by responsible managers. But what Kagerer liked most was that the iCats Leadership Development Program now was able to bridge the gap between two “worlds” – by creating a win-win situation: for social enterprises in developing or emerging countries as well as for leading global companies, including a personal gain for the participants.

Back in his office, Kagerer decided to add a new point to the iCats Program – a new iCats offer – on their homepage: “Responsible Leadership”, the iCats offer for companies.



TEACHING NOTE

LGT Venture Philanthropy is a foundation investing in social enterprises and organisations committed to improve the lives of less advantaged people in the developing world: Besides financially supporting such ventures with grants and loans, LGT Venture Philanthropy implemented the iCats Program to provide intellectual capital to these investees. The iCats Program sends out experts to work with the social ventures in order to transfer vital know-how.

With the program up and running, LGT Venture Philanthropy decided to approach corporations as partners for the iCats Program in order to meet the demand for volunteers and comprise the economically oriented approach of LGT Venture Philanthropy. The ultimate goal is to set up a tailor made Corporate Volunteering (CV) program that supports the investees of LGT Venture Philanthropy with highly skilled corporate employees.

The case study on the iCats Program particularly illustrates how a win-win situation for social ventures and business can be created. For that purpose, LGT Venture Philanthropy defined out of their existing approach a program for management skills and responsible leadership development, meeting with this the demand of international corporations for that kind of programs. The lowest common denominator of such a partnership usually is social impact creation.

The case study shows how a socially intended volunteering program is adapted to business needs in order to establish a high impact CV program, that accounts for the different demands of all project partners. More precisely, it shows how the manager of the iCats Program adapts existing program modalities to the reality of international corporations and to the need these corporations have for programs that develop their employees leadership and management skills, while at the same time they satisfy their employees need for social commitment and own personal and professional development.

In the process, there is no real change in the core and aim of the iCats Program. The adjustment to companies' needs is based on the manager analyzing and realizing the benefits the iCats Program has for participants in the side of their management and leadership skills development, and therefore, the benefits for the corporations to which these participants belong to.

An issue the iCats Program manager got aware of when talking to several international corporations was that establishing a Global CV program called for flexible modalities. The iCats Program so far had very clear and strict rules concerning the design of an assignment and the selection of the "best" expert for it. Participating in

the iCats Program, for instance, required a specific, mostly several months long time commitment of the experts. Another example is the recruiting process: An applicant for the iCats program would have to fulfil very strict criteria and was selected in a highly competitive process that altogether was geared to meeting the specific needs of the social ventures.

The practical reality of an international corporation challenged given rules like that. Merely by analysing existing CV programs it became clear, as illustrated in the case study, that there is no generic CV solution, but that programs vary to a great degree with regards to target group, duration, type of engagement (mentoring, consulting...) or degree of involvement (on site, part-time/full time...). Accordingly, the iCats Program manager decided that the iCats Program would have to offer a set of more flexible and simply different modules, so that each company could choose the one matching its needs the most.

Due to the iCats Program focusing on know-how transfer, the target group in that case was a given: Highly skilled employees. Particularly in terms of duration of the assignment there was room for flexibility though – this particularly turned out to be a crucial point, when it came to CV: for how long could a company afford the absence of an employee? From the perspective of the iCats Program and with the premise of maximising knowhow transfer, every engagement between several months to one year seemed feasible. If the duration was much longer it was likely that the expert would simply overtake the tasks he was supposed to teach, if it was much shorter there was the risk of generating no impact at all. The same applied to the degree of involvement: how could the iCats Program balance social impact and limited resources available?

As a solution for international corporations the iCats Program manager compiled a set of different iCats Program modules that seemed feasible and varied with regards to duration and involvement. Presenting these different modules to international corporations again proved that there is no one size fits it all approach to CV.

The company in the case study chose to collaborate with the iCats Program and last adaptations to the iCats Program had to be made. For instance regarding the recruitment process: The selection process so far – application, pre-selection, assessment centre – was entirely managed by the iCats Program team. From now on particularly the pre-selection of the eligible employees would have to be carried out by the respective company itself. The company would have to solve the following questions: Who should be the target group within the company? For that matter it proved particularly important to define clear selection criteria – that not only accounted for the needs of the social organisation, but the company's

reality. In the case of the iCats Program the corporate partner decided to offer the program only to employees that already took part in the existing leadership development program. Among others it was further decided that eligible employees would have to have worked with the company for a minimum of three years.

While the major part of the iCats Program manager's task was to establish modules that international corporations could work with, the true challenge was maximise the social impact given this new set of rules. In order for a social organisation to host a consultant and sustain the expert's knowhow, a detailed preparation and project plan would be required – particularly given the limited time/resources. In the case of the iCats Program it was

therefore agreed that only social ventures were eligible for CV programs that possessed a specific organisational structure allowing it to work with a short-term consultant for instance. Besides, the management needed to be able to define clear roles, goals, and deliverables. Not every organisation will have the capacity to provide a project plan that includes a vision and scope, work breakdown, an engagement schedule with milestones, defined team roles and responsibilities, change management plan, communication plan, quality assurance and testing, implementation plan... In order to maximise the impact, the organisation chosen should still be the one that provides the most detailed project plan.



Annexes

OVERVIEW ABOUT THE ICATS PROGRAM

Types of Engagements:

- Fellow: 11 month, on-site, full-time, working with senior management.
- Mentor: 1-12 months, off-site, part-time, supporting the senior management.
- Consultant: 3-9 months, on-site, full-time, providing consulting services for a specific project.

Applicants & requirements for participation

The iCats Program only matches business professionals with an undergraduate degree and at least 2 years of working experience. The iCats Program only works with LGT Venture Philanthropy investees or with iCats Program Partner investees. Program partners are other social investors who are also using the platform to channel know-how into their organizations. Only like-minded social investors (i.e. detailed and on-site due diligence to select investees; close relationships with investees during the investment period) are entitled to become partners. On top of that, it is an interesting program to offer to LGT employees during sabbaticals, as well as a part of leadership development programs. The iCats Program is also part of LGT's sustainability strategy.

Selection Process

Intense training before the assignment, mentoring support throughout the fellows' stay with the organization, and enrolment in a regular reporting process. Fellow positions are posted once a year to all philanthropic organizations and social enterprises and have the same application deadline. All Fellows start their assignment in February for the duration of 11 months. The Fellowship training is held in Switzerland in January. The 4 day training includes intercultural training, working on case studies, learning about impact investing and the iCats Fellowship Program's structure/important milestones/mentorship, the exchange of experiences with Fellow alumni, meeting their mentors, and getting first-hand information about the organization and the region.

Support of LGT Venture Philanthropy

LGT Venture Philanthropy subsidizes the living stipend for iCats as well as other costs like visa application, travel costs, and health insurance. It can be considered a part of the overall investment into a social organization. The applicant will be provided with a small, fixed and agreed

upon salary to cover the costs for accommodation, food, relevant insurance, and basic needs on-site. Furthermore, he/she is compensated for travel and accommodation costs for the interview, the preparation course, etc.

Monitoring and Evaluation

- Targets are defined in the beginning of the Fellowship. Monthly reports are provided by the Fellow and discussed with their Fellows mentors each month. The Fellows also write half-year and final reports summarizing their achievements and experiences (professional as well as private). For 2012, quarterly Skype conference calls are planned, to foster the exchange of the Fellow class throughout the Fellowship year.
- Impact created in the organization (depending on the Fellow's role it can be better financial systems, a newly established project management methodology, a new communication & PR strategy). The deliverables must be handed over to a permanent staff member of the organization to ensure the continuous application of the results, even after the Fellow leaves the organization.
- Another goal is the personal development of the participant. In times where society cries for more responsible leaders, LGT Venture Philanthropy is looking for ways to use the iCats Program as part of a leadership development program. Each Fellow creates a ROW (Result Oriented Workplan) at the beginning of the year. Where possible, those targets come with milestones and KPIs, to be able to measure progress and results. Ultimately, the iCats contribution should result in closing a significant gap in the organization's capacity.

Follow-up

Some Fellow Alumni are invited to share their experiences with the new Fellows during the preparation workshop. Also, lessons learned are written down for the annual report and are shared with all other iCats on the program's internal website. There is as yet no structured approach to support iCats after their engagements to stay within this sector. The more people that are in the iCats pool, the more interesting it could get for other companies to access this pool when they are looking for highly professional, passionate, and experienced people with a background in both the private and the social sector.



CASE STUDY | RANDSTAD

Randstad: Human talent serving society

Challenges in the management of a Global Corporate Volunteering program

Established in 1960, Randstad was founded as a company with a commitment to society. Prior to 2004, the scope and impact of the social commitment policies and strategies implemented by the company had all been eminently local, and their reach and projection were somewhat limited. For this reason, Ben Noteboom, CEO at Randstad Holding nv, encouraged Frans Cornelis to plan a proposal for a future Corporate Social Responsibility (CSR) project.

The thinking behind it was that Randstad could achieve greater societal impact on a more global level. While the company did have numerous initiatives and programs underway, all of them were coordinated and implemented on either local or national levels. What the company wanted to do was a “supranational” action, channeled through a program that would enable the company to reach out directly to some of the world’s neediest populations. It would be coordinated on a corporate level, rather than through the individual country affiliates. A more ambitious approach was needed, involving a new type of global program. Through this program Randstad could offer its employees not only the opportunity to learn of the needs of third world societies, but also how to help those societies help themselves. The biggest assets of the Group are its people and their knowledge and expertise. This was an opportunity to use those assets toward the greater good of society.

Noteboom assigned Managing Director Group marketing & communications, Frans Cornelis, to research the possibilities of how Randstad Group could best fulfill its

wish to create a global program that would allow Randstad to help tackle some of the world’s biggest problems. The program would also enable employee volunteers from around the world to take action in developing nations. Cornelis was aware that for this program and its design and launch, they needed an ally or partner capable of responding to specific needs within the sheer scope of the project. It would have to be an organization with ample experience in aid to developing countries, and one that shared Randstad’s values and goals.

The objectives that were set for this project involved external aspects of social impacts, in other words, helping to eradicate poverty in third world societies; and also internal aspects, mainly employee participation through which staff motivation, knowledge, and experience would grow while providing them with the opportunity to help improve the life of others in less prosperous situations. This might also increase feelings of belonging and company pride, and enhance company image in the eyes of both clients and employees.

Following this, key decisions were taken: To define the inspiring principles of the project and to select the right NGO partner to form an alliance that would help achieve the greatest possible impact on society, based on the project characteristics and the profiles of Randstad’s employees.

Foundations of a company with social vision

Randstad is an Human Resources (HR) services provider founded in 1960 by Dutch national Frits Goldschmeding, who was writing his Master thesis and used it as a base for a new way of working: temporary employment. Randstad offers a range of HR services for temporary and permanent employment, including inhouse solutions, professionals, selection and recruiting, and human resources solutions in general.

Randstad was built on the idea that work, which occupies the majority of our day, is a medium with the strength to exercise a positive influence on society and enhance the human dimension of employment. Since its inception, Randstad has been aware that society as a whole benefits from the positive impact of good jobs and good labor conditions.

Company executives considered that, while Randstad's main function was to find the right job for applicants at the right time and propose the best candidates to its clients, the company's commitment to society did not end there. Randstad's philosophy related to its CSR programs was to focus on the labor market. The company's core activity, putting people to work, meant improving people's lives. But Randstad wanted to do more. The aim was to share knowledge and experience with all participants in the employment industry, doing so in accordance with the values of society.

With headquarters in Diemen, Holland, in 2011 Randstad's sales rose to 16.2 billion euro (up 14% from 2010), and the company arranged employment placements for 576,000 persons each day. On average in 2011 they had a staff of 28,700 employees working from 4,700 offices and running operations in 40 countries. It is particularly well positioned in Australia, Belgium, Canada, France, Germany, India, Luxembourg, the Netherlands, Spain, Switzerland, Poland, Portugal, and the southwestern U.S. Following a merger in 2008, Randstad ranks number two of its sector.

Bringing CSR to a global level

The company's guiding core philosophy over the years was that a company has no right to exist if it doesn't contribute to society.

This is why Randstad has always been involved in social actions across the globe. It has always bore in mind the need to help improve society, but not necessarily under the CSR umbrella.

At first, these actions were coordinated on local and

national level by the operating company running the project. Until 2007 there was no overall CSR team to speak of on a Holding level. Prior to that, CSR teams had gradually been established in national offices, from where related activities were run, particularly those involving the social integration of workers. Noteboom decided to seek broader international and global impacts in addition to the existing local CSR initiatives.

While seeking global solutions from a CSR point of view, Randstad visualized the potential of the volunteering actions that employees were already involved in at the different national offices. Randstad could therefore find support of its employees to advance towards a global strategy. For that purpose, the company would foster the social interest that its employees were already showing with their local commitment: the idea of a Global Corporate Volunteering program with international focus was being born.

For the CSR strategy to become global, Randstad sought to work with a social sector non-profit ally capable of responding to the management and organizational needs posed by the project.

The NGO selection process would be supervised by Cornelis. The following list of NGO selection criteria was drawn up based on Randstad Group's desire for an international social partnership:

- NGO with a global presence.
- Size, potential impact and target beneficiaries would be factors.
- Must give Randstad employees the opportunity to actively participate in projects by putting their professional skills and experience to use, working in collaboration with the NGO.
- Neutral organization, with no religious or political affiliations.
- There has to be a cultural fit between both partners.

After gaining a clear idea of the kind of NGO needed for the objectives and goals they wanted to achieve, Cornelis had to find the NGO best suited for the job. After an initial profile analysis, they drew up a short list of 20 that included the Red Cross, the UNESCO volunteer organization, and Friends of the Nelson Mandela's Children's Fund, among others.

Cornelis tested the list against the criteria and made the initial selection of five NGOs, which he visited.

The final selection which was made during that year's International Marketing Meeting, favored two NGOs, one of which was Voluntary Services Overseas (VSO), whose experience working in poverty eradication projects across the largest number of countries had earned it a solid



reputation. The agreement should be for a long-term stable alliance. Randstad felt that VSO was the best fit for the project because the main objective of VSO is the eradication of poverty and above all, because they saw a striking similarity in their activities: both work in recruitment, selection and placing people with a client (Randstad) or a local partner in a developing country (VSO). A Randstad/VSO association would be positive for both. VSO could choose from an expanded range of qualified professional volunteers, sending them to developing nations to effectively combat poverty; and Randstad would have the support of a global and highly experienced NGO that would enable Randstad to collaborate in poverty eradication around the world, while offering its employees the opportunity to take part in an experience encompassing several ideal components: By volunteering, employees could give back to society while also honing their professional skills, ability to adapt to complex settings and make decisions under difficult circumstances, and would also lead to greater motivation and enhanced feelings of belonging within the Company.

The NGO: Voluntary Services Overseas (VSO)

In 2001, VSO was well established as an independent organization and a world leader in international development that works through volunteers to combat poverty in developing countries. VSO recruits both corporate and individual volunteers and sends them out to work on sustainable long-term solutions. In other words, it brings together experienced people to share knowledge, develop skills, promote international understanding and, if necessary, actions to change lifestyles. VSO has decades of experience helping non-governmental organizations and local public bodies in developing countries by using the experience of its volunteers to launch parallel human resources solutions. For 50 years it has been recruiting volunteers between 23 – 68 years of age to live and work in the heart of the communities of these countries. In its ample offering of places, placements, institutions and projects, there is room for volunteers of very different ages and professional expertise. While VSO is constantly recruiting highly qualified volunteers for variety of disciplines, its work is mainly focus around six broad areas: Education, neighborhood safety, HIV/AIDS, advocacy and governance, health, and disability. VSO encourages people to consider the unique opportunity of enhancing their personal and professional development while helping to address the root causes of poverty.

VSO has offices in numerous countries to identify,

select, and recruit suitable volunteers for its social projects in the third world. Volunteers are recruited individually and also through Corporate Volunteering (CV) programs. The second of these gives better results and makes for greater continuity of the programs. The majority of the participating companies work in some area of consultancy.

Nicky Matthews, former VSO Country Director for Namibia¹, says that working with consultants was a logical combination, since to help NGOs or local institutions what is needed are people with organizational skills capable of working in any of the NGO's six basic areas. People with consultancy backgrounds are highly valued: "We need not only doctors, but people capable of running a hospital." There is also cooperation with other types of companies who provide volunteers with more technical profiles. For example, a specific engineering profile was needed for an environmental water project.

VSO goes to the area of the action, and sets up a Program Office in the country. The offices enter collaboration agreements with local NGOs, and also identify work opportunities for volunteers. These delegations are responsible for organizing the activities within each country, helping volunteers, monitoring projects, and detecting and analyzing country needs in order to determine the volunteer profiles best adapted to the projects.

The Randstad – VSO partnership

The goal of the partnership was to expand the scope of VSO around the world, by increasing its ability to recruit volunteers around the globe using Randstad's networks. Another component of the partnership was to recruit employees from Randstad who could help cover VSO project needs in developing countries. This offered Randstad employees the opportunity to put their professional experience to use toward a common goal: the eradication of poverty. Employees enriched their knowledge, matured more rapidly, and learned to see processes of change as a basic part of their work.

The idea of the partnership was to not simply send volunteers to developing countries, but to support VSO in any way possible, including financially, and to help VSO develop better processes, tools and protocols, enabling it to do a better job of fulfilling its mission as an NGO. Randstad saw CV as an important component of its strategy to support VSO, but realized from the start that it could put

¹ Nicky Matthews was the VSO Country Director of Namibia during the research and writing process of this case. By October 2012 she is the Country Director of Papua New Guinea.

the force of all of its teams and employees behind VSO to make it a stronger organization. This realization led to consultancy projects with VSO. For instance, one project that was designed to improve VSO's global volunteer recruitment and selection process. "In a way, it is more productive to use the skills of our nearly 30,000 employees to help VSO do a better job in volunteer recruitment across the globe, than to send 25 volunteer employees to an overseas project. We see volunteering as a key part of our plan for supporting VSO, but our commitment to VSO goes beyond supplying our own corporate volunteers," expressed VSO Support Officer, Eveline Kramers. "We are currently helping VSO overhaul their recruitment and placement processes, which will help VSO achieve better results: VSO will be able to place more volunteers in a shorter amount of time at a lower cost. Another thing we're supporting is VSO's shared service project whereby VSO wishes to run a more (cost) efficient shared service center. Senior management of our shared service center is currently advising VSO on improving their centre, which should yield more cost reductions and smoother processes. All, to the maximum benefit of the partnership."

HOW TO COORDINATE THE RANDSTAD – VSO PARTNERSHIP

One of the concerns of Cornelis was how to coordinate all the activities within the Global Corporate Volunteering collaboration with VSO. They wanted coherence in the actions undertaken and to build the company's reputation for global CSR. For this, Cornelis felt it was essential to appoint someone to oversee the management and coordination of the entire project. That person would have to be well versed in Randstad's corporate culture and the CSR policies approved by company management, have a feeling for people and human relations, and above all, "feel" enthusiasm for the project.

Initially, the management of the partnership was done by a business director in addition to his operational duties. He was keen on social and innovative projects, and worked with VSO to create and manage the new partnership. After several years Cornelis felt it would be to the advantage of the partnership if management of the partnership was done by dedicated resources. Eveline Kramers, from the Marketing and Communications Department, was appointed to coordinate all activities in cooperation with VSO. She would work as part of the CSR team, which was part of Cornelis' department. She would regularly consult and update Cornelis and have a direct ongoing relationship with VSO with frequent contact moments. On an operational level, her job centered around

communications, organization, strategy, recruitment, and securing management buy-in. Occasionally it also involved solving problems and incidences arising at any stage of volunteer work. While VSO takes care of most practical aspects of sending volunteers overseas, some things are part of Randstad's responsibility. Most volunteers experience culture shock when they arrive in their overseas placement, and once they come back home after their VSO assignment as well. This meant Kramers sometimes would have to address issues affecting a returned volunteer who was having difficulty to adapt again. Other issues were to manage expectations of both potential volunteers as well as her counterparts at VSO, especially when embarking on new projects in the partnership. "I've realized that in projects of this kind, the key is flexibility. You have to adapt and respond as problems arise", Kramers said.

One of the goals was to recruit Randstad staff as on-site in-country volunteers for the NGO's local partners. "With VSO we develop an annual action plan around the variables in play: the third world countries requiring greater efforts and focus, the most urgent needs of each of those countries, the characteristics of the specific jobs to be done, etc. My main objectives are to recruit 25+ Randstad staff volunteers each year (selected from our offices around the world), grow the number of volunteers from the general public, increase VSO awareness in and externally, and more generally speaking, increase the internal and external impact of our cooperation with VSO, and work with them to achieve the highest possible level of efficiency."

The goals were approved in 2004 at the start of the partnership. Every year targets are decided on by the Steering Committee. The Steering Committee consists of senior management of VSO International, VSO Netherlands, VSO UK, Frans Cornelis, Randstad Group's CSR manager, a returned volunteer, and Eveline Kramers. Kramers and her VSO counterpart develop an annual plan in order to reach the targets of that year, the senior executive of VSO International and Cornelis oversee their achievements and provide support where needed.

Kramers was convinced that this was a good opportunity for Randstad employees. It was an attractive offer that gave Randstad employees the opportunity to put their professional experience to use in a fascinating project: the eradication of poverty in underdeveloped countries. When a Randstad employee volunteers through VSO, the company enables them to fulfill their wish. Employee volunteers go on unpaid leave for the duration of the VSO assignment, but receive a monthly allowance to cover ongoing costs back home like a mortgage or insurance premiums. They are also guaranteed a job with the company



once they return home from their VSO assignment.

The Randstad-VSO partnership went operational at the end of 2005, with an average annual participation of approximately 15 volunteers. In total, by 2012 over 110 employees have been dispatched to volunteer in the third world.

Although these numbers were good, Randstad was aiming for a bigger impact. One reason for not reaching the expected number of volunteers was that there were certain criteria to become a VSO volunteer, plus additional ones established by Randstad: A candidate must be in service with the company for at least 2 years and have good performance reviews during that time. If employees do not meet the criteria, they cannot volunteer. The world economic crisis and individual recessions had also made it harder for employees to decide to volunteer.

Aside from this was something that many companies would perceive as an organizational challenge: determining the time the volunteers would spend in the country assigned. However, at Randstad this was never a real issue. For starters, they are an HR company and well versed in dealing with these things. Additionally, Randstad's corporate culture means that most employees are practical, independent, down to earth, and think in solutions. The common response was "if someone goes on maternity leave, we also need to find a solution, so we will find one now". Normally VSO volunteers go on long-term assignments (12 – 24 months) as they can provide the stability needed for projects working with long-term goal achievement. However, these pose a big problem for the departments ceding employees to volunteer work. Therefore, long-term service was an alternative taken mostly by individual volunteers, not by ones affiliated with a company or corporation. When corporate volunteers were involved, the norm was to organize shorter stays of 6 – 9 months, which made it easier on the departments ceding staff members. Kramers explained the decision reached with VSO: "Working with VSO managers we reached the joint conclusion that in the interest of stability over time, the reasonable length of a volunteer commitment, while not incurring in overly lengthy stays, was between six and nine months." This would allow reaching a better impact both in the social project and the volunteer.

After six years of partnering, VSO and Randstad realized developing very short assignments of 6 – 8 weeks could be beneficial to both partners too. "We assessed several options for shorter stays; anywhere from two to twelve weeks. We felt this would allow more employees to volunteer through VSO, especially those with children or with other restricting reasons for volunteering 6 – 9 months. The employees would have to be more experienced and more senior in order to be able to really

contribute in such a short time frame. They have to be able to hit the ground running. So far 11 employees have gone on short assignments and the results have been positive."

VOLUNTEER INFORMATION AND SELECTION PROCESS

In his four years with Randstad as a Marketing Department advisor, Adrián Sanchez, who holds undergraduate degrees in Psychology and Journalism, had established a solid professional position.

The Randstad Spain CSR Department began offering employee information sessions on initiatives underway, in hopes of involving all employees. In one of the sessions, Sanchez heard about the Randstad – VSO partnership, and was particularly attracted by the program characteristics: Long term work in a third world country. Any Randstad employee with two years seniority was eligible.

Sanchez expressed: "I had never considered leaving behind the comforts of my daily life to go and help needy people in another country, even if only for a limited period of time. This time, the combination of the opportunity for an international experience with my wanderlust and desire for new experiences led me to look into the initiative." It would not be Sanchez's first venture to faraway lands. He had traveled to Cambodia, Thailand, China, Nicaragua, and Costa Rica, but always as a tourist, never as a corporate volunteer. The attraction he felt for developing countries made him decide to give up his comfortable life in Spain and submit an application to become a professional corporate volunteer.

He set about informing himself on the volunteer selection requirements. The VSO requirements were the following: candidates between 23 and 68 years of age, with university degree or vocational training diploma, 3 years of professional experience, good knowledge of English, able to go abroad for 6 – 9 months (this is for volunteers of VSO's business partners only), and willing to accept the salary paid in the destination country. Then there were the Randstad requirements for employees wishing to apply for the volunteer program: Two years of being in service with the company and favorable evaluations. Sanchez saw that he met all the requirements and decided to submit his application for the selection process.

VSO analyzes the positions and job descriptions requested by their Program Offices in the different developing countries. Within the VSO-Randstad partnership, most volunteer placements would be in the field of human resources (the company's field of know-how), but also communications, finance, IT, and more.

Sanchez was the second volunteer from Randstad

Spain to sign up. Because several Randstad employees had submitted applications for the projects, they would have to pass a prior internal candidate selection process before moving onto the formal VSO recruitment stage.

The selection process was very detailed, due to the importance of finding the right person with the right skills to achieve the objectives. The CV of each candidate is carefully studied, taking into account the following relevant aspects: family situation, career path, ability to adapt to a different culture, and interpersonal skills. They should also have sufficient experience in the job descriptions requested.

The candidate selection process took place in Holland under the direction of VSO. Besides the Randstad candidates, it included employees from other organizations and countries, as well as individual volunteers. In this stage the focus was on a candidate's "soft skills", like interpersonal relations, communications, self-discipline, conflict management, decision making, handling of diversity, attitude toward teamwork, and sharing and supporting the ideas of others. People with these profiles and skills tend to perform better at teamwork and at adapting to new situations. All are indispensable skills, since volunteers must interact with other cultures and handle diversity well. These skills are tested during an assessment, which is partly done through group exercises and partly through personal interviews with a VSO assessment manager to make sure the candidate has the right knowledge to do the job and the willingness and attitude required for an international challenge of this type.

During the selection and placement process, the candidate is supported by his/her operating company's VSO Ambassador. The VSO Ambassador provides information about overseas volunteering or assists in case problems arise.

Sanchez was assigned a personal consultant, Mirjam Nordholt, VSO Netherlands' recruitment and placement advisor for business partnerships, who would match him to the right placement. They discussed the type of project that would interest him professionally, and also the geographic zone. Their first interview went as follows:

Nordholt: Adrián, I suppose that by now you are totally convinced about the exciting experience and task that lie ahead, but you must understand that it might not be easy and that it might be hard for you to adapt to a culture so different from your own. We will be in touch with you frequently, to make sure that everything goes as planned. Do you have any doubts?

Sanchez: The truth is, I am so excited about it that it may keep me from being fully aware of the difficulties I will

have to overcome. At any rate, I have thought it all over, and my decision is made. If I have any problems I will tell you frankly, and ask for your help. I'm interested in changing settings, I want to really learn about other realities, and I particularly want to feel that I am being useful to people who are in such need of help. I want to take advantage of this opportunity and am ready to shoulder the responsibility.

After Sanchez has passed the assessment, he spent two weekends in different training sessions (paid for and coordinated by VSO), and also in e-learning sessions. The training sessions are usually held in The Netherlands or the UK, as VSO has their European recruitment offices there. The volunteers are also given a medical check-up, vaccinations, and need time to arrange their personal affairs. Involvement in the project meant moving out of their comfort zones and assuming a series of unknowns about their job when they returned, and about how much real support the company would provide during their time in another country.

Nordholt: Adrián, congratulations for having made it through the selection process and becoming a professional volunteer. I suppose that over the past month you have thought about the functions where you believe you could make the biggest contribution, and what type of project you'd like to participate in. It is an important decision for you and for the project, so you have to be completely sure. As you probably know, the living and working conditions in developing countries are not easy, and are a far cry from what we are used to in Europe.

Sanchez: I agree, I've visited Thailand, Cambodia and Nicaragua. Although only for tourism and adventure, but I have some idea...

Nordholt: You know that our projects are mainly in Asia and Africa. Is there any region that you do not want to go to, or would have a problem with? Don't feel obligated to choose a country where you are not going to feel somehow "protected." It's important that you feel OK in that regard.

Sanchez: No, the truth is I don't have any major conflicts, and I wouldn't mind going to Africa. I am curious about, and willing to go, to any place.

Nordholt: Good, so if you are flexible about the geographic area, tell me what kind of work you would like to do.

Sanchez: I am not completely sure about this point... I think I'd prefer to work in several different areas of



business rather than only one specialty. I think I'm kind of a "multi-disciplinary" person, and it would be enriching for me to be able to work in different strategic, organizational, and operational functions.

Nordholt: Ok, that gives us some orientation... We will search for a project that requires broad support. By the way, have you agreed with your manager in Spain on how long you can work as a volunteer? That is another key aspect that contributes to determine which project is the more appropriate.

Sanchez: Yes, I prefer to go for 9 months and, after discussing it with my manager, he said it won't cause too many problems back at my business unit in Randstad Spain.

With all this information, Nordholt started the project search. VSO had an important database through which the NGO managed the different requests for support that came from the offices around the world. After a brief search, Nordholt said: "Right now we have several positions open, one for an HR consultant in India. In Zambia, there is a Finance Advisor position with Siavonga Nutrition Group that might interest you. It's an association that helps mothers prevent malnutrition, by providing health education and practical advice on how to care for their children. You would be in the organizational structure of the association. They request a degree in Economics and it is only for 6 months."

While Nordholt kept searching for other options, Sanchez let his mind fly to that reality, trying to imagine himself in a different environment that, at the same time, was full with opportunities. Nordholt interrupted his thoughts: "There is another vacancy at a regional office of the Ministry of Education in Namibia. It is a good option. Public institutions usually have more resources, and definitely offer better living conditions and salary. You would be an advisor in human resources processes, and also on general organizational improvement." Namibia? Sanchez thought for himself. He then added: "I know that Namibia is where Randstad has invested a lot of resources in volunteer actions. However, thinking about it twice, I'd like to do something more closely related to my work experience, like marketing, communications, accounts management... I am not sure."

Nordholt kept searching, "There is another possibility, as marketing advisor for CHOPPA, in Zambia. It's with the Chongwe Organic Producers & Processors Association. It's an association of 10 farming co-ops of small farm owners in Chongwe, a district of Zambia. The association helps them save on costs and organize themselves more

efficiently. They need someone to implement a marketing plan and to help them in day to day association business." "That sounds interesting," Sanchez said, "I don't know much about crop systems...but it looks attractive... it could certainly be an option!"

Nordholt felt the selection of the project was not going to be easy. As usual, the candidate was confused when faced with so many options, all different and unknown. Nordholt added "If it's alright with you Adrián, I will give you a few open positions that could possibly be a match to your profile. You can take a look at them including the requirements and functions to be performed, the time of stay requested, and we can discuss them at a later date. If that's okay, we can take a closer look at your professional aspirations and personal motivation".

After several meetings following this one, in which Nordholt and Sanchez discussed the different options, their pros and cons, and how they fit with Sanchez's profile and expectations, they finally identified where his assignment would be: Namibia.

Sanchez felt very close to the opportunity of volunteering and was more excited every day. "The meetings with the advisor were very interesting, because in addition to helping me choose the job and geographic area, they helped me gain a better understanding of myself and my personal traits. I was very pleased with the depth and with the ideas that the advisor conveyed. Finally, after evaluating all the pros and cons, we agreed on a job that was the best fit with my skills and experience, and in the country that I was most familiar with: Namibia. I would be spending 9 months in that country. All this work done jointly with Nordholt gave me a lot of security."

From that day to Sanchez's departure for Africa, six months transpired, September to March. During that time Sanchez took several training courses, both on-site (in Amsterdam and Birmingham) and on-line. The courses focused on developing the special skills that he would need to do his job in Namibia.

RANDSTAD'S MANAGEMENT OF CORPORATE VOLUNTEERS

The reaction of the managers affected by their people leaving for a volunteer program varies but it's usually a positive one. When managers are well informed of the agreement with VSO and the express support of the top management, they tend to see employee absences for a few months of volunteer work as a great opportunity for personal and professional development of their staff. Sometimes the situation is slightly more complicated, for example when there haven't been many volunteers yet in

a particular operating company, The CEO's explicit support and Kramers' role were both key to keeping the line managers well disposed to the idea.

Before Sanchez applied with VSO, he had informed his line manager and VSO Ambassador of his intention to volunteer. Once Sanchez's candidacy was accepted, Sanchez and his manager had to discuss how they would prepare for his absence and return in the company. Because Sanchez was Randstad Spain's second volunteer only, Kramers contacted Sanchez's boss to address the aspects to be dealt with during his absence. She didn't have to negotiate his return, as the Randstad policy was very clear: all volunteers have a job guarantee. They return to the same working conditions but might not return to the exact same post they were in before they volunteered.

They also needed to select and train the person to cover the vacancy, but for that they already had an eye on one candidate. Two months before his departure Sanchez began training his substitute, teaching all of the functions to be performed, familiarizing him with the client portfolio to be managed, and other information on department workings and colleagues. They formed a good twosome, and the process was a success.

THE ACTION IN THE COUNTRY

Once the volunteers leave their country of origin, the local VSO office is responsible for helping them get settled, and is also their main contact, although both VSO global and Randstad had communication mechanisms in place for cases of emergency. Upon his arrival in Namibia, Sanchez received a week-long training course on the living conditions, culture, customs, and languages of Namibia. All VSO volunteers receive this in-country training when they arrive in their destination country.

The first month in Africa was not easy for Sanchez. After arriving in Namibia he lived in Ongwediwa, a city near the Angolan border. Namibia is twice as large as France, but has only 2 million inhabitants. Sanchez brought a lot of energy and motivation, and was eager to get things done; however, starting is never easy.

Sanchez explained that at first he didn't really know what his functions were, because there was no "orientation" plan in place, nor did they give him very much information on the job to be done. This often happens when a volunteer arrives at his/her VSO placement because organizations in developing countries usually aren't used to having a volunteer around and aren't used to thinking independently. This is part of the process for a VSO volunteer and VSO prepares the volunteers that this might happen. Sanchez had to figure it out on his own, but was

lucky to have the support of another volunteer who had been in Ongwediwa for a while already, a Manager from Randstad Netherlands. The adaptation process was much harder than he had expected, despite his previous tourism in Namibia. "The initial shock is inevitable once you get a firsthand look at the real living conditions of the people. Regardless of how thoroughly you've thought it through, or how many courses you have taken on the scenario, the reality is so much harsher and the first weeks are especially difficult." It also takes time for the local workers to adapt, in some case even months. Leisure activities in Namibia were limited, there were not many expats to work with, and the population does not always speak English, which made it harder to communicate.

In addition to the lack of definition of his new functions, there was no local budget to speak of, and local workers were completely unmotivated. Volunteers were supposed to solve these problems by bringing in the right means and tools for the job, along with unlimited personal enthusiasm. In one same destination country, it is not uncommon to find volunteers from other organizations working in local government as human resources advisors in posh circumstances (assigned their own cars, all expenses paid, etc), while other volunteers must scrape for resources.

COLLABORATION WITH THE LOCAL PARTNER

Sanchez's job within the Oshybambo project "Open your Eyes", was to inform society of how protect itself against AIDS, and to advise virus carriers on how to maintain their quality of life and avoid infecting their families.

Sanchez devised an AIDS information communications plan that included a free magazine, a web page, and a radio program (radio is the most widely used medium). He also analyzed budgets and helped solve day-to-day problems as they arose.

Sanchez noted: "I was not there to make decisions for them, but to advise them so they could make informed decisions of their own. It was vital that I teach them how to find their own resources and attain objectives by their own means."

His purpose was to professionalize the information structure itself and to make information available in the most efficient and best organized way possible. Sanchez found that he had the capabilities needed to do his job in a complex country like Namibia, using basically the same intellectual and emotional resources he had employed at Randstad, but adapted to the local setting.

All projects are designed for continuity, and to build upon previous work. The same job will be continued by



local colleagues but might also be picked up by the next volunteer, who will continue on with the task begun by their predecessors. In fact, Sanchez had coincided for a month with the colleague who had built the communications plan (the Manager from Holland). Together they crafted a continuity plan for the handover. During that month, Sanchez worked behind the scenes, mostly on operational aspects, but would take over NGO communications when his Dutch colleague left.

RETURN TO THE HOME COUNTRY WORKPLACE

Sanchez had kept in close touch with his boss, the manager of his department in Spain. In fact, before Sanchez's departure, his manager had begun thinking about Sanchez's post-volunteer reinsertion. A Randstad volunteer goes on a VSO placement under these terms: unpaid leave of absence from Randstad for the duration of the VSO placement, but a Randstad employee to all purposes and effects. While they might not receive a Randstad salary, all Randstad volunteers receive a monthly allowance from their operating company (average 1000) to cover costs in their home country such as a mortgage. This is in addition to the local salary they receive from VSO in the developing country (200 - 300) and local housing.

Upon return, Sanchez was guaranteed a position at the same salary and benefits, but not necessarily the same job. Two months before leaving Namibia, Sanchez spoke to his line manager to discuss the general reincorporation plan, along with specifics for the future.

A HR manager was assigned to coordinate the operational aspects. Because a volunteer undergoes many changes during the experience, particularly of a personal nature, it is important to keep that in mind when assigning the duties they will perform upon return. Sometimes their former positions are not open, which poses an additional problem that affects different people in different ways. Experience has shown that many volunteers cannot go back to their old jobs or do not want to. Some request working in CSR, having returned with a raised awareness of the needs of society.

Sanchez had never harbored any fears about his return. He was very happy in Madrid and felt secure at Randstad. In his words: "if you only think about your house and your clients... you'll never do anything important for others. If you want to do something truly worthwhile, you have to move out of your comfort zone, step up to the plate."

He realized that his return to the company might not be easy. His position might be filled by someone else, which meant it wasn't clear yet to which position he would return at Randstad. He would have lived in a very different reality for many months in Namibia, and though that helped him see problems with a new perspective, he had doubts about where he would end up working. While that was all well and true, even truer was that, during his time as a volunteer, he had felt more useful than ever before, and was returning to work with a new mindset and new personal and professional perspectives. Now, his former position seemed less interesting, with fewer chances to reach out to others. He felt that his scale of values had changed, and wanted to do a better job of understanding those around him. He saw things in a different light, particularly his own problems, which seemed much less important than before. He even pondered a future working as a full time volunteer in third world countries.

Clearly, in Sanchez's case, the project had more than met the internal objectives of the CV program: Greater motivation and higher social service objectives had been very successfully achieved thanks to the work of everyone involved. The Randstad CEO and Kramers could be proud of the respective roles they had played in the outcome. They assume the risk of losing a few company employees who might just decide to dedicate their lives to volunteer work. The company's philosophy behind this is that people who want to leave the company, will do so anyway. If they volunteer through VSO first, it's a win-win: VSO has a good volunteer at their hands, and the employee has the opportunity to develop professionally and personally. This is important to Randstad: Being able to contribute to society and, being an HR company, offering development opportunities for employees. Randstad had in its hands the challenge of giving continuity within the

company to that vital experience. This would make the Global CV program reach its original goal of making the company as a whole contribute into the fight against poverty, not only by providing a parenthesis in the lives of the

employees, but allowing them to define the way in which their work and the company's work could keep contributing to improve other people's lives.



TEACHING NOTE

Randstad, the world's second largest Human Resources (HR) consulting firm, has over 27,000 employees in 40 countries. Its Corporate Social Responsibility (CSR) Department was established in 2007 to re-channel social responsibility activities underway since 1960. The company's founder, Frits Goldschmeding, had always viewed work as a vehicle for the improvement of society. The company uses its know-how through an employee volunteer corps, whereby it puts its employee's qualifications and technical capabilities at the service of society, in order to have the greatest possible impact.

The many social projects and initiatives undertaken up to 2004 were decentralized and run from each of the countries where Randstad had a presence. In 2004 CEO Ben Noteboom decided to launch an innovative public – private partnership including Corporate Volunteering (CV), with centralized management and decision-making, approved at the Executive Committee level. This meant a major change that, while justified due to project size and scope, would have to be explained to individual country managers.

This poses an interesting debate on whether or not to centralize decision making for a project of this size, even if it means changing existing company policy, followed up to that point.

The project goal was to achieve greater social impact, and a global CSR project that all employees worldwide could rally behind. The company could supply its know-how, people, and other resources to help fight poverty in underdeveloped countries. Considerations were the range envisioned of the objectives proposed and the true scope of impact.

From an internal standpoint, in order to launch the project, a coordinator was needed to oversee the project from the offset and serve as the direct liaison with the NGO selected. That person must have had a good knowledge of the company culture, along with sensitivity and experience in interpersonal relations and CSR activities.

The company wanted to partner with an internationally recognized NGO that shared its goals, and also had proven experience in underdeveloped nations. After painstaking evaluations of a series of candidates, the company chose the one that met all these requirements: Voluntary Services Overseas (VSO).

Before project launch, there was an initial information process to marketing and communications managers, to gain their collaboration from the beginning, and also make them aware that top management was fully behind the project.

Then came an extensive discussion and planning with VSO on what this partnership would look like and how

it would function. Once both organizations were ready to kick-off the partnership, many people were already on board. However, they still had to wait to see how the introduction of this new type of partnership would go over with employees and other stakeholders. Finally, the launch was a success and employees were eager to sign on.

For the employee selection process strict candidate requirements were set. During the selection process, the NGO played a crucial role, thanks to its knowledge of the needs of the destination countries, and its ensuing ability to determine the technical profile required of the volunteer.

On an in-house level, Randstad had to plan ahead for the challenges foreseen, such as the average time that company employees should be in the destination country; finding a substitute for the vacancy left by the volunteer, and planning for the “reinsertion” of returning volunteers. On all of these points, the collaboration of the employee's immediate superior was essential. It is important to note that the Randstad – VSO partnership incl. employee volunteering was originally proposed by the top management and enjoyed its full support. That support made things easier to manage at the local offices.

Reflections regarding the importance of partnering with the right NGO, how to gain employee and middle management involvement, and clearly state project objectives, are all important points for debate, since the NGO plays a fundamental role: It knows the country and context that await volunteers, and therefore can make a major contribution to the success of the project. Given its knowledge of the needs “on the ground”, the NGO is able to determine the volunteer profile best suited to the job.

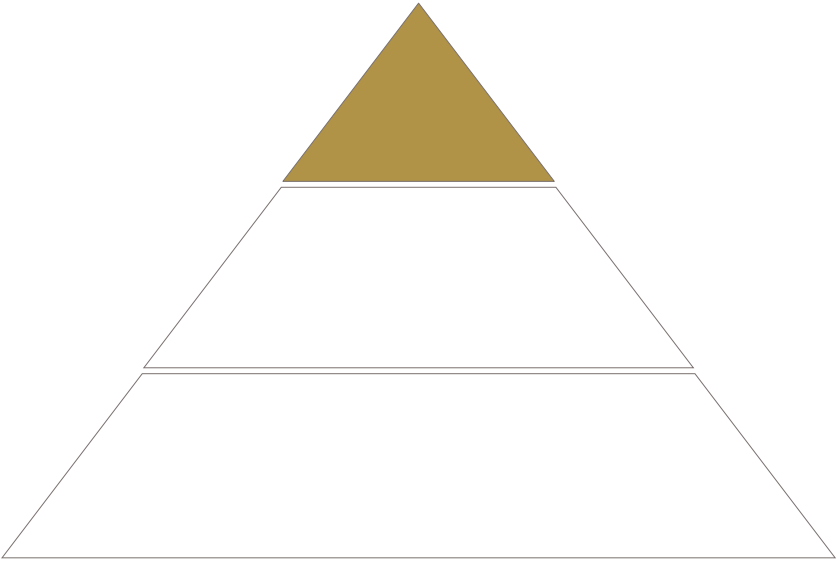
The case study explains the importance of defining the candidate training (content and length) to help volunteers be as effective as possible during their work in the country. Volunteers receive later detailed explanations of the job to be done and their responsibilities, and are reminded that they will be ambassadors of the company, with all that it entails. Prior training provides the volunteer with important knowledge and cultural information on the destination country, helps minimize culture shock, and also prepares volunteers psychologically for tackling the job assigned.

Once the employee is in the destination country, job performance and objective achievements are monitored, and any help needed to meet objectives is also supplied. Another very important aspect is managing “coming home” and the employee's return to the workplace. The employee must be made aware that they have the full support of their coordinator, previous boss, and HR during this stage of the program.

A report is written on the level of achievement of the objectives set by the company, and every detail of the employee's return to his/her job is carefully planned out. Volunteer experiences open up new horizons of social usefulness for most people, and may change the comfort levels they had prior to the experience. Their motivation

gains in both quality and scope, and personal and professional aspirations are enhanced and enriched by the experience. More motivated and quality oriented personnel is clearly a positive for the company. What the future brings for the individual will depend on the opportunities arising and how they are seized.





Global CV contribution to business strategy

CHAPTER 3



Introduction

How to align business strategy and development

A growing number of experts from inside and outside the business world are emphasising the need for Corporate Social Responsibility to be more than just philanthropy. Philanthropy is essential for NGOs to function and for covering certain needs and inequalities. However, when the aim is for companies to become involved and to form part of the solution to major global problems, philanthropy can only play a part. If we are pursuing sustainability and a change in models that not only solves current situations of poverty but also finds ways to stop perpetuating such situations as well as a system that provides equilibrium, then the approach needs to be different: The approach needs to allow companies to meet their basic objective, which is doing business. In this sense, Global Corporate Volunteering (CV) has enormous potential as a tool for uniting and aligning businesses' strategic interests with companies' role in fighting poverty.

The essays

Verónica Scheubel recalls Kofi Annan's appeal in the year 2000 calling on companies to solve social problems by focusing on providing the key corporate skills that only they can. In her essay, **"Understanding permeable boundaries. Growing strategic, competency-based employee involvement,"** she provides her vision of company organisation, where the barriers between corporations and society are permeable, making companies' main task to focus on developing and increasing skill-based employee involvement following a clear corporate strategy. Global CV, which is very much based on professional skills, therefore appears as a strategic tool for developing the employee, the employer, and the market.

In respect of the market, based on the experience of the International Business Leaders Forum (IBLF) and on the Base of the Pyramid concept, the essay **"Global Corporate Volunteering as a tool for inclusive business development"** underlines the potential of Global CV as an effective tool for developing the strategy, putting into practice, and/or fostering the growth of inclusive businesses. These businesses, which involve finding a market with enormous growth potential, open a window of opportunity for enterprises at the same time as contributing to the fight against poverty by integrating Base of the Pyramid population in the creation of new business models. For the IBLF, Global CV would produce its maximum impact if aimed at developing inclusive business models and putting them into practice.

Case Study

The case study presented in this chapter illustrates the full potential and impact of the strategic role Global Corporate Volunteering can play.

The law firm **Allen & Overy** presents a Global CV initiative promoted by employees wherein the strategic business component is the key that drives it and makes it sustainable. Throughout the project, in addition to contributing to the planned development objectives, employees increased awareness, developed skills and the capacity to adapt to different working environments and rhythms, and formed and reinforced professional contacts, a fundamental aspect of business development for a leading international law firm such as Allen & Overy.

Finally, we present a compilation of 3 inspiring Global CV initiatives: Acciona, IBM and Carrefour, to show that learning exchange and collaboration between actors can make Global CV a tool for social innovation and a strong ally for the business strategy.





AMANDA BOWMAN AND CAMILO GUERRERO GONZÁLEZ | INTERNATIONAL BUSINESS LEADERS FORUM

Global corporate volunteering as a tool for inclusive business development

The **International Business Leaders Forum (IBLF)** is an independent, global not-for-profit organisation working with leading companies on the responsible business, leadership and growth agenda. IBLF believes there is a need to redefine growth to help build a sustainable world, and identifies critical emerging issues in order to create value through Smart, Inclusive and Responsible growth and to inspire business leaders to drive change throughout their organisations.

ABSTRACT

Corporate Volunteering (CV) is becoming an increasingly important element of corporations' employee engagement, and is progressively being recognised as a source for innovation, human resource development and cultural change within organisations. Going beyond this, companies have identified the potential of utilising these strategies to break into new markets and open doors to inclusive business, fostering the creation of increased value for society. This article explores how Global Corporate Volunteering can be used as a tool for inclusive business development, drawing on IBLF's experience and with reference to recent research and examples from companies working in this area.



IBLF believes that the greatest impact can be achieved when employee engagement is closely aligned with business objectives and leveraged into the mainstream efforts to develop and implement inclusive business models.

Linking business with poverty alleviation

Debate on the issue of business' role in promoting development and sustainability often gravitates around two main perspectives:

1. The first is aligned with corporate giving and philanthropy or "spending the money the company makes" with financial transfers from the private sector to communities and development institutions.¹
2. The second perspective is based on the notion of how the company is "making the money it spends", therefore advocating for businesses to do what they do best, working efficiently and maximising profit, but doing so responsibly.²

Following this second perspective, work toward sustainability is increasingly viewed as more than a formality, it is an authentic source of innovation and an opportunity for business development.³ This is exemplified by the concept of the Base of the Pyramid, which brings together corporate benefits and economic development by addressing underserved segments of the population.⁴

Work toward sustainability as a source of innovation and an opportunity for business development

IBLF is a partner in the Business Call to Action (BCTA), an organisation working on the promotion of inclusive business, defining inclusive business as:

"... sustainable business solutions that expand access to goods, services, and livelihood

opportunities for low-income communities. Inclusive Business models harness the core competencies of business to respond directly to the needs of poor consumers or to build productive beneficial linkages with poor producers. By focusing on commercial viability, these models have a demonstrated inherent capacity to be scaled to engage thousands, and increasingly millions, of people in low-income communities."⁵

In this context, it is believed that access to the market represents in itself an improvement to the lives of the disadvantaged.⁶ Their integration to the supply chain as suppliers or employees, can significantly improve their productivity and wellbeing.⁷ Also, companies may find new markets for experimentation and expansion, build reputation, and may be able to reap the benefits of first-mover advantage.⁸ However, the process of undertaking the development of inclusive business is not free of obstacles, as problems of governance, infrastructure, information and risk can be determinant.⁹ The "barriers" and how Global CV can be utilised to overcome such obstacles will be discussed later in this paper.

Inclusive Business

"sustainable business solutions that expand access to goods, services, and livelihood opportunities for low-income communities. Inclusive Business models harness the core competencies of business to respond directly to the needs of poor consumers or to build productive beneficial linkages with poor producers. By focusing on commercial viability, these models have a demonstrated inherent capacity to be scaled to engage thousands, and increasingly millions, of people in low-income communities"

Business Call to Action

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4 Ibid., p.59

5 Business Call to Action. (2011). "FAQs." Retrieved from: [http://www.businesscalltoaction.org/about/faqs-about-bcta/#What are Inclusive Business models?](http://www.businesscalltoaction.org/about/faqs-about-bcta/#What%20are%20Inclusive%20Business%20models)

6 UNDP. (2008). "Creating Value for All: Strategies for Doing Business With the Poor". New York: United Nations Development Programme, p. 2. Retrieved from: <http://www.undp.org/gimlaunch/docs/GIM%20Report%20Final%20August%202008.pdf>

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8 Ibid., p.4

9 Ibid., p.4



The added value of Global Corporate Volunteering

A new research report published by IAVE on the global state of CV shows that volunteering schemes have been wholeheartedly adopted by the corporate world, multiplying across countries and focus areas.¹⁰ New and more sophisticated strategies emphasise not only the attributes of what employees can do for communities, but also what volunteering can do for employees and the human capital of the company.¹¹ “Skills-based” volunteering is an increasingly popular approach, whereby the core competencies of companies and individuals are aligned to address specific projects for the solution of needs or requirements of social organisations or communities.¹² Surveys and impact evaluation studies have demonstrated the capacity of corporate volunteering to benefit employees, companies and communities. While employees gain in motivation, loyalty to the company and problem solving skills, the advantages for the company include greater development of their human resources and improved reputation.¹³ Furthermore, the host communities and organisations gain specialised knowledge and labour that allow them to improve the quality of their services and the effectiveness of their operations.

Global or International CV is one distinct form of corporate volunteering, characterised by the essence of placing employees in assignments outside of their home environment, usually developing countries, with the purpose of contributing their knowledge and skills in order to improve the conditions of communities or social organisations or solve specific challenges.¹⁴ These initiatives are commonly developed and managed by the Corporate Social Responsibility (CSR) or Human Resources teams, but increasingly companies are recognising their potential for contributing to other core business operations, for example, in the research and development or innovation processes.

For instance, CDC Development Solutions’ International Corporate Volunteerism Survey 2011 reported that in addition to its advantages for CSR and Human Resources areas, Global CV is used to improve business development competences, foster the capacity to innovate and contribute to economic and social well being in strategic emerging markets for the company.¹⁵ The survey showed strong growth in the number of companies running Global CV programmes from 6 companies and 280 employees in 2006 to 21 companies and nearly 2000 employees in 2011.¹⁶ The document summarises key success factors as: clarity of scope and goals, commitment of the executive level, performance of employees, and quality of NGO partnerships.¹⁷

Although companies are more than satisfied with the results that they are achieving through these programmes, IAVE also documents limitations to Global CV programmes, such as high costs associated with overseas travelling and subsistence.¹⁸ Taking all this into account, the potential for Global CV is great, as has been evidenced by the impact evaluation of one of the longest running programmes, the Pfizer Global Health Fellows, that cites advantages such as employee leadership development, learning about new potential markets and advancement of the MDGs as key results.¹⁹

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14 CDC Development Solutions. (2010). “International Corporate Volunteerism”. Retrieved from <http://www.cdcdevelopmentsolutions.org/corporate-volunteerism>

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16 Ibid.

17 Ibid.

18 Allen, K., Galiano, M. & Hayes, S., op. cit., p. 61

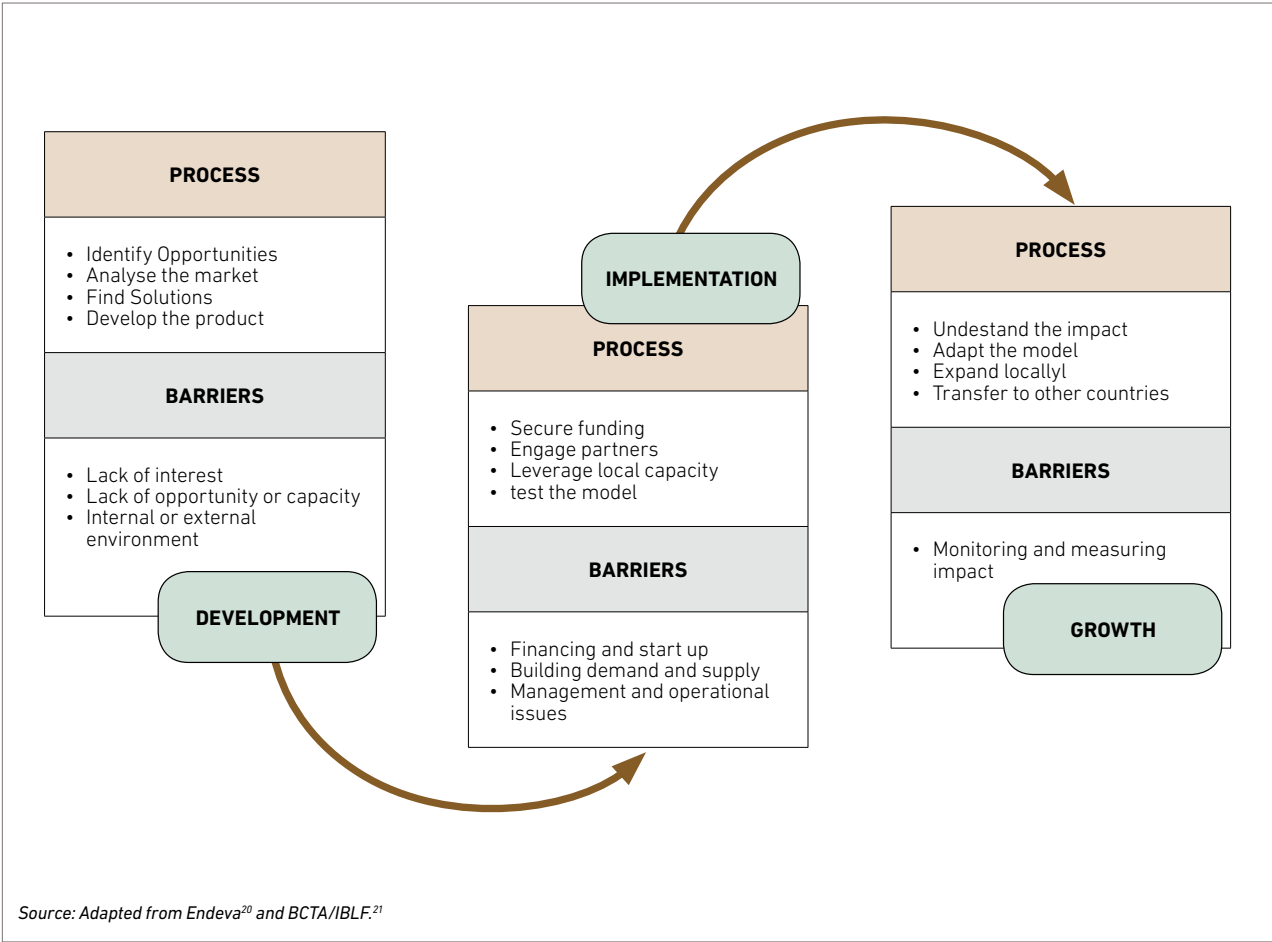
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Global CV as a tool for inclusive business development

A next step into integrating the advantages of Global CV with those of inclusive business models is to build a model from theoretical simplification.

A recent Report by Endeava presents a three-stage Inclusive Business Development Process for companies, which we combine with the features presented by IBLF in 2010 in a report written in collaboration with BCTA on overcoming the barriers of inclusive business growth.

LEVERAGING GLOBAL CORPORATE VOLUNTEERING AS A TOOL FOR INCLUSIVE BUSINESS DEVELOPMENT



Taking into account these two sources of input, the following table summarises the points of intersection between inclusive business models and Global CV, according to the three main development stages.

20 Gradl, C. & Knobloch, C. op. cit., p. 31

21 BCTA-IBLF. (2010). "Overcoming the Barriers to Inclusive Business Growth". London. Retrieved from: <http://www.businesscalltoaction.org/wp-content/uploads/2011/03/Overcoming-Barriers-to-Inclusive-Business-Workshop-Report-LR-1.10.2011.pdf>



ALIGNING Global CV WITH INCLUSIVE BUSINESS APPROACHES		
Inclusive Business Stage	Description	Global CV Alignment
1. Development	The first necessary steps for enabling and creating an inclusive business strategy; an understanding of the market, the needs and the development of solutions and products accordingly. ²² This stage can be hindered by the lack of capacity or willingness for a company to embark on the new project, as well as by the difficulties of the context, for instance, complicated governance systems in emerging markets.	Global CV can be employed as a tool for the identification of opportunities and the analysis of emerging markets by enabling the practical understanding of the day-to-day habits of the population, their needs and potential magnitude as a Bottom of the Pyramid market. Through immersion in the country's culture and spending time with its citizens, employees can better understand the specific habits and behaviours of communities that can help contribute to the production of more relevant commercialisation strategies and provide opportunities to overcome any governmental concerns. Moreover, because Global CV is regarded as a platform for innovation, it can help to catalyse the process of adaptation of existing technologies or core business skills to local markets.
2. Implementation	The steps that follow the design of the strategy and that determine its execution. Funding is required – and because they are often experimental and not-for-profit, inclusive projects may leverage private and public resources. The next step is building the capacity to implement the strategy, using external expertise to develop local capacity. ²³ At this point, initiatives may run into obstacles in securing funds, achieving managerial efficiency in developing contexts, as well as in finding their “niche” in the market.	Global CV models may be initiators for the leverage of public and private resources given their contribution to community development and potential as “ventures.” Furthermore, Global CV is a great way to establish and strengthen NGO and CSO partnerships, a feature that benefits the company in terms of building reputation and managing risk. Global CV is key to leveraging local capabilities, as the role of the volunteers is often that of providing training, mentoring, coaching or technical assistance to local producers or consumers. Lastly, leveraging Global CV in pilot initiatives allows for the detection of areas of improvement.
3. Growth	After the project has been implemented, learning from it, measuring the results and undertaking the improvements are necessary for continuation. When all this knowledge is assimilated, the company may decide to expand following a similar model or to adapt it to the characteristics of other territories. ²⁴ A barrier to this stage is often the capacity to enable monitoring mechanisms, or leaving this component of the project for the end.	Global CV as a continuous tool for cultural exchange and innovation can be the key to successful development, scaling and replication of inclusive business models in both North-South and South-South collaborations. Global CV can also be used to support the measurement and evaluation of inclusive business projects as well as internal and external communication strategies.

Source: IBLF (2012).

Although Global CV is clearly positioned by most companies as part of their overall CSR approach, IBLF believes that the greatest impact can be achieved when employee engagement is closely aligned with business objectives and leveraged into the mainstream efforts to develop and implement inclusive business models.

The following initiatives illustrate the value of aligning volunteering schemes with the expertise and knowledge of the company and demonstrate good practice through their potential for contributing to inclusive business development in each of the three stages described above.

²² See Gradl, C. & Knobloch, C. op. cit., p. 33

²³ Ibid., p. 47

²⁴ Ibid., p. 57

Global CV at the different stages of inclusive business

1. GLOBAL CV IN THE DEVELOPMENT STAGE OF INCLUSIVE BUSINESS

The following three Global CV initiatives are all achieving significant benefits for the company, employees and communities, but were not intentionally designed as inclusive business strategies. However, each of them exhibits potential for the identification of opportunities and needs in new markets.

Dow Corning Citizen Service Corps

Through this scheme, groups of employees volunteer on four-week projects in developing countries where the company is not yet operating, engaging projects that are in line with the company's business focus and sustainability approach. The initiative has been designed to serve the purposes of assisting social organisations and communities in improving their efficiency and the quality of their services while offering a space for employee leadership and skills development. Furthermore, the company has the opportunity to develop a better understanding of emergent markets, enabling a platform for innovation. The characteristics of the initiative, as a laboratory for new ideas, has permitted that former participants bring back insights that have been the basis for product, application and business development.

Sources: Dow Corning Corporation. (2011). "The Program: About the Dow Corning Citizen Service Corps Program." Retrieved from: <http://www.dowcorning.com/content/about/aboutcitizen/program.aspx>.

Additional information provided by Leslie Perry, Dow Corning.

GSK's PULSE Volunteer Partnership¹: Through this skills-based volunteering programme, employees compete to contribute their expertise and knowledge to strengthen the work of non-profit organisations in the home market and overseas. With a structure of three or six-month assignments focused in the areas of health, education and environment, PULSE has the aim of promoting sustainability, fostering culture and innovation and empowering human capital. To date, nearly 200 volunteers from different regions where GSK operates have been involved in projects with 58 organisations in 39 host countries. The impact of the initiative has been important for all involved. Local organisations improved their capacity to provide services and overall operational efficiency. Volunteers, on the other hand, developed leadership skills, and built their competencies to work innovatively and creatively. PULSE Volunteers have also been key in supporting the company's initiative of reinvesting 20% of their profits in less-developed countries back into the healthcare of these territories, by engaging in the management and capacity development of local development partners. Back at GSK, former volunteers have come together to form the PULSE Lab, a platform where ideas for sustainability and community initiatives, as well as ideas for mainstream business development are developed, are devised, and shared.

Sources: GlaxoSmithKline. (2011). "PULSE: What is PULSE?" Retrieved from: <http://www.gsk.com/community/pulse/index.htm>.

GlaxoSmithKline. (2011). "What is PULSE?" [Fact Sheet]. Retrieved from <http://www.gsk.com/community/downloads/PULSE-FactSheet.pdf>.

Interview with Manu Juneja, GlaxoSmithKline.

Pfizer's Global Health Fellows

Through this programme, Pfizer employees contribute their specialised knowledge and expertise in management and health to improve the work of development organisations addressing health and care issues in underprivileged populations. Over nearly eight years, more than 270 employees from all regions in more than 40 countries around the world have worked with nearly 40 development organisations on three to six-month assignments. The success of the initiative has been documented and development organisations have improved their services accordingly, while employees develop skills and innovative approaches for the company's impact on society.

Source: Pfizer. (2011). "Global Health Fellows" [Fact Sheet]. Retrieved from: http://www.pfizer.com/files/philanthropy/Global_Health_Fellows_factsheet.pdf.

2. GLOBAL CV IN THE IMPLEMENTATION OF INCLUSIVE BUSINESS

Carrefour's Comercio Solidario

This programme provided opportunities for Ecuadorian producers and social organisations to partner with Carrefour for the commercialization of agricultural products in Spain. Throughout this process, the development of quality standards, managerial and technical skills were identified as a fundamental obstacle to be overcome by farmers. It was in this area that Global CV played an important role. Through the volunteering programme of CODESPA Foundation "Professionals for Development", company employees spent their summer holidays sharing their knowledge and expertise with South American producers in order to improve their competitiveness. The initiative has resulted in economic independence for thousands of families and considerable sales of the agricultural products at Carrefour stores. Employees reported high levels of motivation and the programme helped to build the company's reputation. Carrefour also developed a new market niche: Ecuadorian immigrants in Spain who could access "nostalgic products" from their homeland.

Source: ICEP-CODESPA. (2008). "Business and Poverty: Innovative Strategies for Global CSR."

3. GLOBAL CV IN THE GROWTH PROCESS OF INCLUSIVE BUSINESS

The following initiatives focus on direct delivery of inclusive business or on the support of organisations working towards these strategies. Each of the examples below leverage Global CV into the inclusive business process rather than being stand-alone Global CV approaches. The potential for innovation, scale, adaptation and replication of these models show the benefits of cross-cultural exchange, enabled by Global CV.

¹ See Chapter 2 of Part II for additional information about the PULSE initiative: "Case Study: On the PULSE of change."



Accenture Development Partnerships

This programme provides consulting solutions to the international development sector. The partnerships involve client organisations, the company, and its employees, offering tangible advantages for each through more than 7 years of operation in nearly 65 developing countries. Employees from diverse Accenture locations are competitively selected for 3 to 12-month assignments and voluntarily agree to receive reduced salaries to participate in specific projects. They benefit by testing and honing their skills within the context and challenges of international development. To date, more than 90 organisations have benefited from highly-valued managerial and strategic improvement. Accenture offers its services at a marginal cost and has the opportunity to increase employee satisfaction and leadership skills. The initiative has been a platform for innovation and convergence, by facilitating cross-sector collaboration for the delivery of improved development solutions, services to communities, and inclusive business models.

Sources: Accenture. (2011). "About Accenture Development Partnerships" [Brochure]. Retrieved from: http://www.accenture.com/SiteCollectionDocuments/PDF/Accenture_About_Accenture_Development_Partnerships.pdf. Interview with Melissa Eisner, Accenture.

Anglo American Zimele

Working for more than 20 years on the creation and development of small and medium-sized sustainable and viable enterprises in South Africa, this initiative operates through four funds: The Supply Chain Fund focuses on offering opportunities to small entrepreneurs to be integrated into the company's procurement system; The Anglo American Khula Mining Fund supports emerging mining projects to overcome initial financial and managerial obstacles; The Communities Fund offers financial and technical support, as well as specialised facilities to developing enterprises; The Olwazini Fund focuses on the development of entrepreneurial skills for disadvantaged groups. Anglo American Zimele operates various mentoring schemes and promotes the voluntary contribution of

the company's employees to the initiative. The work on community development and inclusive business has had an important impact on poverty reduction through the creation of 737 enterprises and 14,684 jobs and has also been a source of innovation and progress for core business, for instance, through the development of efficient sourcing mechanisms.

Fuentes: Anglo American. (sin fecha). About Anglo American Zimele. Tomado de: <http://www.angloamerican.co.za/about-us/anglo-zimele/about-anglo-american-zimele.aspx>. Anglo American. (2011). Zimele: Developing Independence Through Enterprise [Folleto]. Entrevista con Lia Vangelatos, Anglo American

Coca-Cola's Micro Distribution Centers (MDCs)

Conceived as a solution to the challenges of distributing the company's products in East Africa due to the difficulties imposed by road infrastructure, MDCs offer an income-generating alternative for local entrepreneurs who acquire and manually distribute the company's products in their communities. Over 2,800 distributors today create jobs for over 13,000 people and produce revenue greater than \$550m. The network of distributors receives the assistance of Coca-Cola bottlers through training, mentoring and support in different areas of business management. The initiative has allowed the company to penetrate emergent markets in a more cost-effective way, while its inclusive nature has helped communities to increase their income and take a step further into escaping poverty.

Sources: The Coca-Cola Company. (2010). "Micro Distribution Centres." Retrieved from: <http://www.coca-cola.co.uk/community/micro-distribution-centres.html>. Business Call to Action. (n.d.). "The Coca-Cola Company: Enabling Jobs and Opportunities." Retrieved from: http://www.businesscalltoaction.org/wp-content/files_mf/cocacolacasestudyforweb43.pdf.

Viewed separately, both inclusive business models and Global CV are powerful strategies that companies can use to promote the development of their business and that of the communities where they operate. But combined, they add significant value to both approaches, with Global CV leveraging considerable support to inclusive business programmes at all stages of development, implementation, and growth.

There are many remarkable examples of how Global CV can support inclusive business and those featured here were selected to show how Global CV can support the different stages of the inclusive business development model. Motivation is key and it may vary for different

contexts. Some companies' trigger is a goal to encourage "service", while others are driven by the objectives of inclusive business development. While both perspectives can be greatly beneficial to society, we believe strongly that by bringing Global CV and inclusive business approaches together they can offer unique conditions for innovation, human capital development and deliver great value to all stakeholders. Global Corporate Volunteering, therefore, can be an effective tool for leveraging employees' skills, talents, energy and resources into an inclusive business development process.



VERONICA SCHEUBEL | SCHEUBEL DEVELOPMENT

Understanding Permeable Boundaries

Growing strategic, competency-based Employee Involvement

Veronica Scheubel is the founder of Scheubel Development, a consulting firm specializing in responsibility, sustainability and corporate community involvement. Trainer, facilitator and international speaker, Scheubel has worked in different cultures in almost 30 countries. She has a strong background in Corporate Social Responsibility and, before building her practice as a consultant, she was for many years Senior Corporate Responsibility Manager at Nokia.

As a consultant, she has worked for companies like for example E.ON, Daimler, or Skoda. In 2010 she published “Corporate Community Involvement: The Definitive Guide,” which was recommended by Cambridge University as one of the “Top Sustainability Books 2010.”

ABSTRACT

The following essay brings an analysis of why companies should put a larger focus on developing and growing competency-based Corporate Volunteering (CV), even regardless the fact that other types of CV provide larger-scale numbers of employee participation. Although only 20% of employees would be interested on competency-based CV, this 20% would generate 80% of the social impact that a company can achieve with all its CV actions.

Scheubel expresses the need to approach the current context in a different way, adopting open systems in which the company, as part of society, has permeable boundaries with all other social actors. Through these permeable boundaries, employees are in constant exchange with surrounding environment. Following this, skill-based CV is the logic and strategic way to involve employees.



VERONICA SCHEUBEL

There is great opportunity to have an integrated approach of running community involvement directly through involved employees contributing core competencies.

Original text: German

Employee volunteering for the quick numbers

Employee volunteering tends to be the part of community involvement¹ that companies find easiest to implement, together with basic philanthropy.² Often employees have already been active on their own, and their activities can be built on.

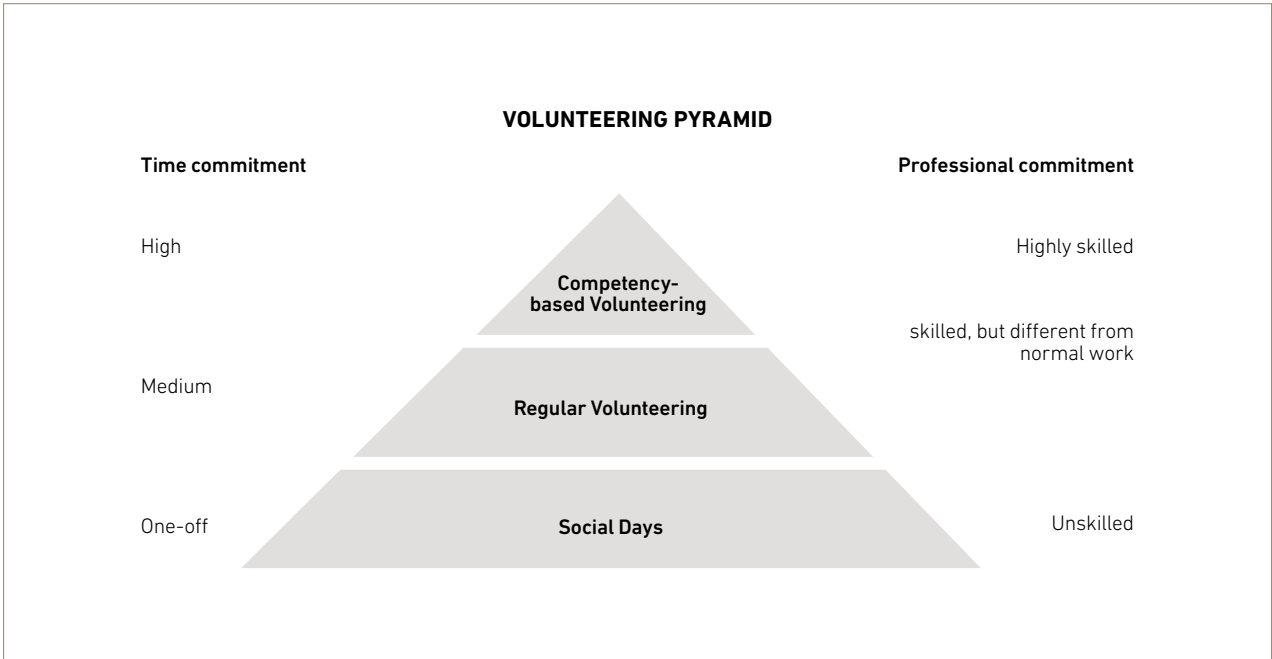
Just as often, the “usual suspects” in terms of volunteering partner organizations, e.g., Unicef, the Red Cross/Red Crescent, or Plan International, are at the ready to accommodate corporate volunteers. At the same time, volunteer centers are often smarting from sudden corporate requests for large scale “volunteer days” or “social days” – usually, the activities of such social days focus on cleaning up beaches, forests and parks, weeding at non-profit sites, or painting a school or an orphanage.

Most companies will want and need to run such “social days.” With the pressure to report large-scale numbers of involvement and of hours contributed, social days are the easiest way to achieve such numbers. Involving employees that way is fairly easy as well: A bit of an Internal

Communications information push through emails and posters; a commitment from Human Resources (HR) that employees get paid time off for that day of volunteering; food and transportation organized (not to forget insurance), and it’s “off you go” for hundreds or even thousands of employees, at one site or even at different locations around the globe. Employees tend to quite like the social days – for most of them, it feels good to spend a day in the company of colleagues they rarely get to interact with or to experience a different type of teambuilding, and to be physically active around some unskilled work that is entirely different from how they usually spend their days at their desks in the office.

STRATEGIC VOLUNTEERING: A MISSED OPPORTUNITY

Volunteering activities and strategic focus can be looked at like a pyramid. At the bottom are the social days. They take fairly little time and require fairly little professional competency from employees.



Source: Sheubel, Verónica (2012)

1 Community involvement is a concept that refers to those actions undertaken by companies to maximize the impact of their contributions (money, time, contacts, products, services, etc.) in the communities where they operate. Often, with the purpose of becoming a “predilect neighbour” in the community.

2 The donation of money to support socially beneficial causes – with no further attention paid to the impact the donations have, and with no (or little) reward to the donor.



One level up in that pyramid is volunteering that might need more time and more competency than just cleaning up parks and painting schools as “extra pairs of hands.” This type of volunteering might focus on activities such as mentoring a young person. Also service on NGO boards could be grouped in this bracket. At this level, employees need to volunteer time more regularly, e.g. for half a day per month. They also need to “stick with it” for some time. And they may have to undergo a check whether they are suited for this type of volunteering activity. Still, this type of volunteering may be different from what employees usually do in their work.

Yet another level up in the pyramid, there is competency-based volunteering. This type of volunteering is about extending the kind of expertise employees bring to their jobs on a day-to-day basis for the benefit of third-sector or public organizations. Not all employees will be thrilled to commit to this type of volunteering. As mentioned above, some might clearly prefer an unskilled activity – something that takes their minds off what they deal with every day at the office. Yet others may feel proud about contributing the competencies that brought them this far in their careers to the benefit of organizations that serve the public good.

Most companies will have about 80% of employees engage in short-term, unskilled volunteering activities and up to about 20% in more long-term, competency-based volunteering – the latter generating 80% of the impact

Most companies will continue to work with the pyramid approach out of a perceived necessity to both meet employee interest and to achieve scale worth reporting. Those companies will have about 80% of employees engage in short-term, unskilled volunteering activities and up to about 20% in more long-term, competency-based volunteering – the latter generating 80% of the impact. Companies will still hold their “little time, little competency required” social days to gain “critical mass” in terms of number of volunteers and number of hours. And they will have a few smaller, “flagship” volunteering activities – 20 or 30 employees contributing their core competencies so the company can “harvest” meaningful human interest

stories needed to accompany the more impressive figures in the Corporate Responsibility Report originating from the social days.

Community involvement and employee involvement: Ending the separation

The task for companies is to clearly put a larger focus on developing and growing competency-based employee involvement in the community, and to follow a clear business strategy by doing so.

Doing this would follow Kofi Annan’s 2000 call on companies to give up random community involvement activities unrelated to core business and focus instead on contributing corporate core competencies to solving pressing societal problems in a way only companies can. As of 2000, companies heeded that call where community involvement programs were concerned – yet left employee volunteering out of the equation. There is still a tendency in many companies to keep community involvement and employee involvement programmes apart – the argument needs to be made to bring the two together.

The split stems from an outdated organizational view – on the one side is “the company,”³ on the other side are the employees. Skilled community involvement has been undertaken by “the company,” for example, a small, assigned team of two or three people in the communications or marketing department; unskilled employee volunteering has been done by “all the other” employees. From an organizational theory point of view nowadays, the employees are the company. When taking such a deconstructed view, it makes sense to look at distributed community involvement, which means that it is not taken care of by one potentially marginalized function, but sourced from multiple functions throughout the

The task for companies is to clearly put a larger focus on developing and growing competency-based employee involvement in the community, and to follow a clear business strategy by doing so

³ This assumes the company is a ‘thing,’ a ‘machine,’ a view often still based on Frederick Taylor’s (1856 – 1915) now outdated view of ‘scientific management.’

company. In this view, the community involvement manager no longer needs to be “the expert” – and transitions into the role of the engagement facilitator.

Looking at context differently is what is required in our world today. Another important question to ask is: Where does the company end? If we take an open systems view, that a company is a part of society and has permeable boundaries, then employees making up the company are also in a constant interdependent exchange with surrounding society. As responsible adults, they are capable of extending their work, management and leadership skills into that very society for its benefit. Competency-based employee involvement is professionalized involvement – work-based competencies are repurposed.

At this point the question arises whether in this process of evolution, strategic, competency-based involvement of employees in community-focused programs should still be called “employee volunteering?” Bea Boccalandro writes about “the end of volunteering.”⁴ She argues that we need an exclusive focus on strategic volunteering as a necessary step to substantive employee engagement in the community that really makes sense, makes a difference, and has impact. Accordingly, should the language be changed to something like “part-time/temporary secondment of employees towards community involvement?”

4 Bea Boccalandro, “The End of Employee Volunteering: A Necessary Step to Substantive Employee Engagement in the Community,” 2010. See in Part III of this book the adapted essay of Boccalandro “A productive end to corporate volunteering”. <http://www.cccdeutschland.org/sites/default/files/CCCDebatte%2007%20engl%20final2.pdf>



Practical Examples

THE BOSTON CONSULTING GROUP

At **Boston Consulting Group** (BCG), the company's founder Bruce D. Henderson had already decided in 1963 that the contribution of corporate core competencies would be a bigger lever for societal change than mere philanthropy. BCG developed this concept further over the years to a sophisticated internal social impact practice network. Working with NGOs, BCG employees do not just get seconded for assignments for a few weeks and then disappear again. For BCG, these nonprofits are clients – just like paying companies. A project leader might “manage” such a client for years. Individual consultants then get assigned for secondments that last anywhere between two and seven months. According to BCG, their social impact approach plays no small role in winning recognition and attracting talent for recruitment. The Big Five consulting companies⁵ now all have similar programmes, sending hot-shot MBA trainees on pro bono secondments with NGOs in the so-called emerging markets – both to contribute their skills to local NGOs, and to develop their own engagement and leadership skills on the ground under very different conditions.

E.ON

Employees at **E.ON** championed saving energy and waste at all corporate sites, encouraging colleagues to be more environmentally responsible in the workplace through changing their day-to-day behavior. The E.ON Environmental Champions increased their competencies as internal consultants so much that they were able to extend their services into communities, e.g. consulting with schools on energy audits and reducing their energy consumption. The schools benefited through cost saving and a sustainable approach for the future. Teachers and students benefited through environmental learning. Employees benefited from the personal satisfaction of having had real, measurable impact both in their own company and in the community. They increased their engagement and consulting skills. They had proud stories to tell, and through their stories motivated more of their colleagues to participate.

TNT AND DHL

At Netherlands-based logistics company **TNT**, employees can take a three-month leave of absence to contribute their time and competencies to NGOs in countries the company's “Moving the World” initiative in collaboration with the World Food Programme supports. Over the years, TNT's commitment has motivated a whole industry to follow suit with this type of engagement. **Deutsche Post DHL**, for example, partners with UNOCHA⁶ for disaster relief. Fully-trained and prepared employees get assigned to airports in disaster areas within 72 hours, and for up to three weeks. They secure arrival of aid staff, goods and equipment, and distribution of the latter two. In the case of Haiti, employees were on the ground within 36 hours. DHL's volunteer Disaster Response Team now has 300 logistics experts on standby. The logistics companies find that their strategic community and employee involvement is good marketing: Whenever a catastrophe happens, they are “already there.” Their programmes give them visibility as outstanding logistics companies, and that visibility directly impacts their profitability, adding bottom-line business value.

At the same time the NGOs that hosted all of these volunteers report having gained useful institutional knowledge in areas like strategy development, operations management, marketing and communications, IT and accounting. Learning and development departments at the companies report on employees having deepened not only their leadership skills, but also their motivation and identification with the company.

Informed stakeholders perceive all of these companies as understanding permeable sectoral boundaries, and as meaningfully and impactfully contributing corporate and employee core competencies.

5 Accenture, Deloitte & Touche, Ernst & Young, KPMG, PriceWaterhouse-Coopers

6 UNOCHA: United Nations Office for the Coordination of Humanitarian Affairs

Conclusion

At the bottom line, there may always be some critical voices that complain about companies and their employees “meddling” with what should be the work of governments and/or NGOs. At the same time, the social and environmental problems of our time are so pressing that all minds are needed to make a co-created difference.

In an increasingly complex and interconnected world, permeable boundaries are the new reality and are what we need to work with. This is the realm where a new approach to employee involvement needs to meet corporate values, corporate culture, and business strategy

Of course, for some it may feel uncomfortable to conceptualize such a complexity of roles. It may feel easier to neatly divide one’s inner world. However, in an increasingly complex and interconnected world, permeable boundaries are the new reality and are what we need to work with. This is the realm where a new approach to employee involvement needs to meet corporate values, corporate culture, and business strategy. For many companies, taking such an integrated view means entering new territory and changing internal paradigms. Yet enlightened companies taking this approach have successfully applied an integrated view of permeable boundaries into all aspects of how they develop strategy, reach out to and engage stakeholders, and grow their business.

Corporate employees should be asked to contribute what only they can contribute, to achieve real impact and strengthen communities around the world. Implemented well, competency-based employee involvement (both local volunteering and global corporate volunteering)⁷ really is a strategic tool – as an HR instrument for management and leadership development; as an effective approach to corporate stakeholder engagement both internally and externally; as an opportunity for business development, potentially even opening new markets, and as an integrated tool for impactful societal development.

As the examples show, there is great opportunity to have an integrated approach of running community involvement directly through involved employees contributing core competencies. In general, a more open and participatory view of the possibilities of employee contribution would be advisable. Yet the next level of integration is about understanding the permeable boundaries between sectors, and between the company and society at large.

⁷ Editor’s note



CASES



CASE STUDY | ALLEN AND OVERY

Allen&Overy and Project Rwanda

Reconstruction support by aligning business experience and strategy

Paul Crook, global head of corporate know-how and training at the law firm Allen and Overy (A&O), had just finished a meeting in his office in central Bishop Square. It was an autumn morning in 2009 and even though it was cold, it was a fairly bright day for London.

His meeting was with Dan Roberts and Pallavi Sekhri, two young lawyers who had spoken to him enthusiastically about a possible project in Rwanda. A few months earlier, Sekhri and Roberts had volunteered on a project of a political party that performed international development cooperation actions whilst seeking to create knowledge of international development amongst its members. As part of that project, Sekhri and Roberts had the chance to visit Rwanda and get to know the country's current situation and needs. When they got back, both had no doubt that they wanted to help in any way possible. As law professionals, a good opportunity was to do so by tackling the country's legal requirements.

Interest in collaborating in Rwanda was not new for A&O professionals. David Mackie QC – former head of the litigation department, founder of the pro bono programme, and one of the more senior partners of A&O until 2004 when he left to become a judge – went to the country in 2008. First, on a personal visit and later, as part of a project of the British NGO “International Lawyers Project” (now the ISLP-UK)¹, which was carrying out a series of studies on Africa's different legal systems. Mackie led a group of senior lawyers that met with key social players and figures from the Rwanda legal sector with the aim of identifying needs in the legal system.

During the project, the team identified a series of areas in which the legal profession could play a part in improving the legal infrastructure. Bearing in mind the funding difficulties, Mackie approached A&O seeking support. With the help of junior lawyers from the litigation division, Mackie began a small collaboration project based on the personal relationship he had developed with the Deputy Chief Justice of Rwanda.

Sekhri and Roberts knew Crook's passion for the African continent. They knew that he was part of the executive committee at the organization “International Lawyers for Africa”² and presumed that this idea would appeal to Crook on both a personal and professional level.

And this was the case. Crook listened to Sekhri and Roberts and immediately agreed to take part. He was interested in the idea that Sekhri and Roberts had proposed to him and he loved the interest and enthusiasm emanating from the two brilliant, young lawyers. The office's philosophy was for the lawyers to have initiative, to develop ways of creative thinking, seeking solutions to critical problems. Crook, as global head of training and know-how, was the first to encourage and value that line of thought. The initiative that Roberts and Sekhri presented to him was a sign of the passion and intellectual development that A&O considered vital for excelling in the competitive world of international law.

In that first meeting, Crook, Sekhri and Roberts agreed that they should exactly define the ideas and prepare a well-structured and reasoned project proposal. They had to prepare budgets and determine the necessary

1 ISLP-UK, <http://www.islp.org/>

2 International Lawyers for Africa, www.ilfa.org.uk

resources; but, above all, they had to clearly answer one question: How could their professional skills effectively support Rwanda's government in strengthening the local legal infrastructure? Bearing in mind the nature of the need and exactly how ambitious its aim was, the project should be developed over a medium-term timeframe. Crook knew that for the project to come to completion, although it was important to have the objectives and the course of action crystal clear, this alone was not enough. The other question that had to be tackled was how to involve the Corporate Social Responsibility (CSR) department and how to guarantee the firm's support throughout the years necessary for the work to be carried out.

Allen & Overy: The law firm

With its head office in the UK, Allen & Overy LLP is one of the main international law firms of the world. Since its establishment in London in 1930, A&O has grown to its current size of over 4,776 professionals, including 398 partners spread throughout Europe, the Middle East, the Asian Pacific, the United States and Latin America.

If there is something that sums up A&O's working philosophy it is its belief that extraordinary things happen when the best minds work together. Based on this premise, the firm has created a culture of collaboration where it encourages and expects an innovative and independent line of thought from its lawyers. The ability to see changing trends and quickly adapt to change has underlined its growth.

The law firm, which is known for its discretion and seriousness, has tried in recent years to emphasize its style of advanced thinking and its innovative and original approach when working to tackle the challenges encountered by its clients. Its worldwide Senior Partner David Morley used to say, "All of us, not just lawyers need to be constantly challenged and ask ourselves: can we be more advanced in the work we do and how we do it?"

BUSINESS STRATEGY AND INTERNATIONAL EXPANSION

A&O was one of the UK's first law firms to set up international offices, opening its first office in Dubai in January 1978. Over a period of 80 years, A&O has gone from being a London-based law firm to a truly global firm, with 39 offices in 27 countries. In recent years, the revenue from its work outside the UK has been 60% of its total turnover.

In the course of its history, the firm has combined moments of stable growth with periods of more aggressive

international expansion. At the end of the 90s, unlike its main UK competitors, its strategy did not include large acquisitions. Instead, the firm mainly carried out its internationalization through organic growth and international contracts.

In the last 15 years, A&O has opened offices in all major international financial centres, expanding towards new emerging markets and merging with leading firms from the European continent. The law firm has opened 12 new offices in just the years going back to 2008, and in 2009, A&O won the Global Law Firm of the Year award from Project Finance International (PFI) Magazine.

In September 2011, the law firm announced its first office on the African continent, in Morocco. With its new office in Casablanca, A&O became the first Magic Circle law firm to officially set up offices in Africa. To do this, the firm recruited partners from the prestigious French law firm, Gide Loyrette Nouel, and from the local law firm partner Gide, Naciri & Associés. In recent months, Clifford Chance and Norton Rose, another two heavyweights in the UK legal market, have also announced their plans to set up offices in Casablanca.

With one of the most widespread networks of coverage among main international law firms, on its 80th anniversary, Morley commented on what the future may hold for the firm: "When you plan a long-term strategy you have to take a position on globalisation - you can't sit on the fence." In an economically integrated world, where previously isolated economies are increasingly integrated, A&O is seeking to "continue developing its global influence."

EVOLUTION AND INNOVATION IN THE LEGAL MARKET

In the midst of crisis, great competitiveness and also considerable international expansion, A&O feels that restructuring the organization is the only way of guaranteeing a global influence and maintaining a competitive position. Wim Dejonghe, worldwide managing partner, commented that "The reality is that the way global legal services are being delivered is changing. We have to meet that challenge and proactively offer increased efficiencies and alternative resourcing to our clients, but with the reassurance and quality they have come to expect from A&O." And he continued: "ultimately, we are doing what our clients do: evolving to give a new form to our business and the way we offer our services."

With this purpose in mind, the Business Improvement Unit was created in 2010, aimed at increasing the firm's global efficiency. The unit aims for the improvement process to go beyond financial resources and changes in



administrative procedures and seeks to deliver creativity-based efficiency.

Currently, A&O uses a large variety of alternative resource options in response to its clients' requirements. Among these are the outsourcing of some legal procedures, the international management of certain work in its global network and the use of virtual or remote employees. All of these are examples of integral pieces in the firm's constant search for innovation, adaptation and efficiency.

RESULTS AND COMPETITIVE ENVIRONMENT

As part of the UK's so-called Magic Circle, A&O is – together with Clifford Chance – one of the two main legal advisors in financial matters. Said firms share this exclusive Circle with Freshfields Bruckhaus Deringer, Linklaters, and Slaughter and May – all firms in the top tier of commercial law.

Keeping in mind its client base with strong financial profiles, A&O faced troubled times when the global recession and banking crisis began at the end of 2008. The strong impact of that crisis was present when, in February 2009, the legal firm announced the most radical restructuring in the history of an international firm of this type, which finally led to the loss of around 450 jobs, approximately 10% of the global workforce (See more information on workforce evolution in Annex 1).

However, despite facing markets overflowing with challenges, A&O emerged as one of the strongest players of the UK law firms, with revenue reaching 7% and achieving 1.25bn in 2009.

In 2010, A&O held seventh place in the ranking of the ten largest global law firms by revenue.

10 LARGEST GLOBAL LAW FIRMS ACCORDING TO REVENUE, 2010			
Ranking	Firm	Revenue	Head office
1	Baker & McKenzie	\$2,104,000,000	United States
2	Skadden, Arps, Slate, Meagher & Flom	\$2,100,000,000	United States
3	Clifford Chance	\$1,874,500,000	UK
4	Linklaters	\$1,852,500,000	UK
5	Latham & Watkins	\$1,821,000,000	United States
6	Freshfields Bruckhaus Deringer	\$1,787,000,000	UK
7	Allen & Overy	\$1,644,500,000	UK
8	Jones Day	\$1,520,000,000	United States
9	Kirkland & Ellis	\$1,428,000,000	United States
10	Sidley Austin	\$1,357,000,000	United States
Source: <i>The Global 100 2010: The World's Highest Grossing Law Firms. American Lawyer. Com.</i>			

During the 2010-2011 period, A&O earned a profit margin of 38%, behind the 43% of Linklaters and ahead of Clifford Chance's 31%. At the end of the last financial year, in April 2011, A&O reported a turnover of 1.26 billion, 7% more than that recorded the previous financial year. This growth was boosted by the global work carried out in the financial and litigation divisions (See more information about the financial statements in Annex 2).

When discussing his vision for the future and the most significant challenges that A&O would face in the coming years, Morley highlighted the increasing level of competition, mentioning aspects regarding price pressure, the search for talent and the emergence of new, non-traditional competitors. In Morley's opinion, the world is changing and, "a changing world creates many opportunities for those who know how to see them and are prepared to change and adapt. Change is something which should not be feared, it is, in fact, stimulating and encourages innovation."

Justice: Allen & Overy's Corporate Responsibility approach

As a law firm, A&O is a company interested in fairness. On the other hand, bearing in mind its international profile, A&O's Corporate Responsibility (CR) strategy is global and multi-jurisdictional. Therefore, "justice around the world" is the theme adopted to express its commitment to behaving responsibly.

A&O's CR lines focus on its commitment to people, the community where they work and to the environment, as well as good practices in the market with which they interact.

PRO BONO AND COMMUNITY DIVISION

In 1998, the Pro bono and Community affairs programme was established in A&O's London office to conduct and organize the office's social commitment strategies. The international office staff were surveyed on their interests in volunteer actions in order to respond to and involve the employees. Based on the results of this survey, two main core themes were determined to focus the Pro bono and Community affairs programme: Access to Justice and Access to Education. In the firm's different offices, partners and specific contacts were appointed to coordinate the volunteer work - development of their own projects was encouraged around these cores.

Several years later, in 2006, the focus and work of the Pro bono and Community affairs programme was revised, and a new general policy was then approved which served as a guide and expressed the office's core values. In 2009, the role of Head of Social Investment was created to take on the global responsibility of A&O's CR, including ongoing development of the Pro Bono and Community Affairs programme.

In 2010, the Pro Bono and Community Affairs programme conducted 60,000 hours of pro bono and volunteer work around the most important areas for A&O in its business:

- Global firm, global responses
- Access to justice
- Access to education and employment
- Helping our local communities
- Charitable giving (local and international)

More than ten years after fixing "access to justice and education" as core areas of pro bono work, other areas have been incorporated in the Pro Bono and Community Affairs programme. However, access to justice and access to education continue to take centre stage in the activities carried out.

In 2011, the Pro Bono and Community Affairs team had 7 people working exclusively on different aspects of this division, including a person specialized in international projects. That year, most international offices had local programmes whilst working together on an extensive number of multi-jurisdictional projects - all in the office's search to geographically and culturally combine the force of their CR work.

Rwanda, a country in the midst of legal rebuilding

Rwanda is a small country found in Africa's Great Lake region, boasting the highest population density in Sub-Saharan Africa. This high demographic density - together with the dependence on subsistence farming, the decrease in soil fertility and the uncertain climate - helps contribute to endemic poverty in the country. The indigenous population is formed by three groups: Bahutu, Batutsi, and Batwa, and the population is additionally associated to one of the 18 existing clans - all, in turn, composed of more than one of the three groups. The arrival of the different population groups to the area hundreds of years ago was politicized to a great extent throughout the 20th century and the racial association and classification of these groups was used by Rwanda's government to



stoke the genocide which took place in 1994 and for which the country is internationally known.

Between 6 April and the start of July 1994, an unprecedented genocide wiped out around 800,000 moderate Tutsis and Hutus, murdered by organized groups of militia. Average citizens were incited and called on by local officials to murder neighbours, friends and even relatives through messages on governmental radio stations. The country was decimated. Almost 1 million people were murdered, a further 2 million fled the country and yet another million became internal refugees.

The government is presently facing great challenges in terms of preserving internal and regional security, the ongoing push for democratization and legal reform, and encouraging the country's development in the medium and long-term. Until 1994, Rwandans had very limited educational opportunities. Although significant limitations continue to exist nowadays, the system has considerably improved and there are now over 44,000 university graduates and, in line with 2003 estimates, over 70% of the population knows how to read and write.

The transition in 2008 to English as the language to be used for education in schools is a difficult challenge. It does, however, offer great prospects with a view to improving opportunities within East Africa and with the international community.

Since 1996, Rwanda has undergone a stable economic recovery, thanks to governmental reforms and external aid. Since 2002, the GDP growth rate has moved between 3% and 11% per year, with inflation between 2% and 9%. Just as with the rest of the world, the global economic crisis has affected Rwanda. However, although exports went down as a whole between 2008 and 2009, as well as remittances and transfers from NGOs, the farming sector showed strong behaviour and took Rwanda to a GDP growth of 4% - considerably above the annual average of sub-Saharan Africa. In the World Bank's "Ease of Doing Business"³ report, in September 2009 Rwanda climbed from number 143 to 67, and in the 2010 report the country further improved to number 58.

Despite this, Rwanda has a long way to go. A key factor in this is the improvement of private investment and exports. Private investments remain below expectations despite a free trade policy, a favourable investment climate, a large and cheap workforce, tax incentives for

companies, stable internal security and comparatively low rates of crime. Rebuilding and strengthening the legal system are greatly needed to boost both private investment and exports, as is achieving acceptable levels of legal security, essentially in commercial law.

THE LEGAL CHALLENGE

After the genocide, the country was left with just eight lawyers, its courts were destroyed or abandoned, and the rule of law was all but extinguished.

In 2011, there were already more than 600 lawyers and, although there are still very significant gaps in the legal infrastructure, a huge amount of effort and progress is being made in terms of criminal law and human rights. However, the commercial law sector, so vital for Rwanda's hopes of attracting foreign investment, essential to continue with the country's economic recovery, has not received such great attention. The country has started an ambitious programme to undergo a transition from a mixed system of civil law to one of Anglo-Saxon inspired Common Law, vital for international integration and for adapting to the reality of globalization and regional integration. But there is a lot of work still to do.

It was precisely in this area that A&O could make a contribution by providing its experience and legal expertise. Also, considering that the transition to English as a legal language from a French-speaking system was taking place under the civil code, A&O had the added benefit of having lawyers capable of working in both languages.

Helping to rebuild Rwanda: A project and a challenge

A few weeks after their first meeting, Sekhri and Roberts presented Crook with a draft of the project proposal. It was prepared based on the needs identified and explored by Mackie in his different interventions in Rwanda - and by Sekhri and Roberts during their trip - as well as in the areas of interest stated by the Deputy Chief Justice, Professor Sam Rugege, during his visit to the A&O head office in London.

To go ahead with the project, they had to present it to the CR department and get it to be chosen from among the projects that funds would be allocated to.

Crook knew that if they wanted the sustainable and lasting support of the CR department, the project would have to stand out from the rest. They needed to give it added value beyond the social value of the project in itself. They needed a business case. It was important for it

3 In the "Ease of Doing Business" report, economies are ranked on their ease of doing business from 1 - 183. A high ranking on the Ease of Doing Business Index means the regulatory environment is more conducive to the starting and operation of a local firm. This index takes an average of the country's percentile rankings in 10 areas, made up of a variety of indicators, giving equal weight to each topic. <http://www.doingbusiness.org/rankings>.

to not merely be an excellent project, but also for it to complement the firm's commercial work. For this aspect, they had a very interesting component: due to the project's characteristics, contacts would be established and they would work with the key stakeholders in the country's legal system. This would allow them to build a network of contacts and develop relationships of trust. In this regard, Crook said that "knowing lawyers in the different countries is vital for our work. It is important to have this type of close and direct working relationship and the project in Rwanda complements this."

In 2011, faced with the pressure of the new market model of international law firms, those that wanted to stand out looked toward the emerging markets with more interest than ever before. In this sense, the expansion in Africa played a key role in A&O's strategy. Rwanda was a country with ambitious economic development projects and with potential, but also with a considerable amount of work still to do.

At the end of 2009, Crook, Sekhri and Roberts presented their proposal to the CR department. The general objective was to support the government of Rwanda in strengthening a legal infrastructure which, after being destroyed during the 1994 atrocities, looked to grow and mature. The project proposed an action of approximately 5 years' time, throughout which A&O would collaborate with the government and other institutions in Rwanda's legal system in the transition process of the current civil system toward a common law system, focusing on the training of lawyers and judges within the area of international commercial law. A training programme would be executed, concentrating on issues of preparing governmental and investment contracts, arbitration, financial law and corporate law. Planning of both the training and the preparation of the training materials was an important and significant part of the work and, therefore, having Crook on board was an incredible advantage, since that is what Crook's daily work involved in A&O's offices worldwide.

A&O would fund the project, covering all training preparation and implementation costs (volunteer traveling expenses, stays in Rwanda during the training sessions, training materials, etc.) and helping employees to participate in the project during working hours. It was calculated that the project would require a budget of approximately £1,000,000 (close to 1,146,000).

The intervention in Rwanda would involve contributing to two of the Millennium Development Goals (MDG). Mainly, developing a global partnership for development (Goal 8), by working to create an open commercial system that is both predictable and non-discriminatory. Likewise, contributing to eradicating extreme poverty and

hunger (Goal 1), by contributing to improve the country's development, professional skills, the labour environment and, hence, living conditions.

On the path to this support, the participating lawyers from A&O would have the chance to establish contacts and develop bonds with agents and institutions from Rwanda's judicial and legal system. They would also get to know the characteristics of working in the country and develop skills of adaptation and working in different environments and cultures.

ALLIANCES, COLLABORATION AND SUPPORT AS A VITAL ELEMENT FOR EFFECTIVE WORK

At the start of 2010, a few months after the proposal presentation, Chris Marshall took up the task of leading the Pro Bono and Community Affairs programme globally. The different projects and actions the programme would support during that year lay on his desk. Among them, the project presented by Crook, Sekhri, and Roberts.

Marshall had extensive experience in managing, designing and implementing programmes of free legal advice and community support, as well as in legal issues regarding access to justice, investment and international trade, microfinance, social and economic law, and international development.

Marshall saw the potential of Project Rwanda right from the very moment he became aware of it, and when he met Crook he became convinced that the project would be a success. Crook, on the other hand, knew how valuable Marshall's support would be – not just because of the financial backing this would mean, but also because of the experience in management and implementation he would be able to provide. Over the next few months, Marshall and Crook would organize themselves to work together, each providing their knowledge and experience. While Crook and his team concentrated more on preparing the courses and the communication and coordination side with partners within the legal area, from the Pro Bono and Community affairs programme, Marshall basically worked on relationship-building with other international agents also working in the country to let others know about the programme and guarantee that all parties' work was complementary and relevant.

Given his experience, Marshall knew the difficulties of carrying out a project at a distance; especially when, in addition to the considerable geographic divide, there were also cultural differences and communication systems were not next-generation. They ran the risk of losing their focus, the work not being relevant and in line with the country's situation and requirements, or not always



having in mind and respecting local peculiarities and customs. Working with the government on issues related to the legal system had potential for enormous positive impact, but also ran the risk of an incredibly negative impact should errors be made.

With this in mind, it was essential to guarantee the project's success by having a partner they could trust on the ground.

Crook, Sekhri and Roberts held conversations with different institutions and identified three key agents: the Kigali Bar Association, the Deputy Chief Justice and the Institute for Legal Practice and Development. The Institute for Legal Practice and Development, as the governmental organization in charge of the legal training of lawyers and the umbrella institution for legal training in Rwanda, would also become an ally and key collaborator in all aspects of the process.

ESSENTIAL ASSET OF THE PROJECT: ATTRACTING TALENT

Drawing information from his professional and personal experience, Crook had no doubt that to do a good job he needed a good team. Staff was A&O's most important asset and, for this very reason, it was also the most important asset in the project.

From the CR standpoint, in addition to contributing to Rwanda's development, for Marshall it was important that the project involve people in the London offices, making them think about the situation in Rwanda and about concepts regarding development cooperation. It was important to include as many people as possible – at all levels and from all areas – in the project.

A&O had an extensive Pro Bono and Community affairs programme, regarded as an important part of the identity and values on which the firm based its business. From its privileged position in the law firm milieu, with international scope and local roots, A&O recognized its vital position for producing a positive impact in the communities where its lawyers worked and lived. "We are seeking innovative opportunities for making the best use of the skills, resources, time and energy we have to share with those who will get most benefit from it," said Marshall. He also acknowledged that performing work on a pro bono and community basis gave staff an incredibly valuable opportunity for personal and professional development.

With this approach, and with the personal impetus of the main partner, David Morley, not just lawyers but the entire staff were encouraged to take part in the project. Within this framework, the staff were informed of Project

Rwanda and those people who were interested were encouraged to contact Crook or Marshall. In addition to the volunteers that travelled to carry out the training, a support team was needed to work from London. A basic requirement, especially in the team travelling to Rwanda, was a command of the French language.

It was essential to choose the best lawyers available. "Not just because we wanted the best professionals, but because we knew that having lawyers with experience in the issues that would be dealt with was important if we wanted to be efficient. We must recognize that there is a considerable investment of time on our part and it was important to reduce preparation times to a minimum," stated Crook.

In addition to how attractive the initiative was, the charisma of Crook and his team, and Marshall's work, two circumstances helped awaken the interest and motivation of the London office regarding the project:

In October 2009, the Deputy Chief Justice, Professor Sam Rugege, visited A&O's London offices. In the meeting with a group of lawyers interested in participating in Project Rwanda, Prof. Rugege gave detailed information on the progress Rwanda had made in legal and institutional reform and the ambitious vision for social and economic development, encouraging and motivating other lawyers to strive towards achieving this vision. He also highlighted the challenges and priority areas where legal experience would be necessary and how the legal profession had a lot to contribute.

Furthermore, Marshall said, "we were sufficiently lucky to have the First Secretary of the High Commission of Rwanda – also involved in the project – visit our office."

Before choosing the working team, Project Rwanda already had 65 volunteers who were willing to take part.

ENCOURAGING REBUILDING FROM TRAINING AND IMPROVING LEGAL PRACTICE

In May, a 10-person team, led by Paul Crook and which included Sekhri, Roberts and Marshall, travelled to Kigali to run intensive training courses (see course programme in Annex 3). The team was made up of lawyers with different types of experience, including two trainees. Crook was the most senior member of the team.

Crook and Sekhri recall standing in the Memorial Garden in Kigali. Looking out across the rolling landscape of Rwanda – "the land of a thousand hills" – they were suddenly brought up short by their guide telling them that 250,000 genocide victims lay buried beneath their feet. "You cannot visit Rwanda," says litigation associate Sekhri, "without being deeply affected by how

bravely its people confront the past.” And yet there is an overwhelming desire to look forward. “They are not bound by a sense of vengeance. Instead, they are thoughtful and pragmatic, concentrating on building something great for the future.”

When A&O’s team reached Kigali, it encountered an unexpected situation: the course materials were not ready. Crook, from his extensive experience as global head of A&O training admitted that, although it was not something surprising, it did take them by surprise: “I am constantly travelling because of my work. If I am going to do training in Singapore, I send the materials, take the plane and when I get there everything is ready.” In the same way, he had sent the materials in electronic format from London so that they would be printed and organized in Kigali. However, when the team arrived they found that the Institute for Legal Practice and Development offices did not have the sufficient human resources or technical equipment to do this. In fact, their printers were not powerful enough and the staff did not know how to organize the materials. As a result, the documentation remained unprepared a mere two days before the sessions began.

Work, therefore, began before due time, as they sought out how to print, organize and have the documents ready for first thing the next day when the first sessions of the courses would take place.

In the opening ceremony of the training programme, Tharcisse Karugarama, Minister of Justice said: “Fifteen years ago, our country was destroyed and at the foot of a terrible war—there was no hope of justice, no hope of rule of law, no hope of life itself. The brave individuals who survived genocide and did not leave have returned life to Rwanda during the last 15 years. We have come a long way, but there is still much to do to secure Rwanda’s future as a stable and safe home for its people. The training being provided by Allen & Overy will help do that by raising the quality of justice and aspirations of the Rwandan lawyers.”

During the following two weeks, they simultaneously held three different sessions, each aimed at a specific group: one session for the judges – commercial and Supreme Court – another for private practice lawyers and the third for government lawyers. The training covered different areas of commercial law with some subjects in common for the three groups, such as corporate law, securities, financial, arbitration and contractual law.

Performing the three sessions in parallel was a huge challenge, which was combined with the challenge of an audience with a different level of experience and training, plus a different language. “Back in London we had considered but underestimated the extent of the need for bilingualism, assuming that a good level of French in our

lawyers would suffice,” commented Crook. However, the audience was diverse and complicated in that respect, with people who only spoke English and others that only spoke French. An additional challenge was that the work did not finish after the training seminars concluded, since some team members had to continue working at night and at the weekend on matters that, from London, continued being part of their daily work.

Even with all those difficulties, the training was a resounding success. At the end of the trip, a total of 200 professionals had taken part in the training programmes.

Meanwhile, Marshall had established contacts with international development organizations working in Rwanda, as well as experts in different fields of the legal and international cooperation world.

The A&O team was happy and proud of the participation and activity level attained in the sessions. The opinions of those taking part was very positive as was the satisfaction of the local partners. The president of the Kigali Bar Association stated that it had been “the best training that Rwanda has received for the justice sector to date. The quality and relevance of the training offered has been outstanding.” Vastina Nsanze, Dean of the Institute for Legal Practice and Development said, “many of our laws are new and our lawyers need guidance in their practical application. A&O’s training is invaluable and is playing a key role in empowering our lawyers and supporting the justice administration in Rwanda.”

Despite the success of the trip, a great number of aspects were identified that could be improved. In the boarding lounge of the Kigali airport, Gregoire Kayibanda, the team, whilst waiting to board on the return trip to London, were already speaking of how they could overcome the difficulties they had encountered and how to work to define the new requirements detected. They all had the same thing in mind – the next training session.

MAKING USE OF SYNERGIES AND CONCENTRATING RESOURCES

On the strength of the good reputation created after the first training sessions and due to the relationship with the NG, Advocates for International Development⁴, which Marshall had co-founded, this organization intervened as intermediary to encourage A&O’s team to be part of a UNDP project. The project included a series of legal training components within the framework of a wider UNDP programme that aimed to strengthen legal and

⁴ A4ID, Advocates for International Development, www.a4id.org.



government agents across Africa.

For A&O, it was yet another way to make use of its experience while being an opportunity to take part in a wider and more interesting programme. It would also entail making contacts and developing knowledge that would have a positive impact on the quality of Project Rwanda.

Likewise, and collaterally, a series of initiatives were carried out with the University of Rwanda, with which A&O lawyers collaborated in the creation and organization of educational texts.

The collaboration with UNDP and the university was interesting as a complement of A&O's project. It was also of great value in making contacts that would help them to assess the relevance of Project Rwanda and guarantee that there was coherence and complementarity between the work that A&O had been performing and that done by other development institutions and organizations in the country.

However, Crook knew that there were limited resources, especially the time the lawyers had available. It was therefore important to be clear about how to continue its intervention to fulfil the project's goals. The collaboration with UNDP was on one-off basis and, with respect to the University of Rwanda, although the work performed was interesting it was not in that area that A&O's lawyers' experience had the greatest value. The team identified that where the greatest strength lay and where the work of A&O could have greatest impact was with practising lawyers. Accordingly, it was agreed that although Marshall would continue to work with the aspect of institutional relations, Crook's team would focus on developing new training sessions.

ONGOING SUPPORT

In the months after the first trip to Rwanda, a considerable amount of work was carried out to identify needs, plan training sessions and organize materials. Through constant communication, A&O's team worked closely with the Executive Director of the Kigali Bar Association in defining the new training programme.

A&O identified the relevant areas its lawyers could cover and the Kigali Bar Association chose the aspects of greatest interest from these areas. The Kigali Bar Association's role was also vital in terms of the administrative organization of the course, communication of the training and participant selection.

Two important lessons had been learned from the previous trip. On the one hand, the logistical difficulties with the training materials. To avoid surprises this time round, the amount of documentation to be used was reduced and

the team travelled from London with the training materials already printed out and ready to be distributed to the participants. On the other hand, they knew now that it was not enough to have a command of French to be able to make an excellent presentation, it was necessary to be bilingual. Considering the need for bilingualism and the training model and subject matters that would be covered in the courses, to form the new team they aimed to involve lawyers from outside the London office, in particular from the offices in France, Luxembourg and Belgium.

One year after the first trip, in May 2011, Project Rwanda's second major trip was embarked upon. This time, with a group of three people, lasting one week and with the aim of training a group of private practice lawyers – members of the Kigali Bar Association. The instructors would be Crook, Stephen Denyer, the firm's Global Markets Partner and person responsible for developing A&O's relationship with markets where it has no physical presence, Camille Astier, from the firm's Global Law Intelligence Unit, Richard Farnhill, a specialist in international arbitration, and Sapfo Constantatos, formerly of the firm's Litigation Department and now working in the in-house legal team at Standard Chartered, with experience in civil law and an expert in arbitration.

For one week, Farnhill and Constantatos mainly covered subjects of international arbitration, an area where there had been considerable interest since an international arbitration centre for the region had been established and was being developed in Kigali. Crook, on the other hand, focussed on the commercial and strategic aspects of creating and managing a law firm, a subject that the lawyers from A&O, together with the local partners, had identified as vital for the legal profession's development in the country. Although most lawyers worked individually, given the country's internationalization and economic growth, there was a growing interest in creating associations aimed at forming law firms that followed the model of the international firms.

STABILITY, SUSTAINABILITY AND GREATER IMPACT IN THE LONG-TERM

In June 2011, just a few weeks after arriving back in London from the second major trip, Crook was already pondering how to organize and give continuity to the training. He hoped to make the third trip the following year and, although they were still in the assessment phase prior to the definition of the new training programme, there was one thing Crook was clear about: he wanted the next training programme to be even better.

Crook and Marshall had often spoken about the need

to find ways of interacting remotely with the lawyers in Rwanda. They knew that if they could give support from a distance they would be more effective in reaching more law professionals, covering other jurisdictions and improving the training. The problem was that the development of certain media and communication systems was still incipient, which limited interaction and made the possibilities of remote work more complicated. With this scenario, the creation of webcasts could be a very useful tool. Based on his professional experience, Crook considered that in the months before the classroom training the lawyers could access those materials so that, when the training was carried out, it would be developed at a higher knowledge level, allowing for a more interactive, interesting and effective model. The webcasts could also be used to cover areas such as contract building, becoming training materials for the long term as they would cover questions as relevant today as in 10 years' time.

Crook's desire to find alternatives and complements to the classroom training was based on the need to find a way to make the programme sustainable. Project Rwanda had been devised as a 5-year project during which time it was necessary to achieve a sufficient level of knowledge transfer for the trained lawyers to be able to take over. Up to this point, A&O had allocated more than £750,000 (859,000) in time and budget to Project Rwanda. Marshall had anticipated that they could have a similar commitment in the years remaining until the project was finally concluded. Crook acknowledged and valued this support to reach the ambitious goal of training trainers.

As an additional element to give sustainability and greater impact to the project, some of A&O's commercial clients were invited to get involved in Project Rwanda. This would also be a way of sharing and extending the firm's CR work and establishing new ways of collaboration and bonds of trust with these clients. For this purpose, clients from the banking sector were invited to take part as trainers in banking and financial sector-related aspects. These clients were also invited to form part of the project's management team, incorporating their vision and experience and, therefore, expanding the project's prospects and vision. In 2011, several clients fully joined the initiative, among them Standard Chartered Bank.

Achieved results, assessments and the next steps

In September 2011, approximately two years after starting the proposal for Project Rwanda, Thierry Gakuba Ngoga, Executive Director of the Kigali Bar Association, again met with Crook, Marshall and other A&O partners.

This time, however, instead of meeting in Kigali, they met in the modern offices the law firm had in London. The meeting was informal, but vital for strengthening links and continuing to plan the next moves in the project.

When the meeting finished, Crook reflected on how far they had gone forward and how satisfied he was with the training work carried out and the results obtained. He was also satisfied with the business case.

On the one hand, throughout the project's preparation and implementation, they had made interesting contacts with legal system professionals and institutions, not only in Rwanda but also in the region as a whole. The firm and its professionals had gained significant credibility in the area and this, together with the recent opening of its first office in Africa, placed them in an interesting position on the international law firm scene on the continent. Indeed, they had been invited to take part in litigation and they had been contacted and received some queries based on the dissemination of their work in the area and derived from a change in the perception of A&O and its way of operating in Africa.

On the other hand, from his experience and professional work, Crook knew the experience provided valuable lessons to the members of the A&O team. They all learned from exposure to the difficulties inherent to international and intercultural work, from broadening the knowledge of a different legal system and administration, and from the challenge of working with limited resources. In addition to personal enrichment, he was also convinced that participation in the project developed a multitude of skills, including communication and managerial elements. In particular, for the youngest members, Crook recognized the opportunity of developing communication skills and self-confidence, since it was a great challenge to stand in front of an audience of 50 judges of the Supreme Court and give a session on a specific subject.

Finally, the satisfaction for the team of having used their professional skills to support the legal development of a country was equally relevant. Later on Crook would say, "It's a unique opportunity for young lawyers to get involved and work on something that could make a great difference. They discovered what they could do with their skills and capabilities. It's an experience that you do not necessarily get in your daily work and which is highly satisfactory."

From his leadership role in the project, Crook highly valued the participants' motivation. Although the time spent in Kigali was working time provided by A&O, he did not doubt that the team would have been prepared to use their holidays to make the trip. Indeed, the team had already demonstrated their commitment and dedication in the months before the trip, when the preparation of the



programme and the materials had required them to use their own personal time.

ASSESSMENT AND CONTINUITY

In the following weeks, Marshall and Crook would meet up with the international consultants that had been performing the project assessment to discuss the results of the latest assessment carried out and the project's impact to date. Both Crook and Marshall agreed on the importance of following up and assessing the project to guarantee that the actions being performed were the right ones and that the investment of resources was achieving the desired impact.

With the evaluation information, the conclusions of the meeting with Gakuba Ngoga, and the experience of the previous trips, it would be time to define the next training programme and start to look for the training team. For the latter, Marshall had as a prime objective to attract more young talents from the office.

Three years still remained ahead for the implementation of the project and there was a considerable amount of work to be done to reach the level where the local partners would be sufficiently trained to act as trainers and experts. The role and presence of legal professionals was vital to provide the legal structure necessary for

sustainable development. This applied to Rwanda, but not exclusively. With characteristics specific to each context, the need to strengthen and train legal professionals was a requirement present in many other countries. Marshall imagined, for example, how perhaps A&O's offices in Asia might be interested in replicating a pro bono project such as that of Project Rwanda, which would also align with the recent emphasis the firm was developing in that region. He knew, however, that it was a subject that required many factors to line up.

Marshall had learned how, from the standpoint of CR and also that of the business, participation in international programmes was highly relevant. In this regard, he indicated, "Although there is the temptation exclusively to focus resources and efforts locally, participating in an international project enables widening the vision and collaboration between different offices, becoming involved together in a large-scale common action with potential for a high impact and it is important for business to strike the right balance between the two."

In the following years, Crook planned to continue improving and seeking channels to maximize the impact of Project Rwanda. Marshall would continue to support this project whilst being open and prepared for proposals such as those which Crook, Roberts and Sekhri presented in their day.

TEACHING NOTE

The case “Allen & Overy and Project Rwanda: Reconstruction support by aligning business experience and strategy” presents a Global Corporate Volunteering (CV) project with several key aspects that give it strength and sustainability. Project Rwanda has arisen as a result of the identification of a need by employees and after submitting a proposal to the Corporate Social Responsibility (CSR) department. This area gives support and drive to a project with a dual objective: the contribution to the struggle against poverty in Rwanda and raising awareness among employees of the situation in that country and the value of international co-operation.

After a first approach on a personal level to the history and the present reality of Rwanda, Dan Roberts and Pallavi Sekhri, two young lawyers from the prestigious international law firm Allen & Overy, decide to propose a project in which, using their professional experience, they can help to improve the legal infrastructure of the country. A legal infrastructure which, after its disappearance as a consequence of the genocide of 1994, is in the process of being rebuilt. Roberts and Sekhri feel encouraged to launch their proposal because A&O had previously carried out a pro bono collaboration scheme looking at the judicial system of Rwanda. In addition, to give greater strength to the project, they approach Paul Crook, a senior lawyer and the firm’s Global Head of Corporate Know-How and Training.

The proposal of Roberts and Sekhri contemplates a skills programme for Rwanda’s lawyers and judges over a period of five years. Through the implementation of several courses, the project aims to improve the training of key players in the legal system in matters of international commercial law, arbitration, professional skills and law firm management. According to national analysis, and that carried out by international bodies, the strengthening of the commercial legal system is key as an incentive to private investment and international trade in Rwanda, which are fundamental aspects for improving the country’s economic development and, consequently, the quality of life of its citizens.

The strength of the Project Rwanda proposal is based on a number of elements that any company should consider and evaluate when defining and developing a Global CV programme: it arises from and is developed with the enthusiasm of employees; it is underpinned by a conscientious identification of needs and strong collaboration with key partners in the field; it is carried out in the context of the company’s sphere of work and is tied to the firm’s business strategy, which includes the growth of Africa-focused institutions as an important element.

This alignment of the project with the firm’s strategic goals means that the proposal gains credibility and the necessary backing from senior management to give it sustainability.

The Pro Bono and Community Affairs area of A&O sets aside a budget of more than £1,500,000 (1,718,000), – including expenses as well as the value of the time spent by lawyers – to finance and support a project that allows a group of lawyers from the firm to participate in the preparation and the subsequent implementation of training courses for three groups of direct beneficiaries in Rwanda: government lawyers, judges, and lawyers in private practice belonging to the Kigali Bar Association.

By September 2011 four major training sessions had been carried out in Kigali, as well as other collateral sessions that arose over the course of the project. A core team of 20 employees had participated in Project Rwanda and more than 300 lawyers and judges had benefitted from legal training of high quality and relevance for improving the legal system, according to the opinions of the beneficiaries, legal institutions of the country and strategic partners in the project.

But the project also represented very interesting benefits for the employees taking part and for the firm. As a result of the organization and implementation of the courses, professional contacts and closer ties were established with agents in the Rwandan legal system and in the region, a fundamental element for business development in a law firm such as A&O. Furthermore, A&O’s brand gained credibility, changing the perception of A&O’s work for social agents in the area, such as international co-operation agencies and local businesses. As far as the participating lawyers were concerned, the benefit was twofold. On the one hand, in terms of employee satisfaction and motivation; on the other hand, in terms of developing communication skills, improving self-confidence and the development of professional skills in international contexts. In addition to being a benefit for the employees in question, this was also another benefit for the firm.

Finally, another interesting element of the relationship between reinforcing the project and business approach is the invitation made to several commercial clients of the firm to participate in Project Rwanda. On the one hand, so that they become involved in the project steering committee; and on the other hand, so that they can participate directly in the training actions. What this initiative achieves, as well as increasing the impact of the project, is an expansion of the CSR policy and a strengthening of ties and relations with clients.

With more years of work still to complete, the aim of Project Rwanda, as Crook saw it, was to keep improving



the transfer of knowledge, seeking to train future trainers, in order to multiply the impact of the work carried out. Marshall, in turn, saw the potential for transferring the project model to other countries with needs to reinforce their judicial infrastructure and so broaden the project's impact. The key is to find the same enthusiasm among employees, the same level of alliance and collaboration with local partners and, fundamentally, to align the project to the expansion and business development strategies. In line with the latter, Marshall considered it may make strategic sense to the firm to explore in more depth the possibility of developing similar programmes with the firm's offices in Asia.

Annexes

ANNEX 1 HEADCOUNT

	FY11	FY10	FY09	FY08	FY07
Average number of:					
Full partners	398	355	372	362	354
Other partners	89	96	118	112	95
Total partners	487	451	490	474	449
Lawyers	2,152	2,092	2,302	2,212	2,033
Support staff	2,137	2,065	2,297	2,263	2,212
Total size of firm	4,776	4,608	5,089	4,949	4,694
Profit per full partner	£1.1m	£1.1m	£1.0m	£1.1m	£1.0m
"Other partners" comprises those in their initial years of partnership where their remuneration is predominantly fixed.					

Source: Allen & Overy, Annual Review 2011.

ANNEX 2 CONSOLIDATED INCOME STATEMENT, YEAR ENDED 30 APRIL 2011

Notes	2011 £m	2010 £m
Turnover	1,119.6	1,050.1
Other income	16.3	16.5
Revenue	1,135.9	1,066.6
Operating costs		
Staff costs 5	(417.0)	(383.9)
Depreciation, amortisation and impairment	(32.7)	(33.1)
London property re-organisation 6	(24.6)	-
Other operating expenses	(229.8)	(216.6)
Operating profit	431.8	433.0
Finance income 7	1.8	0.2
Finance cost 7	(2.4)	(4.4)
Profit before taxation	431.2	428.8
Taxation 8	(26.6)	(24.4)
Profit before partners' remuneration and profit shares	404.6	404.4
Partners' remuneration charged as an expense	(106.6)	(75.8)
Profit for the financial year available for division among partners	298.0	328.6

Source: Allen & Overy, Annual Review 2011.



ANNEX 3 TRAINING PROGRAMME - MAY 2011

Monday 6 June 2011

Time	Topic	Facilitators
8.30 – 9.00	Registration	
9.00 – 9.30	Welcome and opening remarks	Paul Crook and Richard Farnhill
9.30 – 10.30	Arbitration (the arbitration agreement, commencing proceedings)	Richard Farnhill and Sapfo Constantatos
10.30 – 10.45	Coffee	
10.45 – 12.30	Arbitration (the arbitral tribunal and its jurisdiction)	Richard Farnhill and Sapfo Constantatos
12.30 – 14.00	Lunch	
14.00 – 16.30	Arbitration (arbitral proceedings, powers of the court in arbitral proceedings, the arbitration award and costs of arbitration, powers of the court in relation to the award, update on Kigali International Arbitration Centre)	Richard Farnhill and Sapfo Constantatos
16.30	Concluding remarks and Q&A	Richard Farnhill and Sapfo Constantatos

Tuesday 7 June 2011

Time	Topic	Facilitators
8.30	Registration	
8.30 – 10.30	Contract Law (Introduction, formation of a contract including consideration)	Richard Farnhill and Sapfo Constantatos
10.30 – 10.45	Coffee	
10.45 – 12.30	Contract Law (Capacity of parties and the terms of the contract, including interpretation and express and implied terms)	Richard Farnhill and Sapfo Constantatos
12.30 – 14.00	Lunch	
14.00 – 16.30	Contract Law (Performance, discharge, breach and remedies)	Richard Farnhill and Sapfo Constantatos
16:30	Concluding remarks and Q&A	Richard Farnhill and Sapfo Constantatos

Wednesday 8 June 2011

Time	Topic	Facilitators
8.30	Registration	Stephen Denyer and Camille Astier
8.30 – 10.30	Globalisation of the market for legal services	
10.30 – 10.45	Coffee	Stephen Denyer and Camille Astier
10.45 – 12.30	Delivering cost-efficient legal services	
12.30 – 14.00	Lunch	Stephen Denyer and Camille Astier
14.00 – 16.30	Leadership challenges in a multi-office, multi-cultural and multi-lingual environment	Stephen Denyer and Camille Astier
16.30	Concluding remarks and Q&A	Stephen Denyer y Camille Astier

Thursday 9 June 2011

Time	Topic	Facilitators
8.30	Registration	
8.30 – 10.30	Good governance in a law firm	Stephen Denyer and Camille Astier
10.30 – 10.45	Coffee	
10.45 – 12.30	Talent management in a law firm	Stephen Denyer and Camille Astier
12.30 – 14.00	Lunch	
14.00 – 16.30	Knowledge and information management in a law firm	Paul Crook
16.30	Concluding remarks and Q&A	Paul Crook

Friday 10 June 2011

Time	Topic	Facilitators
8.30	Registration	
08.30 – 10.00	Good client service – some practical tips	Paul Crook
10.00 – 10.15	Coffee	
10.15 – 11:30	Building up a successful law firm	Paul Crook
11.30 – 12.00	Concluding remarks and Q&A	Paul Crook
12.00 – 13.00	Presentation of certificates and close of conference	





Business strategy, social innovation and Global Corporate Volunteering.

3 inspiring experiences

How ACCIONA, IBM and Carrefour learned about the potential of combining Global Corporate Volunteering with business strategy

Throughout these pages we have seen how Global Corporate Volunteering (CV) can be an interesting tool for achieving different and diverse strategic objectives. Its potential is to a great extent, yet to be exploited, especially in terms of combining it with specific business development goals.

As we have seen in other cases and experiences described in this publication, in most cases Global CV initiatives are not considered, a priori, as a tool for enhancing the business strategy. And perhaps this is a good thing. Perhaps making strategic objectives part of such a “sensitive” programme is risky. At the end of the day, Global CV is a type of initiative that involves very different and important interest groups from the company. Consequently, Global CV ought to be accompanied by a careful process and have objectives that satisfy all parties in equal measure.

Most of the experiences that have been researched for compiling the materials for this book, over approximately two years, share this common guideline. Global CV starts out being considered as just one more Corporate Social Responsibility (CSR) activity, innovative and with an

interesting approach in that, unlike other initiatives in this field, it offers employees the opportunity of becoming very directly and actively involved in the enterprise’s CSR programme. However, after occasional and positive initial experiences, the company, the employee and the NGO agree that Global CV can provide so much more.

Therefore, on the road towards strategic objectives, it is fundamental to evolve, collaborate, and learn.

This essay presents 3 experiences by different international companies that have learned firsthand the benefits of Global CV for their own business development strategy and for social innovation.

The experiences of ACCIONA, IBM and Carrefour show how combining Global CV with their business know-how and strategy can produce interesting social innovation initiatives. Products and services for Base of the Pyramid (ACCIONA); improvements in the operating context and community relations (IBM), and inclusive value chains (Carrefour) are experiences that can act as inspiration for those companies wishing to make a strategic leap in their Global CV programmes.

Acciona

A. ACCIONA, THE COMPANY. OUTLINE OF A 100-YEAR OLD COMPANY

ACCIONA is a global company of Spanish origin that works in the energy sector and is leader in renewable energies. With a workforce of more than 30,000 employees, it is present in 30 countries and supplies to almost 50 million people.

ACCIONA stands out for its approach towards sustainable development and is leader in its sector according to the Dow Jones Sustainability Index (DJSI).

Its star social action initiative is Microenergy Peru, a micro-enterprise that provides access to light and power for poor and isolated communities in the Department of Cajamarca (Peru) using domestic photovoltaic systems.

B. CORPORATE VOLUNTEERING BACKGROUND. CHANNELLING SOCIAL ACTION

ACCIONA's Corporate Volunteering (CV) programme was created as part of the company's Social Action. Managed and coordinated by the Sustainability department, it was based on promoting social and labour integration by collaborating with different social initiatives in Spain and other countries where ACCIONA worked, thereby increasing employee motivation.¹

Originally, its goal was to create a model that helped to channel ACCIONA employees' concerns with volunteering and to generate a culture of collaboration that raised awareness among staff of the needs of other social groups.

Meanwhile, the company had created ACCIONA Microenergía Foundation (ACCIONA Microenergy Foundation). In January 2009, this foundation created the social micro-enterprise Peru Microenergy and launched the "Light at home" initiative. The goal of the "Light at home" programme was to facilitate basic access to electricity for 3,500 houses in rural areas of Cajamarca, Peru², in which connection to the public power grid was not scheduled for the next 20 years. Julio Eisman, director of ACCIONA Microenergía Foundation, mentioned in the "Light at home" institutional video, that "the ultimate goal is the fight against poverty and the medium we use is what we know how to do."

Electricity supply would be provided through domestic photovoltaic systems consisting of solar panels that would be placed on house roofs, a battery that would store energy for use during the hours of dark, as well as electrical sockets and low energy bulbs. This supply package allowed existing systems (candles, kerosene lamps, etc.) to be replaced by low energy lamps that offered four additional hours of higher intensity and better quality lighting, and at the same time, avoided the smoke emissions of the traditional systems.

The domestic photovoltaic systems were designed as products for the Base of the Pyramid³. The "Bottom of the Pyramid (BoP) Theory" was set out in 2005 by economists C.K. Prahalad and Stuart Hart. This theory suggests breaking with the traditional image of poverty and puts forward the hypothesis that the population of poor, consisting of more than 4 billion people that survive on less than three dollars a day, can represent a potential consumer market when companies reconsider their business models and think in terms of social innovation for their products and services. With this focus, products and services are adapted and can offer a social benefit that improves the quality of life of Base of the Pyramid populations.

Peru Microenergy would donate the domestic photovoltaic systems at no cost, but as a social company and in order to guarantee the sustainability of the initiative, it would charge a fee adjusted to the beneficiaries: Base of the Pyramid populations with limited resources. This fee would cover operating and maintenance costs, as well as the cost of replacing equipment that reached the end of its useful life.

This contribution of power meant that the day's production could be extended and various communication devices could be connected (mobile phones, radios, low energy TVs, etc.), thereby helping to reduce the isolation of these rural communities. It also allowed children and young people to carry out homework and chores in the hours of dark.

C. EVOLUTION TOWARDS THE BUSINESS STRATEGY: CORPORATE VOLUNTEERING AND "LIGHT AT HOME" CONVERGE

On November 2nd 2010, the "Light at home" initiative was officially presented and ACCIONA's President, José Manuel Entrecanales, visited Cajamarca and inaugurated the programme alongside the provincial authorities.

¹ Acciona (2012). Institutional web page "+Voluntarios". www.acciona.microvoluntarios.org

² Acciona (2012). Institutional web page "Sostenibilidad". www.sostenibilidad.com

³ Prahalad, C.K and Hart, S. (2005). "The Fortune at the Bottom of the Pyramid."



The ACCIONA Microenergía Foundation saw in ACCIONA's CV programme a great opportunity for increasing the social impact of the "Light at home" initiative. The skills and professional knowledge of ACCIONA's employees could make an enormous contribution.

Therefore, in 2010 ACCIONA Microenergía Foundation put out a call among the company employees. In that first year, 41 volunteers offered to cooperate with "Light at home". And so, a series of collaborations in activities related to "Light at home" took place and several employees travelled to Cajamarca to work on the field and supervise the project's evolution on site.

D. RESULTS: A REPLICABLE MODEL

After almost 3 years since the CV programme and the "Light at home" initiative converged, Peru Microenergy has set up more than 600 domestic photovoltaic systems thanks to, among other factors, the contributions of more than one hundred volunteers⁴.

Peru Microenergy had managed to implement a model based on creating a social company. As Entrecanales pointed out during his visit to Cajamarca, where he addressed the beneficiaries of "Light at home", "this project is very special for all of us at ACCIONA because we are seeing that the system works: our effort and the money we have invested, as well as the money you pay with

every instalment, is working. And if this works, it means that we can extend the model to other areas."

ACCIONA's "Light at home" initiative received the XV CODESPA Award in 2011 under the Socially Responsible Enterprise category. CODESPA Awards are held every year and are presented by H.R.H. the Prince of Asturias to recognise companies, SMEs, and Corporate Volunteering initiatives as well as journalists who have shown a special commitment towards the fight against poverty

"All our effort and activities are aimed at ensuring that the project survives over time by teaching, educating users, and generating awareness among Peruvian institutions and other organisations involved. It is not a question of 'giving away' solar panels and light to users that previously didn't have them, but of educating them in their use, which entails, among many other things, creating awareness of the need to pay [...] to help maintain the project," said Gonzalo Barba, ACCIONA volunteer in 2012.

In all this, Peru Microenergy has announced its intention to continue with the installation of 700 new domestic photovoltaic systems in the coming months⁵.

3 Success factors

1. Social innovation to create an inclusive business model. The initiative involved creating a specific product for the Base of the Pyramid, which it was related to the core business of the company and further managed by a social company, Peru Microenergy. This provided access to a beneficial product for society and additionally, incorporated a sustainable approach, since the population was treated as consumers and not as aid beneficiaries, charging a fee for access to the energy.

2. Contribution through the transfer of knowledge and the technical skills of the company's professionals. The integration of the CV programme in the "Light at home" initiative helped to achieve the objective of increasing the motivation of ACCIONA's employees. At the same time, the initiative gained a large number of technical and specialised

resources in the form of ACCIONA's professionals. As a result, the relationship between ACCIONA Microenergía Foundation and the CV programme managed through ACCIONA's Sustainability department became a win-win symbiosis and increased the impact of ACCIONA's social action.

3. Involvement of the company President. Another factor that contributed to the initiative's success of the "Light at home" initiative was the direct involvement of ACCIONA's President Entrecanales. The President's visit added notoriety to the initiative on the one hand, and on the other, made him familiar with its outcome firsthand, leaving him convinced that social benefits were being achieved and that it was worth expanding the project.

4 Acciona (2012). Institutional web page. http://www.youtube.com/watch?feature=player_embedded&v=GJNgu701gil

5 Panorama Cajarquino (2012). "Rural community residents are trained in isolated Photovoltaic Systems," 19 June 2012. <http://www.panoramacajarquino.com/noticia/pobladores-de-comunidades-rurales-se-capacitan-sistemas-fotovoltaicos-aislados>

IBM

A. IBM, THE ENTERPRISE. OUTLINE OF A 100-YEAR OLD COMPANY

IBM was born in 1911. It is one of the world's most successful hard- and software producers and, above all, the biggest IT-service provider and consultancy.

Headquartered in Armonk, New York, IBM today is operating in more than 170 countries worldwide - its major markets being United States, Canada and the UK, followed by France and Germany. However, the overall performance in 2011 was driven by emerging markets growing at 11 percent: Altogether countries like China, India and Brazil as well as less developed economies like South Africa, Ghana and Kenya among others, generated 22 percent of total revenue.

Back in 2008, IBM had already redefined its strategy under its "Smarter Planet" motif. This strategy, aimed at increasing the efficiency of systems and processes in industry, markets and society through ICTs, contemplated emerging and developing markets as a business opportunity. Following this same road, its Global CV programme, known as the Corporate Service Corps (CSC), became a driver for achieving this business growth objective.

B. CORPORATE VOLUNTEERING BACKGROUND. BUILDING A SMARTER PLANET

As a result of computing being integrated in every sort of product or system from the 1990s onwards, the world was becoming increasingly interconnected. The decrease of trade barriers and the launch of the World Wide Web were pushing the integration of markets further and new emerging markets entered the stage. As a consequence, IBM's clients needed to adapt their business models, management systems and processes according to a new and highly competitive marketplace.

IBM's global business strategy leveraging to those market trends can be subsumed to "Building a Smarter Planet." In 2008 IBM's CEO Sam Palmisano officially announced the "Smarter Planet strategy." In its core, the vision aims at adopting ICTs for increasing the efficiency of existing complex systems and processes as well as of industries, markets and the society as a whole. According to IBM's notion, digital intelligence integrated in various areas, ranging from water management, agricultural supply chains and environmental protection to public safety, education, energy, banking and health care, would push economic competitiveness and improve living standards for many people.

Particularly in emerging countries, where the relative immaturity of those specific sectors prevails, the opportunities for IBM in providing smarter IT-solutions are abundant. Therefore, IBM projected that by 2015 they would generate 30 percent of its revenue there. In order to create innovative solutions and succeed in its growth strategy worldwide, IBM's key professionals needed an in-depth vision of the dynamics in its business environment and among the local communities and governments targeted by the new strategy for developing areas.

C. EVOLUTION TOWARDS THE BUSINESS STRATEGY. LEARNING ABOUT EMERGING MARKETS

An important area for the company's intervention, on top of the environment, the supply chain, and corporate governance, was the improvement of the operating context⁶, in other words, the community. Direct commercial profit was never one of its community investment objectives or what IBM refers to as Corporate Social Responsibility (CSR) initiatives. However, by collaborating with organisations, public institutions, businesses and important communities, the company opened up essential channels for discovering areas in which IBM, in line with its main activity, could contribute to society. CSR had therefore become an important key element in the Smarter Planet strategy, and it was not in vain that in 2012 IBM invested 150 million dollars in CSR.

In particular, when it came to the success and expansion of its new business model in emerging markets, the need for employees to understand the local culture and specific challenges, market dynamics, and ways of doing business on site became obvious. IBM was looking for future leaders who had the necessary skills for helping IBM, formerly a technology manufacturer and now a globally integrated ICT services provider, to develop further as a business, and to be able to help to effectively create innovative and tailored solutions for the worrying problems that were encountered in emerging markets.

In 2008 IBM's CEO Sam Palmisano announced the start of a programme that should meet all of those requirements. The IBM's Corporate Service Corps was initially launched as part of IBM's CSR action: A number of innovative programmes to support IBM employees in becoming effective twenty-first century global professionals⁷.

⁶ ICEP, CODESPA (2008). "The Global CSR Casebook. Business and Poverty." Chapter 3. Community and Development, pages 107-160.

⁷ <http://www.ibm.com/ibm100/us/en/icons/corporateservicecorps/>



Primarily the goal of the programme was to develop the leadership skills of IBM employees, while at the same time leveraging their expertise for local development. Hence the CSC initiative, which was funded by the IBM Foundation, was established at the interface of employee development and Corporate Citizenship. For that matter, high performing IBM employees are deployed to community development assignments in emerging markets⁸, and during that time, they still receive their salary.

The CSC participants are selected in a competitive process from a large pool of international top-talent. Thus, IBM assigned high-level employees to work in community development tasks in emerging markets. This CSC was not purely altruistic, rather intended to improve participants' leadership skills and, at the same time, aimed to give its professionals a global vision and in-depth knowledge of emerging market dynamics.

For implementing the CSC on a local level and creating individual work assignments, IBM chose to work with organizations from the development cooperation sector. For that matter, the company launched a call for proposals. In 2012, IBM was collaborating with US-based CDC Development Solutions, the Australian Business Volunteers, and Canada-based DOT. These organizations were charged with finding partners and projects on the ground that the CSC participant could work for. The NGOs complemented IBM's business knowhow with development knowhow and facilitate insights into local markets and networks.

D. RESULTS

CSC participants were divided into teams of six to twelve people and, after completing a three-month preparatory course, were sent to one of the 20 prioritised developing or emerging countries. These teams of volunteers had to spend almost six months in the CSC; sufficient time to learn about the context and needs of the company's potential partners and clients. Volunteers would work in very diverse community development initiatives, such as economic development and innovation, or raising standards in education.

Since its official launch in 2008 and until September 2011, CSC mobilized about 1,200 IBM employees from about 50 different countries. The CSC programme soon came to be a vital cornerstone of IBM's Smarter Planet strategy, helping to push it forward in emerging markets.

3 Success factors

1. Duration of the volunteering experience. The collaboration took place over an extended period, which allowed much more substantial work to be carried out than during shorter stays. At the same time, the company offered an important prior space for immersion in the volunteering project, and a subsequent space for completely closing the collaboration and handing over to colleagues and future volunteers.

2. Learning from those who know. One of the objectives of the Corporate Service Corps (CSC) initiative, in line with the Smarter Planet strategy, is to learn in-depth about potential developing markets. To do this, IBM allies with experts in development cooperation, with a track record in said areas and a profound knowledge of their target community.

3. Return on the investment made in the volunteers. Global CV initiatives certainly require a high level of investment per person (cost of travel, sustenance, hours of work, etc.). In the case of IBM, the investment is highly profitable, since upon the volunteer's return, the knowledge volunteers gained is given back to the company. This makes employees use their personal experience for the benefit of IBM in general.

8 <http://www.ibm.com/ibm100/us/en/icons/corporateservicecorps/>

Carrefour

A. CARREFOUR, THE ENTERPRISE. OUTLINE OF A DISTRIBUTION GIANT

In 2006, the Carrefour group was the largest retailer in Europe and the second largest in the world, selling to 25 million customers per day. Its 12,547 stores (which were either directly operated by the group or under franchising agreements) were located in 29 countries spanning four main grocery store formats – hypermarkets, supermarkets, hard discount stores and convenience stores – as well as cash-and-carry and e-commerce.

In Spain, Carrefour carried out its social action through the Solidaridad Carrefour Foundation. The Spanish foundation was aligned with the guidelines of the company strategy and contributed to the group efforts in fighting social exclusion and implementing emergency relief actions. Consequently with this, Solidaridad Carrefour Foundation priorities revolved around the following guiding principles:

- to enhance the socio-economic development in the company's social context;
- to increase the quality of people's lives and protect the environment;
- to promote a change of attitude and values so that commitment to society would grow in general.

In line with these priorities, the star initiative of the Solidaridad Carrefour Foundation was born: Comercio Solidario (Commerce in Solidarity).

B. CORPORATE VOLUNTEERING BACKGROUND. "PROFESSIONALS FOR DEVELOPMENT"

Soon after its creation, Solidaridad Carrefour Foundation joined the Global CV programme of CODESPA Foundation "Professionals for Development"⁹. CODESPA Foundation, a development cooperation NGO, was working in Ecuador and began to ask companies to provide them with volunteer employees with very specific technical profiles related to the world of commercialising food products. The objective was to support poor peasant farmers in the Andean region of Ecuador through training in specific

aspects of distribution, marketing, management control, or basic accounting, among others.

Following several very positive first experiences of collaboration, Carrefour and its volunteers gradually increased their commitment towards the cause and the NGO. The relationship became closer and this helped the company to learn more about the field of development co-operation and how CODESPA approached the subject of poverty relief.

An ongoing collaboration was built through the "Professionals for Development" programme, and, after several years of repeated experiences, the relationship evolved to a level of collaboration as partners. This path laid the first stones for the "Comercio Solidario" project.

C. EVOLUTION TOWARDS THE BUSINESS STRATEGY. INCLUSIVE VALUE CHAINS TO SERVICE A NEW MARKET

"Comercio Solidario" was born in March 2005. A trip to Ecuador by the former general manager of Solidaridad Carrefour Foundation, Guillermo de Rueda, was enough to confirm that CODESPA's projects had enormous potential for proposing a business relationship with Carrefour.

In the Andean zone of Ecuador, CODESPA worked with marketers that bought products such as quinoa, chulpi corn or frejol beans from poor peasant farmers and gave them access in exchange to storage centres, where they could store their production. With the support of Carrefour volunteers, the producers and managers of the marketers would receive advice and training on storage, packaging, as well as international quality criteria and systems.

Having seen that the distribution system was already in place, CODESPA and Carrefour observed that there was a growing market of Ecuadorian immigrants in Spain. They consumed so-called "nostalgic products": imported products, typical of their areas of origin, and that were not produced in Spain. These two realities were combined and a decision to establish a link between the marketers that worked with small producers in Ecuador and Carrefour was made. This link would materialise in the "Comercio Solidario" project.

The special nature of "Comercio Solidario" was the intention "of making the social product a competitive product," as Guillermo de Rueda put it¹⁰. In fact, the products were not sold at a higher price than those of the competition, nor were they given a special space on the sales

⁹ This success story is covered in the "Business and Poverty" publication, mentioned previously, and arises from the company's participation in CODESPA's Global CV programme known as "Professionals for Development", which has been running for more than 10 years.

¹⁰ Loro, Silvia (2008). Responsables.biz. 'Changing the concept: competitive fair products'. No. 195 | 25.03.2008



floor. They were placed next to the rest of imported “nostalgic products.” The key was to improve the distribution chain in such a way that farmers benefitted. Also, they managed to make them sell at a higher price than they received from other channels.

Thanks to the actions of Carrefour volunteers and CODESPA’s work in Ecuador, an inclusive value chain was created and strengthened, in which poor peasant farmers were given the opportunity to export and sell products with the potential of servicing new markets of interest to a multinational such as Carrefour.

D. RESULTS. COMERCIO SOLIDARIO ON CARREFOUR’S SHELVES

Orders started to be placed in 2006 and by 2008 nine deliveries had been made. In less than two years, sales rose to 150,000 Euros. The growth model, incipient at that time, had the potential of reaching more than 2,500 families, which would mean between 9,000 and 10,000 people.

“For the fair marketers this project represents a window to the world, with the demands this entails,” said de Rueda. And the fact was that Carrefour did not aim to monopolise the system it had created, but to consolidate the model so that small suppliers were not dependent. According to de Rueda, it was a question of “finding a working model that could be reproduced and assimilated by other types of producers and enterprises.”

“Comercio Solidario” was not a fair trade project; the intention was rather to “make the social product, a competitive product.” For the volunteers, the company, and the NGO, this social project therefore represented much more than a social action initiative: It managed to change the concept of social producers and demonstrated that, if the systems were strengthened, it was possible to achieve competitive products. “The social product by definition was not competitive, but with a project such as this one, we proved that a small impulse can achieve a great advance for disadvantaged rural communities” affirmed De Rueda, who considered that the business model achieved was applicable to other development initiatives.

3 Success factors

1. Close collaboration between company and NGO. The company created closer links with the NGO. It was able to recognise the NGO’s knowledge regarding social intervention in developing contexts and listened to the advice of its professionals, approaching the project as collaborating partners.

2. Contribution from the company’s professional knowledge and skills. The tasks that the NGO identified for employee volunteers fit in perfectly with their areas of knowledge and experience.

3. Senior management involvement. It was fundamental to generate awareness in a senior manager, who was capable of making proposals within the company. The direct intervention of the Director of Solidaridad Carrefour Foundation was key for the rest of the company to see the potential of being associated to an inclusive supply chain and become involved in “Comercio Solidario.”

Conclusions and ahead in global C

INTRODUCTION

Global Corporate Volunteering (CV) is still a relatively new phenomenon. This means that uncertainties remain and that a large number – if not the majority – of enterprises are still unaware of these initiatives' potential. It also means that there is a lot to be learned, developed and shared.

The essays

The years ahead hold many challenges. A fundamental one, mentioned in several essays in previous chapters, is being able to measure the impact of Global CV. The Boston Consulting Group (BCG) confronted this challenge together with CODESPA Foundation through a pro-bono collaboration. The essay by José Manuel Fernández Bosch,

“Making Social Contribution Tangible”, presents why it is important to measure, and how BCG approached the research and development of a tool to measure the impact of Global CV.

How we face the future will depend largely on future leaders. In this regard, business schools play a key role in training the leaders of the future. And they also have a responsibility as well as the opportunity to guide and inspire. In his essay **“What stuff will future leaders be made of?”** Joan Fontrodona, business ethics professor at IESE, analyses how business schools need to adapt and evolve to include more dynamic learning models, and how CV can be a very useful tool in this regard. Global CV adds the internationalisation component to the benefits of forming leaders, increasing the need to adapt to different contexts and the required level of coordination and planning.

challenges CV

PART 3

Through an interview and from the experience of the KPMG Foundation, Pedro León y Francia provides his vision of the challenges and opportunities of measuring and assessing Global CV programmes, and how the return of these programmes can be demonstrated on people, business and society as a whole. León y Francia tells us how the future, and our major challenge, lies in exploring new relationship models between enterprises and NGOs for carrying out integral actions and networking.

We approach the future, therefore, by pursuing that potential and reaching beyond what volunteering can achieve as an employee's individual activity or isolated from the company. And to do this, Bea Boccalandro in the essay **"A productive end to Employee Volunteering"** explains the need to adopt a new approach that moves away from traditional CV to what the author terms "impact-maximising employee involvement in the community."

This entails the employee's involvement making the most of the enterprise's skills and other assets to optimise the quality and quantity of the services that the employee provides to social causes, thereby maximising the social and business impact.

To conclude, in its essay **"Global Corporate Volunteering with 360° impact: The experience of CODESPA"**, CODESPA Foundation describes the potential that Global CV programmes offer when adequately implemented. Therefore, it revises the elements that maximise impact most affect impact maximisation and analyses the keys to boosting impact among the stakeholders that benefit most directly from Global CV: the employees, the enterprise and the NGO, and their social cause.

JOSÉ MANUEL FERNÁNDEZ BOSCH | FORMER PARTNER AT THE BOSTON CONSULTING GROUP

Making social contribution tangible

Measuring Global Corporate Volunteering

The Boston Consulting Group (BCG) is one of the leading international consulting firms in the world. Corporate Social Responsibility is part of their corporative culture, and their offices in Madrid and Barcelona are strongly committed to the community with a variety of initiatives that include Corporate Volunteering, funding of social activities, and pro bono projects for nonprofits.

Precisely through one of this pro bono efforts, José Manuel Fernández Bosch, BCG former partner, collaborated with CODESPA Foundation managing a team of specialized consultants to research and develop a tool that would measure the achievements and impact of Global Corporate Volunteering programmes.

Based on the key role of measurement and the benefits it entails to both companies and NGOs, the following essay presents the basics and benefits of using measurement tools in general, and of one impact measurement tool in particular: the tool jointly developed by BCG and CODESPA Foundation.

Fernández Bosch explains the focus adopted in developing such tool and presents its basics pillars and structure, explaining that it is a tool that was conceived for measuring the impact of CODESPA's Global CV programmes, but that can also be used by any company and NGO looking to maximize the benefits of this type of volunteering programmes.

ABSTRACT

Measurement is one of the basic tools in business, but it is key for NGOs too. Particularly, considering the increasing professionalization and interest of NGOs on showing and proving to society the impact of their work. Still, the measure of that impact is a great challenge for most Global Corporate Volunteering (CV) programmes.



JOSÉ MANUEL FERNÁNDEZ BOSCH

The most interesting aspects of Global CV to measure would be the impact on the community being worked with, and employee satisfaction.

Original text: English

Measurement is one of the basic tools in business. By laying down quantifiable goals, guidelines and time-frames, companies can focus their efforts on achieving tangible results by, for example, making reliable forecasts and adjusting them if they fall short. Reporting mechanisms are traditionally extended to all areas of operation in a company and should also be present in the relatively new area, at first hard to quantify yet very attractive, of Corporate Social Responsibility (CSR).

Companies, whether small, medium or large, are increasingly turning their attention to social contribution and expanding on the ways to do it. They are contributing to the community with their own resources, especially their human capital, placing it where they can help the most. However, they also have some requirements for the NGOs they work with. They require a transparent measurement system to see the actual impact of their efforts and the success of the projects with which they work.

NGOs are also imposing themselves some requirements. They are continually increasing professionalism in their ranks and implementing a well-structured governance model. They explicitly attempt to create value for their stakeholders and society at large through their performance, and want to show them the results.

Measuring results in Global Corporate Volunteering programs

As it is shown in this book, although Global Corporate Volunteering (CV) is, in one hand, an altruistic contribution to the community, it is also beneficial to the business and much of that benefit is concentrated in employee satisfaction and engagement. It can also improve the corporate image, and help the company to hold on to or attract talent. In this context, the most interesting aspects of Global CV to measure would be:

- a) the impact on the community being worked with,
and
- b) employee satisfaction.

GLOBAL CORPORATE VOLUNTEERING PROGRAM ANALYSIS

With these two pillars for Global CV program analysis in mind, CODESPA wanted to define a measurement system tool to provide its partners and other companies with a tool aimed at appraising the performance of their Global CV programs and designing the entire process.

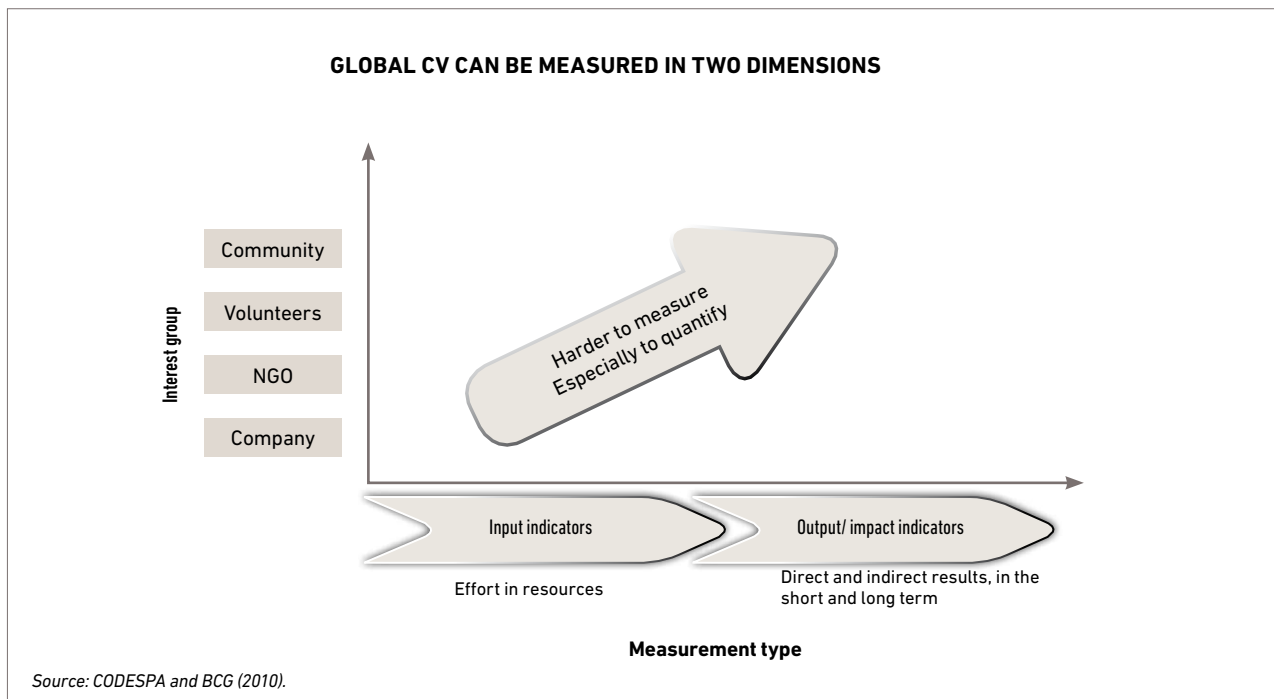
CODESPA has included a measuring system in its Global Corporate Volunteering to confirm the benefits of the development projects and participating employees, and a structured and standard process that lays the foundation to make this measurement possible.

What gets measured gets done!

For that purpose, CODESPA and The Boston Consulting Group (BCG), in a pro bono collaboration, worked together analyzing Global CV programs and building a measurement tool to monitor Global CV initiatives.

By monitoring, companies would make sure the benefits (or pitfalls) of Global CV are correctly identified so they can be communicated (or fixed).

Two different dimensions come into play at this point: the interest group being measured (company, volunteer or community) and the input and output indicators, as shown in the following image.



It is easier for companies to measure the input based on the resources they have assigned and the beneficiaries. The company looks at the number of volunteers it sends to the beneficiary community, for example, and can quantify how much exactly the endeavour is costing. The output, however, is more difficult and tends to be more qualitative, with data being collected through surveys. There are quantitative aspects in output such as percentage of specific goals accomplished after the volunteers' intervention that can be measured as well.

Pfizer can be used as an example of a company with a Global CV program that aimed to more closely control its involvement. In 2003 Pfizer launched the "Global Health Fellows" program in response to the AIDS crisis. Approximately 50 volunteers a year worked for three to five months in developing countries to help them in their health projects. They had two goals: improve the management of the drug supply chain and, eventually, open new markets for the company. The program was completely integrated into Human Resources and talent development.

Their tool introduced qualitative data based on interviews with the volunteers and the NGO. It then pulled up a project index in Excel. It had its pros and cons. Among the advantages was the fact that it was free and off-the-shelf, and among the disadvantages was the fact that it was not quantitative or applicable to all of the program's participants.

A GLOBAL CORPORATE VOLUNTEERING MEASUREMENT TOOL

To be comprehensive, a Global CV measurement tool needs to take into account all of the stakeholders and cover both input and output. There were two pillars supporting BCG's and CODESPA's construction of an effective assessment system. The entire process needed to be well structured, with clearly defined milestones and assigned responsibilities, and it needed an assessment tool to weigh the results of the project and improve for the future.

The final tool created by BCG and CODESPA measures the process' impact, how the process worked, and the volunteers' performance.

- This new tool first considers the **impact of the project**. If the aim of the project were to build a number of hospitals, the tool would look at how many hospitals were actually built in the given timeframe, if it stayed in line with its budget, etc. All of this information is quantifiable but also more qualitative data can be gathered through stakeholder questionnaires where they can weigh the effect the project had, the volunteers' performance and give their honest feedback.
- Then the tool examines **how well the process worked**. Here the focus is placed on looking at how the participants in the program saw it working,

with a sliding scale score. In this way we can identify areas that are consistently scored poorly and fix them. For example, if the local partner's support was judged inadequate, CODESPA can activate more communication with the people on the ground. The tool also brings to attention the processes best practices. If, across the board, volunteers highlight how happy they are with their participation in the program, this fact can be used to show that this Global CV increases employee satisfaction.

- In **volunteer performance**, the third block, the aim is to promote engagement and professionalism and give the company useful Human Resources tools. The local partner is asked to fill out feedback on the company's people working with them, also weighing them on a sliding scale. Even

if some of the quantitative aspects of the program were not achieved, the company needs to know if sending their employee was beneficial on the people level for the local partner in terms of knowledge transfer and connection. What the volunteers know is weighed the same as their achievement of objectives. This data can then be later included in the company's general Human Resources reports.

The system of measurement feeds from surveys and, so far, CODESPA directs and controls the entire process by ensuring data is collected before and after the project, and by analyzing the data afterwards.

The assessment has three main parts: data collection, data filing and handling, and discussion and distribution of results. To gather the information for the tool, BCG designed questionnaires all stakeholders would fill out.

5 KINDS OF QUESTIONNAIRES ARE THE BASIS OF THE ASSESSMENT SYSTEM

		Who evaluates?			
		Volunteer	Company	CODESPA	Community
What do they evaluate?	Impact project on community				
	Impact on volunteer				
	Impact on company				
	Impact on CODESPA				
	Opinion about the process				
	Volunteer performance				

Source: CODESPA and BCG (2010).

The data gathered is filed in a database handled by CODESPA. After the analysis, the findings are summarized in short reports checked against objectives and Key Performance Indicators (KPIs). These papers give a brief overview of the project (who, what, where and when) and show the main KPIs.

Then the information is made available to all parties and meetings are held to discuss the findings. In this

way, company management has standardized information about the track record of Global CV. It gives volunteers' feedback and all of the stakeholders a panoramic view of the process.

Benefits of measuring Global Corporate Volunteering programs

There are many advantages to this process. The most immediate is that it enables the company to quickly isolate and compare best practices to all other Global CV programs. On the broader more qualitative level, it is all-inclusive and focuses on each and every stakeholder to get the most data and most objective results possible. On a technical level, it is very simple to implement and understand.

The tool shows the user how to do it, in a step-by-step process, which ensures the project's effectiveness. The most relevant advantage of measuring and monitoring Global CV programs could be the possibility it gives for the program to show the value and the respective investment (time, resources, etc.) to the shareholders and other stakeholders.

From BCG, we would recommend companies to implement simple and standardized tools, like the one exposed, to ensure that their Global CV initiatives have the expected returns for all stakeholders.

The upside of CV is being demonstrated through the swelling number of companies who participate. Companies are connecting with their employees on a more personal level, giving directly back to society in a very human way and incorporating this process into part of who they are.

We hope this tool will assist CODESPA in all of its future joint ventures with community projects. We feel it will help not just CODESPA but other companies and NGOs as well when they decide to enter into mutually beneficial relationships of Global CV.

JOAN FONTRODONA FELIP | PROFESSOR OF BUSINESS ETHICS, IESE BUSINESS SCHOOL

What stuff will future leaders be made of?

Volunteering on business schools as a tool for creating business leaders with social vision

Joan Fontrodona Felip is a Professor and the Director of the Business Ethics Department at IESE Business School – Navarra University, and Executive Director of the Center for Business in Society of IESE. Fontrodona Felip has a PhD in Philosophy and a Masters in Business Administration. He is President of Ethics, Economics and Management (EBEN Spain) and member of the Management Board at EABIS (Academy of Business in Society). He has authored and co-authored many books on business ethics.

ABSTRACT

Reputed business schools prepare the business leaders of the future. The business context has change and companies have realized their responsibility goes beyond

generating economic value through their activity. Thus, managers and leaders are now expected to bring that added value into companies. For that purpose, “hard” management competencies have given way to “softer” competencies associated with social skills. This essay refers to the reaction of business schools to the new environment, and how their curriculum has expanded, incorporating not only new subjects but also new learning methods. In the new context, volunteering projects fit perfectly with the needs and aims of all parties involved: students, schools, companies and communities.

Fontrodona Felip encourages the incorporation of volunteering in business schools as a direct and tangible way to foster change and personal transformation in students, which will impact on how future leaders will manage businesses.



JOAN FONTRODONA FELIP

Nowadays, managers are now expected not only to have professional competencies but also to have proper regard for matters of Corporate Social Responsibility (CSR).

Original text: English

The social function of business schools is to train the people who manage companies and organizations. In an increasingly complex environment, becoming adept in the art of management and cultivating the capabilities that lead to superior professional performance is more than just a personal necessity; it is a social obligation. Our mission at IESE Business School reflects this social dimension quite clearly when it states that “IESE Business School is committed to the development of leaders who aspire to have a positive, deep and lasting impact on people, firms and society through their professionalism, integrity and spirit of service.”

The Perspective on management

Nowadays, managers are now expected not only to have professional competencies but also to have proper regard for matters of Corporate Social Responsibility (CSR). Given the greater awareness of the impact of business activity and the greater sensitivity on the part of civil society, companies have started to realize that their responsibility is not merely to generate economic value through their activity but it extends to many other dimensions, including social, ethical and environmental matters. Business schools have reacted to this new environment by expanding their curricula to include subjects that will help students become more sensitive to, and more prepared at dealing with issues concerning the legal and social environment of business activity. In some cases, the demand for these new subjects comes from the students themselves, and for some students this may even be an important factor in their choice of school.

The view of management as a scientific or technical discipline has been superseded by a much more dynamic and more flexible understanding of what it means to manage an organization. The “hard” management competencies, based on the use of often very complex techniques, have today given way to “softer” competencies associated with the acquisition and improvement of social skills such as communication, team work and conflict management, and sensitivity to the values and principles that guide human action. That is why, today, management is seen more as an art than as a science and is spoken of as a profession, emphasizing its practical, skills-based nature.

In keeping with this view of management, the most appropriate methods of management education will be eminently active. Management education is not just a matter of conveying knowledge, where the teacher takes the leading role and students must simply pay attention and memorize. It is more a matter of giving students practice in dealing with unstructured problems, messy and

incomplete data, where the important thing is not only what the students learn but how they learn it.¹ In active learning methods, it is the students who play the leading role, as they are the ones who, with the guidance and support of their teachers, must assess their own strengths and weaknesses and discover in what competencies they need to improve. In these active methods, the participants’ own experience is an essential ingredient.²

Service-learning

Based on all these considerations, it is clear that volunteering projects in business schools fit perfectly with the needs and aims of all the parties involved. They can also be a good learning opportunity for those who take part in them, in that they have a social content, require active involvement, provide practical experience, and facilitate the acquisition of certain social and ethical competencies that contribute to students’ all-round education. For this reason, volunteering or service-learning activities are increasingly recognized as a legitimate part of a business education.³ Service-learning is defined as a method whereby students learn and develop through active participation in thoughtfully organized service that is conducted in and meets the needs of communities; is coordinated with an elementary school, secondary school, institution of higher education, or community service program and the community; helps foster civic responsibility; is integrated into and enhances the academic curriculum of the students, or the education components of the community service program in which the participants are enrolled; and provides structured time for students or participants to reflect on the service experience.⁴

Drivers of student volunteering

As regards the participants, a volunteering program revolves around three components.⁵ The first is a greater awareness of social issues as a result of practical

1 Zlotkowski, E. (1996). “Opportunity for All: Linking Service-Learning and Business Education,” *Journal of Business Ethics*.

2 Idem.

3 Wittmer, D. P. (2004). “Business and Community: Integrating Service Learning in Graduate Business Education,” *Journal of Business Ethics*, 51 (4) 359-371.

4 National and Community Service Trust Act, 1993, cited by Wittmer, 2004, 360.

5 Kolenko, T. A.; Porter, G.; Wheatley, W.; Colby, M., (1996). “A Critique of Service Learning Projects in Management Education: Pedagogical Foundations, Barriers, and Guidelines,” *Journal of Business Ethics*, 15 (1) 133-142.

involvement with the participants in the project. Students become more aware of the kinds of needs and problems to which nonprofit and public sector institutions attend and also of the challenges in terms of funding and staffing, as well as more aware of how business can be an active partner in dealing with community problems and needs.⁶

The second is a more emotional component, linked to the opportunity for self-reflection that is implicit in any learning method, especially one that entails active involvement on the part of the student. “In some respects this may be a more significant and more long-lasting aspect of the learning. Broadly speaking, students invariably find their service a meaningful and moving experience. Compassion and sympathy are deepened, a sense of appreciation for their own advantages and abilities occurs, and a greater sense of sharing and helping.”⁷

Third, it affords the opportunity to acquire various professional competencies that will be useful not only for making the project a success but also for the students’ future professional activity. The competencies concerned range from technical skills (which are unlikely to be the most important ones) to “soft” skills such as effective teamwork, cross-functional flexibility, interpersonal and communication skills and multicultural sensitivity, and ethical attitudes regarding the sense of responsibility or the concept of justice, for example.⁸

Another important factor to be mentioned is namely that companies are increasingly keen to meet candidates who show an awareness of and a real interest in social issues. On the other hand, the factors that prevent such initiatives from having a greater impact usually concern the involvement of the various parties.⁹ One is the time and effort required of faculty and students; another is the difficulty of persuading some agents to accept the intentions and involvement of other stakeholders; another is the difficulty of ensuring the long-term continuity of the project, in terms of institutional support, resources, and student and faculty participation in future programs.

Doing Good and Doing Well

A few years ago, the MBA students of IESE Business School decided on their own initiative to organize an academic conference on Corporate Social Responsibility. The event has been repeated every year since then. Today, the Doing Good and Doing Well Conference is Europe’s leading student-run conference on responsible business. One of the many merits of this project is the fact that the students themselves organize it. Through the Responsible Business Club, the MBA students – with support from faculty insofar as they request it – decide on the content, invite the speakers, raise the funding, and do all the administrative work on a completely voluntary basis and alongside the MBA curriculum. The organizing team is made up of second and first-year students, so that experience is passed on from year to year.

This example shows that by far the most important thing in these matters is personal involvement and the will to participate. Where people have that basic commitment, other obstacles can always be overcome.

6 Wittmer, D. P. (2004). “Business and Community: Integrating Service Learning in Graduate Business Education,” *Journal of Business Ethics*, 51 (4) 359-371.

7 Idem.

8 Zlotkowski, E. (1996). “Opportunity for All: Linking Service-Learning and Business Education,” *Journal of Business Ethics*.

9 Bies, Robert J., 1996: “Down and Out” in D.C.: How Georgetown M.B.A. Students Learn About Leadership Through Service to Others, *Journal of Business Ethics*, 15 (1) 103-110.
Kolenko, T. A.; Porter, G.; Wheatley, W.; Colby, M., (1996). “A Critique of Service Learning Projects in Management Education: Pedagogical Foundations, Barriers, and Guidelines,” *Journal of Business Ethics*, 15 (1) 133-142.

Learning from those who learn

Volunteering in business is a channel for awareness building, skills acquisition and public commitment, on the part of schools and their students, for the improvement of society. It should be noted that often it is the students who take the lead, showing schools the way. Their example and their motivation must be a spur to us to take more decisive action and show a more effective commitment in this field.

In a business school, therefore, volunteering activities should be seen not only as an opportunity for students to contribute to the betterment of society but as part of the educational process and so should be included among the curricular goals. When they are treated in this way, volunteering actions add value to those who take part in them and can be the differential value that sets business schools apart from other volunteering initiatives.

PEDRO LEÓN Y FRANCIA | DIRECTOR OF KPMG FOUNDATION SPAIN

Future challenges: Evaluating and measuring the impact of Global Corporate Volunteering programmes

A conversation with Pedro León y Francia

KPMG is a global network of professional services firms that provide services of auditing, tax, and financial and business consulting. With almost 138,000 professionals working in 150 countries, KPMG is one of the Big Four, the biggest companies in the sector.

Through the KPMG Foundation, the company fosters its Corporate Social Responsibility and commits to contribute to solve some of the challenges society face, such as caring for the environment and building a sustainable business future. KPMG Foundation manages a programme of commitment with the community and Corporate Volunteering to invest time, resources, and efforts to develop projects that favour education, particularly of disadvantaged people, social inclusion, and the environment. Likewise, the programme focuses also on development cooperation projects and humanitarian assistance in emergencies.

ABSTRACT

Pedro León y Francia and Miguel Puigmitja received us in a lovely room with incredible views of Madrid, on 28th floor of Torre Europa, the skyscraper where KPMG's headquarters in Madrid are located.

In a relaxed atmosphere, conducive to sharing ideas, Pedro de León y Francia, Director of KPMG Foundation in Spain, who is passionate about his job, spoke about his vision of the challenges and opportunities of evaluating and measuring Global Corporate Volunteering (CV) programmes.



PEDRO LEÓN Y FRANCIA

The challenge is to go from measuring what we give, to evaluating what we achieve. It's not a question of measuring the number of hours invested or the number of professionals that participate; this is all very well as a first step, but it does not add much value. We obtain value if we manage to assess what we have achieved through volunteering.

Original text: Spanish

QUESTION: *KMPG has been running its Corporate Volunteering (CV) programme for years. How did this initiative come about? What were the reasons that convinced KMPG that CV was worthwhile?*

LEÓN Y FRANCIA: Professional services companies have basically two tools to demonstrate their commitment to the community. One is pro bono projects and the other is CV. For those of us that do not produce anything tangible but rather work with professionals, what sets our firms apart is precisely our professionals. Therefore, anything that improves our professionals, which is what CV helps to do, and makes them better both inside and outside the firm, because wherever they go they take the KMPG name with them, we believe is a very powerful initiative within our commitment to society. CV is also important because it is a way for companies to give their know-how to society.

QUESTION: *More generally, how would you define the state of CV in European companies? What do you consider to be the challenges these initiatives currently face?*

LEÓN Y FRANCIA: In general, even for companies that are more advanced, the challenge now is to measure. Depending on how developed each company is, we will all be at different stages of this measuring. The challenge is to measure the triple bottom line of CV, i.e. social value, the business value, and the value for our professionals. Being able to measure these three bottom lines is what is going to make a difference. The challenge is to go from measuring what we give to evaluating what we achieve. It's not a question of measuring the number of hours invested or the number of professionals that participate; this is all very well, but it does not add much value. We obtain value if we manage to assess what we have achieved through volunteering.

QUESTION: *What do you believe is the difference in value between evaluating the impact of the Global CV programme on the employee volunteers and evaluating the impact of the Global CV programme on the beneficiary communities of the development project?*

LEÓN Y FRANCIA: They complement one other. The project must benefit both the company and those for whom the project is being conducted. It must improve employee volunteers; improve their knowledge, abilities and communication skills. In addition, and this is the most difficult to measure, it should have a business value. Not necessarily in euros although it should be aligned with the

business performance. The other challenge we must face as companies is to align CV projects with our business strategy. If we manage to align Corporate Social Responsibility (CSR) initiatives with our business objectives, we will achieve something much more powerful, because CSR will come from the very heart of the company. It will not be a marginal, marketing or Public Relations matter (which is a dangerous message) but rather a practice that starts in the Steering Committees of organisations and therefore, linked to the business performance.

QUESTION: *Why is the practice of measuring of results and the evaluation of the impact of CV programmes not more widespread? What limitations exist?*

LEÓN Y FRANCIA: Because it's harder. As managers, we have to be demanding with our practices. If not, then when the Steering Committee is satisfied with the traditional reporting which is just about the amount of euros spent, volunteers implicated, and beneficiaries reached, there's a temptation to settle for this type of report. I believe, however, that we should rise to the challenge of going that extra mile. The innovation we must bring to the CV programmes is precisely the ability to measure the triple bottom line.

QUESTION: *Is it therefore important to "educate" Committees and Top Management about this?*

LEÓN Y FRANCIA: It's absolutely fundamental. On all sides, from the corporate side, the Steering Committees, from the NGO side, to the Boards and Management Committees. If the Steering Committees of companies are not convinced that these programmes have an impact on the business performance, they are going to continue to regard them as philanthropy. And this is not about philanthropy. This is part of our business strategy. For us, CSR is the way we behave, the way we do business. And this entails a clear commitment to the community. I believe this discourse must gradually permeate throughout companies and the social sector. The former model whereby the social sector approached companies only to request money is a thing of the past. We find ourselves with a new model of interaction that many NGOs are not comfortable with because they don't know how to relate to companies. Many companies are no longer willing to simply finance, they are now asking questions about the impact, the social return on the investment. We have to go from the culture of donations to a culture of collaboration and find new models for companies and non-profits to interact that improves the assistance provided to the communities with whom we are working.

QUESTION: *How can you persuade people? How can you make this more widespread and show the opportunities this new model and Global CV programmes offer?*

LEÓN Y FRANCIA: With deeds. The challenge is to measure and measure what brings me value. I must provide my Steering Committee with indicators that demonstrate that those who work in Global CV programmes are more committed to the firm, do a better job, and therefore there is a clear business value. I must demonstrate that these types of initiatives also serve as a differentiating factor when attracting talent. Part of the value proposition for the professionals we want to attract are our CV initiatives. Regarding the third bottom line, which is purely about business performance, our clients are increasingly asking us to include annexes in our business proposals about our CV policies. These policies are starting to be regarded as another element, I'm not saying the decisive element, but nonetheless an element in decision making.

This trend is more established in the English-speaking world and is becoming increasingly common in Spain. Once it becomes generalised, there will be little left to demonstrate since the impact on our business performance will be determined directly by our clients.

QUESTION: *And is this easier to measure?*

LEÓN Y FRANCIA: Absolutely. If we look at KMPG's curve of requests in the last few years, it's exponential. This is true not just for us but also for companies that sell sustainable, green, organic products. We are observing a new awareness amongst consumers whereby, all else being equal, they will opt for the company that performs better in terms of CSR. It's a matter of the company's corporate sustainability.

QUESTION: *Based on your experience, what information is of interest to those responsible for and managing CV initiatives and why? How can measurements help programme managers?*

LEÓN Y FRANCIA: Those running the programme ought to be interested (which is not to say they actually are interested, since the other formula is far simpler) in finding out about the transforming effect of the project (such as lifting the community out of poverty or providing schooling to a group of children that experienced development

that would otherwise not have been achieved, and look at how these children developed). A transformational and sustainable impact that guarantees development without any counter-productive effects. Broadening the focus beyond mere figures and looking at whether the action is truly relevant and transformational. This is the challenge for those of us managing the programmes.

QUESTION: *What are the basic pre-requisites for a CV programme to be measured/evaluated?*

LEÓN Y FRANCIA: Once again, this is linked to the strategy. When we define a CV programme we have to be clear on the reasons why some programmes are selected and the rest are not. There must be a direct connection between the programme, the business strategy, and CSR. Based on this, at the same time the programme is being defined by the programme partners, we must define what the objectives are and share these objectives. If the project is not shared between the company and the NGO, it is not going to work. And if the project is pushed through regardless of the fact that it does not fit in with the company strategy or with the NGO, it is not going to work. If all we are after is a one-off project, we may well achieve some results, however if we are looking for a partner to work alongside, either we share strategies and objectives or it is not going to work out. The first point is to define the strategy and the purpose of the programme. Based on this, set your objectives and set them according to this same strategic focus.

Strategic planning from the outset, agreement amongst all stakeholders, based on this, establish basic indicators, project monitoring, evaluation and back to the drawing board. It is a continuous project cycle. The longer a project lasts, the greater the impact that can be achieved. The evaluation cycle must be ongoing, which will allow us to make adjustments to the parts of the project that do not meet the set objectives.

Sometimes, we measure not what is worth measuring but what is easiest to measure and this doesn't bring any real value. When we have to report back at a later stage, we have data on the amount of euros spent and the hours invested but not on the outcome or scope of the programme. Paradoxically, there are many programmes in which considerable resources and effort has been invested, but the transforming effect is nil. We have to measure the impact achieved in quantitative and qualitative terms, mere figures on the beneficiaries and the actions is not going to reflect the impact.

QUESTION: *What is the best way of performing this assessment (e.g. external evaluation, setting up internal monitoring mechanisms, etc.)?*

LEÓN Y FRANCIA: Let me go back to the starting point: The first challenge is to have a strategic focus. Without this focus, it's difficult to achieve a quality evaluation. Based on this, we must establish which indicators we consider key to achieving these results. We can't always measure everything and there will be things that are very difficult to quantify. However, let's set out some points of reference that we can later analyse. External verification is important, we need third party approval. The transparency that exists within companies must be applied to the third sector with the same rigour and the same demands. Just because an organisation is non-profit does not mean it should be inefficient. The proof of such efficiency for all stakeholders must be an external audit.

QUESTION: *Global CV is when companies support their employees to undertake voluntary work to help eradicate poverty in developing countries through their professional knowledge. Bearing in mind these specificities, what impact do you think these programmes can have that differentiate them from other CSR actions?*

LEÓN Y FRANCIA: The fundamental difference is the setting. A Global CV project is not just about values but also a change in culture and setting, about opening your mind to new experiences, frontiers, experiences that enhance employee volunteers much more. And if the Global CV programme makes better professionals, this in itself enhances the company because it makes the company better. Another approach, depending on the business of the company, is any form of support provided to communities where the company is operating, which is directly linked to how the company is perceived in this country and its role in the development of the country, not just in terms of economic investment but also its social investment.

QUESTION: *Which stakeholders should be considered and approached?*

LEÓN Y FRANCIA: That depends on the type of project, but the local community where the project is being conducted, the NGO that is coordinating the project, the volunteers, and the company, all have key roles. A term that is being widely used of lately is "shared value". Stakeholders are going to be evaluated for their ability to generate shared value which implies economic value for the company and value for the society where the company is operating. With this in mind, in addition to those I have already mentioned, I would include the beneficiary society as a key stakeholder.

QUESTION: *As a final assessment, how would you like to see CV evolve, particularly within KMPG?*

LEÓN Y FRANCIA: I would like to see CV forging a much closer link with the business performance, which would be capable of bringing more stakeholders together. Here, the challenge is also to work as part of a network. Projects are going to have greater scope and be more transformational once we possess the capacity to conduct comprehensive initiatives.

An example of this is the Millennium Villages Initiative in which several KMPG offices worldwide are working together. In the area of Pemba, Tanzania, a comprehensive project is being conducted that combines the best local and scientific knowledge to tackle a range of key problems simultaneously - hunger, disease, education, infrastructure, technology - to help communities towards a self-sustainable development. It is a comprehensive project that brings about a transformation that can be measured, and an effect that Global CV must achieve.

BEATRIZ BOCCALANDRO | VERAWORKS

A productive end to Employee Volunteering

The tantalizing potential of corporate employee service to societal causes

Bea Boccalandro is president of VeraWorks, a global consulting firm that helps companies evolve their corporate community involvement strategy, programming and evaluation. Boccalandro has worked with many companies around the world, such as Aetna, Bank of America, Levi Strauss & Company, Walt Disney and many others, to help them develop and improve their corporate citizenship programmes.

Boccalandro teaches at the Boston College Center for Corporate Citizenship and the Georgetown University Center for Public and Nonprofit Leadership. She is the author of “Mapping Success in Employee Volunteering: The Drivers of Effectiveness for Employee Volunteering and Giving Programs and Fortune 500 Performance” and “The Methods Behind the Magic: Examining the Practices of Atlanta’s Exemplary Employee Volunteer Programs.”

ABSTRACT

Considering the high effectiveness and capacity for innovation, generation and advance that companies have, what if employees developed their leadership skills by, instead of solving business school case studies, solving international development challenges? What if distributors of retail products in remote developing country locations also delivered needed medical supplies?

With these questions as the starting point, Boccalandro presents in her essay the concept of “impact maximizing employee community involvement.” She addresses issues such as performance and drivers of effectiveness for Corporate Volunteering and impact maximizing employee community involvement. Throughout the essay, the author shows how tapping into the great potential of employee service to societal causes requires an adaptation that, ironically, takes Corporate Volunteering beyond volunteering.



BEATRIZ BOCCALANDRO

To attain impact maximizing employee community involvement requires shedding many of the concepts we ascribe to volunteering and replacing them with a determination to fully leverage the business context to generate the greatest amount of societal benefit while also generating business benefits.

Original text: English

The human resources contained within the corporate sector can solve our most difficult societal problems and improve our lot as a civilization. But not just any employee volunteering has the power to transform the world. As this paper will show, tapping into the great potential of employee service to societal causes requires an adaptation that, ironically, takes employee volunteering beyond volunteering.

To fully embody its potential for impact, employee volunteering has to draw from the strengths of its host company. In the normal course of business, companies fend off hackers, survive spikes in commodity prices, invent previously unimaginable products, and get those products to thousands of retail stores across several continents every day. Capitalism is fantastically competent, productive and transformative. If even a fraction of this corporate prowess is repurposed toward societal causes, we might very well stop human traffickers, maintain quality education in schools reeling from budget cuts, invent ways to make potable water universal, and find a myriad of other ways to deliver solutions across the globe.

Impact maximizing employee community involvement capitalizes on business' capacities and other assets to optimize both the quality and quantity of services that employees contribute to societal causes and, thus, maximize societal and business impact

Imagine masses of corporate employees serving societal causes in ways that are more effective than what employees can do on their own. What if employees developed their leadership skills by, instead of solving business school case studies, solving international development challenges? What if distributors of retail products in remote developing country locations also delivered needed medical supplies? If we truly intend to support societal causes as best we can, we need such "impact maximizing employee community involvement." As its name suggests, impact maximizing employee community involvement capitalizes on business' capacities and other assets to optimize both the quality and quantity of services that employees contribute to societal causes and, thus, maximize societal and business impact.

The disappointing reality of employee volunteering

Sadly, impact maximizing employee community involvement is rare. Most employee volunteering is not enhanced by the competencies and other assets of its host company, nor does it involve large numbers of employees. The most common employee volunteer program practices – such as “dollars-for-doers” grants that give financial resources to nonprofit organizations where employees volunteer,

Most common employee volunteer programs replicate the volunteering that employees can do on their own

policies of paid-time-off to volunteer, workplace donation drives and organized events in which employees paint, clean and perform other unskilled labor – replicate the volunteering that employees can do on their own. These practices don't draw from the fantastic corporate powers mentioned above. They not only fail in terms of the quality of the service offered, but also in terms of quantity. Ninety-two percent of Fortune 500 companies involve only a minority of employees in their employee volunteer programs every year, and for only a few hours. Thus, employee volunteering largely foregoes the opportunity to make a meaningful contribution to societal issues.¹

The poor performance of today's employee volunteering is well documented. The Drivers of Effectiveness for Employee Volunteering and Giving Programs (“Drivers of Effectiveness”), developed by the Boston College Center for Corporate Citizenship, are evidence-based standards that measure how well an employee volunteer program is designed to make a positive impact on the social sector, as well as on the business. A review of the research identified the employee volunteer program practices associated with community and company impact and codified them into six Drivers, each with its own measurable indicators, as seen in the table below: “The drivers of effectiveness for Employee Volunteering and Giving programs.”

Distressingly few employee volunteer programs are configured to effectively put the companies' strengths in service of the social sector

1 Boccalandro, B (2009). "Mapping Success in Employee Volunteering: The Drivers of Effectiveness for Employee Volunteering and Giving Programs and Fortune 500 Performance." Chestnut Hill, Massachusetts: Boston College Center for Corporate Citizenship.

THE DRIVERS OF EFFECTIVENESS FOR EMPLOYEE VOLUNTEERING AND GIVING PROGRAMS

Driver	Indicators
<p>Driver 1: Cause-Effective Configuration</p> <p>Highly effective Employee Volunteering and Giving Programs (EVGPs) are structured to support social causes and nonprofit partners productively</p>	<p>1.1 Cause focus: Focuses on causes for which the company is especially well-suited to support</p> <p>1.2 Asset leveraging: Leverages the company's assets to support the EVGP</p> <p>1.3 Philanthropic integration: Is integrated into the company's philanthropic program</p> <p>1.4 Productive partnerships: Has procedures and systems to support effective partnerships with nonprofit/government organizations served by the EVGP</p>
<p>Driver 2: Strategic Business Positioning</p> <p>Highly effective EVGPs are internally positioned to contribute toward business success</p>	<p>2.1 Business goals: Has employee-accessible written goals that explicitly state the business benefits the program promotes</p> <p>2.2 Aligned infrastructure: Benefits from procedures/practices/ guidance from department(s) charged with the business goals the EVGP program seeks to promote</p> <p>2.3 Resonant cause(s): Focuses on cause(s) that connect to the business</p> <p>2.4 Integration with corporate citizenship: Is integrated into the company's overall corporate citizenship/social responsibility plans</p>
<p>Driver 3: Sufficient Investment</p> <p>Highly effective EVGPs receive company resources commensurate with corporate efforts of similar scope (this driver not applicable to companies with fewer than 3,000 employees)</p>	<p>3.1 Strong team: Has at least one full-time paid professional position for every 10,000 employees, and not less than two total, to manage the program (not organize events)</p> <p>3.2 Adequate operating budget: Expends at least \$30 per employee in operations, and not less than \$500,000 total (operating budget excludes salaries and grants)</p> <p>3.3 Grant support: Company grants to nonprofits in support of employee volunteering total at least \$100 per employee (e.g., dollars-for-doers, team grants, other grants tied to volunteer events, but not matching gift grants unless they are limited to organizations where employees volunteer)</p>
<p>Driver 4: Culture of Engagement</p> <p>Highly effective EVGPs benefit from companywide facilitation and encouragement of employee involvement in the community</p>	<p>4.1 Facilitative procedures: Has universal procedures/practices/ guidance to facilitate employee involvement</p> <p>4.2 Formal encouragement: Has universal procedures/practices/ guidance to create interest and enthusiasm for employee volunteering</p> <p>4.3 Business department support: Business units supported by EVGP, per the EVGP's business goals, promote employee involvement</p> <p>4.4 Middle-management outreach: Educates middle managers on the relevance of the EVGP to their responsibilities</p> <p>4.5 Senior-management modeling: Has senior executive public participation</p> <p>4.6 Accessible information: Makes information on how to get involved easily available</p>
<p>Driver 5: Strong Participation</p> <p>Highly effective EVGPs have meaningful levels of involvement from the majority of employees</p>	<p>5.1 Majority participation: Involves at least 50 percent of employees in EVGP-supported volunteering</p> <p>5.2 Substantial scale: Generates at least eight hours, on average, of volunteering per employee per year</p>
<p>Driver 6: Actionable Evaluation</p> <p>Highly effective EVGPs track their efforts, hold themselves accountable to their outcome goals and implement evidence-based improvements</p>	<p>6.1 Participation metrics: Tracks employee participation in EVGP volunteering</p> <p>6.2 Volume metrics: Tracks employee EVGP volunteer hours</p> <p>6.3 Employee feedback: Collects employee feedback</p> <p>6.4 Nonprofit feedback: Collects nonprofit partner feedback</p> <p>6.5 Business outcomes metrics: Tracks business outcomes</p> <p>6.6 Social sector outcomes metrics: Tracks community outcomes</p>

Source: *Mapping Success in Employee Volunteering: The Drivers of Effectiveness for Employee Volunteering and Fortune 500 Performance* by Bea Boccalandro, Boston College Center for Corporate Citizenship, 2009.

Research using the Drivers of Effectiveness finds that distressingly few employee volunteer programs are configured to effectively put the companies' strengths in service of the social sector. Only eight percent of surveyed Fortune 500 companies have compliance levels of 50 percent or more with the Drivers of Effectiveness. On average, Fortune 500 survey respondents exhibit only 26 percent of these impactful practices.² The majority of Fortune 500 respondent employee volunteer programs lack even the most basic strategic elements expected of any business endeavor, such as written goals and measurement systems to track progress toward those goals. Although the referenced study focused on US companies, the lack of impact maximizing practices in employee volunteer programs appears to be universal. Non-Fortune 500 US respondents, Canadian respondents, and German respondents (the other two countries that are well represented in the database), all have average compliance rates with the Drivers of Effectiveness of below 30 percent.³ Clearly, there is ample room for increasing the impact of our employee volunteer programs.

The inherent limitations of employee volunteering

Our difficulty in making our employee volunteer programs high impact is that the traditional concept of volunteering is at odds with the concept of impact maximizing employee community involvement. Therefore, ironically, our attempts to design a true "volunteer" program undermine our progress toward achieving a highly effective program.

The language and nuances of volunteering might vary greatly across the globe, but virtually every culture has a concept that corresponds with what Americans call "volunteering:" an altruistic, non-remunerated, and voluntary act.⁴ These three fundamental tenets of "true" volunteering, however, conflict with impact maximizing employee community involvement. Consider these common employee volunteer program practices: Designing the employee volunteer program to improve employee retention or to otherwise support the business in order to garner more internal support; offering volunteer activities during employees' paid time in order to increase



PHOTO: Jerónimo Rivero, 2011

² *ibid*

³ www.volunteerbenchmark.com.

⁴ Handy, Femida, Ram A. Cnaan, Jeffrey L. Brudney, Ugo Ascoli, Lucas C. M. P. Meijs, and Shree Ranade, (2000). "Public Perception of 'Who is a Volunteer': An Examination of the Net-Cost Approach from a Cross-Cultural Perspective." *Voluntas: International Journal of Voluntary and Nonprofit Organizations* 11, 1 (2000): 45-65.

participation; and requiring that employees serve on non-profit boards in order to forge stronger company-community relations. In most circumstances, these are excellent practices that increase the impact of employee volunteering. Yet, these practices are also incompatible with true volunteering. The first practice violates the altruism requirement; the second violates the non-remuneration requirement, and the third violates the voluntary participation requirement.

The tension we have between true volunteering and impact maximizing employee community involvement is not simply cognitive, it is emotional. Programs that require entire departments to attend a service event or use employee volunteer efforts as company publicity offend our charitable sensibilities. We've heard the objections many times – "Volunteering is voluntary. You can't force people to volunteer" or "The company shouldn't claim credit for employee charitable actions." What's worse, although we barely tolerate these particular practices, they are mere baby steps toward fully drawing on company assets to maximize the impact of employee service.

Trying to take "volunteering" to an impact maximizing state is likely too offensive to be realistic

Trying to take "volunteering" to an impact maximizing state is likely too offensive to be realistic. To draw intelligently from company assets requires shunning employee charitable efforts that are ineffective no matter how heartfelt, ignoring causes where the company cannot contribute effectively no matter how heartbreaking, instituting measures of bottom line impact no matter how crass, and otherwise unapologetically applying cold uncharitable business practices to employee warm charitable efforts. Given how distasteful these practices are, it's no wonder we are stalled in our evolution of employee volunteering at a place of only modest impact. Ironically, by protecting the sanctity of volunteering we undermine our ability to elevate "volunteering" to heightened levels of impact. The end effect of insisting on true volunteering in the workplace is that the causes we care about – from poverty to elder care to neighborhood crime – remain largely unaided by the workplace.

Evolving to impact maximizing employee community involvement

To attain impact maximizing employee community involvement requires shedding many of the concepts we ascribe to volunteering and replacing them with a determination to fully leverage the business context to generate the greatest amount of societal benefit while also generating business benefits. A developing country marketing campaign for a women's commercial product might include a social marketing message about breastfeeding, for example. Retail store employees might mentor impoverished youth around workplace skills and then supervise them as interns. These marketing and retail employees would be making a sizable contribution to impoverished individuals, but they would not be conducting "volunteering," per se. A first step toward impact maximizing employee community involvement, then, is to avoid the term "volunteering" (or charity or philanthropy) so as to not elicit unproductive expectations.

To attain impact maximizing employee community involvement requires shedding many of the concepts we ascribe to volunteering and replacing them with a determination to fully leverage the business context to generate the greatest amount of societal benefit while also generating business benefits

If we offer "employee community involvement" instead of "employee volunteering" opportunities, there is no suggestion that the service is altruistic, unpaid, or voluntary; and no contradiction if it is none of these. An employee community involvement program comfortably encompasses compulsory board service for high-level managers, workplace greening efforts that take place during work hours, and paid pro bono service. In other words, shifting from the term "volunteering" to "community involvement" (or service or community engagement), vanquishes much of the resistance and many of the contradictions community involvement managers face when applying the Drivers of Effectiveness or when otherwise trying to move toward impact maximizing.

Impact maximizing employee community involvement is not just new language, it is new territory

As seen in the table below, “Key differences between volunteering and impact maximizing employee community involvement,” impact maximizing employee community involvement is not just new language, it is new

territory. Making the transition from volunteering to impact maximizing employee community involvement requires updating the program’s raison d’être from demonstrating altruism to maximizing societal good and business return; updating the cause and project selection criteria from emotional connection to potential for impact; and updating the recruitment strategy from an appeal to employee charitable inclinations to an appeal to their interest in refreshing and meaningful twists on their jobs or other workplace experiences (for example, a leadership program might have a service component or a department team-building event might include cleaning up a beach).

KEY DIFFERENCES BETWEEN VOLUNTEERING AND IMPACT MAXIMIZING EMPLOYEE COMMUNITY INVOLVEMENT

	"Volunteering" is characterized by...	Yet, impact maximizing employee community involvement needs to have...
Motivation	Altruism <ul style="list-style-type: none"> • Benefits only the civic sector cause • Volunteers are not paid 	Win-win return <ul style="list-style-type: none"> • Benefits the company, as well as the societal cause • Employee participants can be paid
Project selection /design criteria	Individual free will <ul style="list-style-type: none"> • Selection of cause or service is by the volunteer • Participation is voluntary • Tasks are selected/defined by the volunteer 	Project effectiveness/impact <ul style="list-style-type: none"> • Selection of cause or service can be made by the company in accordance to what meets the program’s aims • Participation can be expected or compulsory • Tasks can be defined by the company
Nature of the experience	Personal giving <ul style="list-style-type: none"> • Service is independent of the workplace experience • Experience is often unstructured • Service performed is often of an unskilled nature • Privacy is high and scrutiny is low (often) 	Professionalized service <ul style="list-style-type: none"> • Service is integrated into the workplace experience • Experience is structured • Service performed is often of the skilled nature • Privacy is low and scrutiny is high

While upgrading from employee volunteering to impact maximizing employee community involvement will boost the program’s effectiveness, there is currently little guidance for making this transition. Early adopters of this development in community involvement will need to use judgment and ingenuity, and will undoubtedly encounter unforeseen challenges.

Fortunately, some vanguard companies are already illuminating the path from traditional employee volunteering toward impact maximizing employee community involvement. Following are a few examples:

- IBM’s flagship leadership development program, Corporate Service Corps, sends teams of employees to developing countries to work on

community-driven development projects at the intersection of business, technology and society. In other words, IBM has gone beyond traditional volunteering (which it also supports) in order to design a powerful program that is part leadership development and part community involvement.

- Caesars Entertainment leverages a very unusual asset to help impoverished families: soap. House-keeping staff at Caesars Palace hotel in Las Vegas, USA have the option of collecting partially used soap from guest rooms. The Clean the World Foundation—which also receives financial support from Caesars—then sterilizes, recycles and distributes the soap to impoverished families across the globe.

This isn't "volunteering." It is a powerful way for employees, however, to do more for a societal cause than they could do on their own.

- Coca-Cola and its business partners are involved in a pilot, organized by ColaLife, to involve Coca-Cola's distribution channels to carry "social products" such as oral rehydration salts and zinc supplements to save the lives of children living in poverty across the globe. Again, this is not volunteering. It is a high impact way for drivers and other employees to have a positive impact on a serious societal issue.

Conclusions

The modern concept of volunteering originated in the civil society that developed over the last few centuries across many countries. Thus, volunteering is designed to work directly with nonprofit organizations that serve the poor, preserve culture, clean up the environment, fight for justice or otherwise promote societal benefits. When industrialization populated our society with highly structured

workplaces, we brought the concept of volunteering to work with us and, over several generations, created what we now know as "employee volunteering."

However, volunteering has not been properly adapted to the workplace, nor can it be without becoming something less than volunteering. Volunteering – with its altruistic, non-remunerated and voluntary character – cannot blossom within the hard confines of the workplace that is constrained by business considerations. Conversely, the business quest for a program that is logically designed to maximize effectiveness can never thrive when the program is expected to honor the idealistic nature of volunteering. The result is that our employee volunteering is seriously undermined, and the awesome support it could offer the social sector remains latent. The collection of volunteer activities contributed by most employee volunteer programs is virtually identical to what the employee base would do privately. A company might add a small grant or event coordination, but rarely backs employee volunteering with anything more than modest support. Meanwhile a treasure of corporate assets – from specialized skills to logistics with global reach – that could dramatically augment the impact of these programs, don't serve this higher purpose.



PHOTO: Jerónimo Rivero, 2011

To maximize social sector impact we must design impact maximizing employee community involvement programs – avoiding the term “volunteering” itself – that don’t try to live up to the ideals we assign to volunteering and, therefore, can draw from the full prowess of business. The purpose of impact maximizing employee community involvement is to fully leverage the business context to generate the greatest amount of societal benefit, not to offer true volunteering. Such employee community involvement makes evidence-based decisions about what to support and not support, even if this results

in disregarding some needs at the company’s doorstep; chooses issues that can support its business, even if this is inherently non-altruistic; and otherwise applies strategic processes to employee involvement in the community. This attention to logical design at the expense of heartfelt preferences might appear heartless. Yet, nothing is more compassionate than ensuring our employee involvement programs reach the apex of effectiveness in helping the less fortunate, supporting impoverished children and otherwise improving the lot of our global civilization.

Global Corporate Volunteering with 360° impact: The experience of CODESPA

Four axes to maximise impact: The enormous potential of Global Corporate Volunteering seen through the experience of “Professionals for Development”

In this essay, CODESPA presents the lessons learned and conclusions reached in its more than ten years of experience managing Professionals for Development, a pioneer programme in Global Corporate Volunteering (CV). The aim is to reflect the potential that Global CV programmes have when approached with the intention of maximising the impact for each and every participant in the initiative.

Among other issues, the essay looks at the key elements that influence impact maximisation, and analyses how to boost said impact for the stakeholders who benefit

most directly from Global CV: the employees, the company and the NGO, and the social cause supported.

Based on its experience and the lessons it has learned, CODESPA identifies four axes for putting these programmes into practice: (1) Commitment to and intensity of the volunteering experience; (2) possibility of contributing with professional knowledge; (3) integration of the volunteering experience in the company's CSR strategy, and (4) close collaboration with NGOs.



Throughout these years of experience, CODESPA has consolidated the idea that underlies its Professionals for Development programme: Global CV constitutes an effective bridge between the company and different realities that can result in significant changes for the company and for society.

Given the nature of Global CV, in which diverse and different actors interact to achieve the same objective, the resulting benefits and impacts can cover various spheres that affect the company, the employees, and the NGOs, their causes and their beneficiaries.

PROFESSIONALS FOR DEVELOPMENT

Created in 2001 by CODESPA Foundation, the Professionals for Development programme stands out as one of the pioneering Corporate Volunteering (CV) initiatives in Spain. Through Professionals for Development, companies and employees unite to carry out CV in CODESPA projects, aimed at eradicating poverty and improving the quality of life of people in developing countries.

This initiative has a twofold objective: to involve the companies and their employees in the fight against poverty and, also, to generate awareness among the rest of the organisation and society at a large regarding the problems faced by developing countries, and how the possible solutions are within the reach of any company.

With a view to maximising the impact of this initiative, which converges the values and objectives of companies, employees, local communities and CODESPA, a review of the programme's procedures and the roles played by each of the parties was carried out, thanks to the pro-bono collaboration of The Boston Consulting Group. The aim of the review was to systematise and formalise the process of implementing a Global CV project, and to define the key factors that guarantee the success of Global CV initiatives. The model is based on CODESPA's experience managing more than 20 programmes with companies in different sectors.

Thus, as described in the essay "Practical guide for implementing Global Corporate Volunteering programmes"¹, Professionals for Development has developed a four-phase model that lays down the path to guarantee good management of this type of programmes.

Four keys to maximise impact on the company, its employees, and society

One of the conclusions extracted from the more than ten years of practice with Global CV initiatives is that there are particular features that maximise the impact of this type of programmes. In our experience, it is important to understand the variables that can increase impact, to learn from them and make the most of them, so that they can be transferred to other CV programmes.

CHARACTERISTICS OF GLOBAL CORPORATE VOLUNTEERING

1. Integration of professional and technical volunteering actions
2. Extensive duration of the action
3. Commitment from the company to development and to fight poverty
4. High level of training and awareness of volunteers
5. Coordination and dialogue between the different social actors

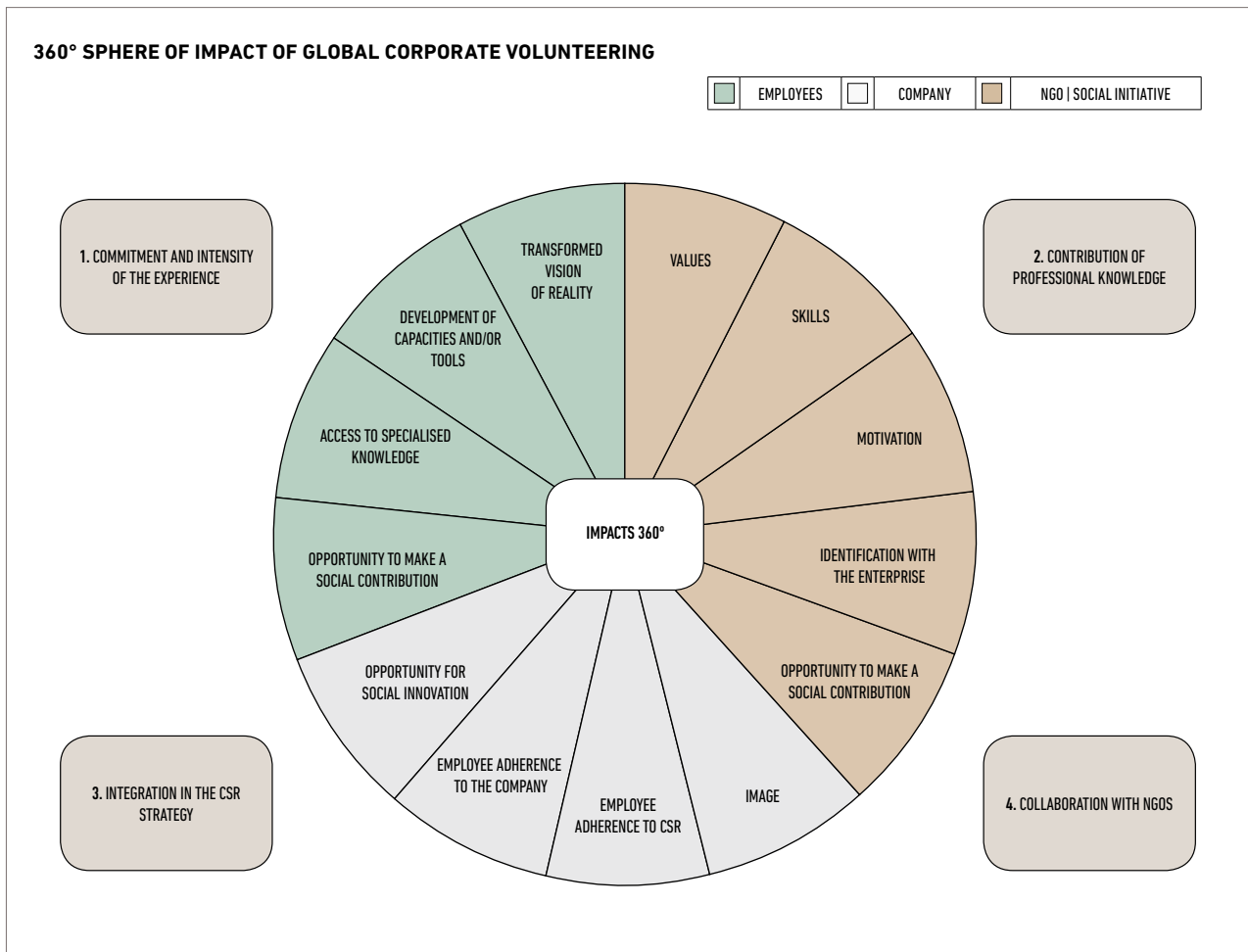
Despite the fact that all types of CV have an impact, they are not all the same, and the keys to achieving a greater impact are directly related to the characteristics that define the structure of the CV programme. The experience of CODESPA Foundation in managing volunteering programmes with companies allows us to maintain that Global CV programmes generate a greater and potentially more sustainable global impact, which means that the return on the business investment in this type of programmes is greater over the long term.

CODESPA has defined four axes of impact that make Global CV programmes have a substantial impact on employees as well as on the company and society. We believe that, irrespective of the type of CV programme, whether local or international, progressing in the integration of these axes is a path towards achieving a greater global impact that reaches, in various aspects, the company, employees and NGOs: in other words, a 360° impact.

¹ See Part II in this same publication, "Global CV in practice."

4 AXES OF IMPACT

1. Commitment to and intensity of the volunteering experience
2. Possibility of contributing with professional knowledge
3. Integration of the volunteering experience in the company's CSR strategy
4. Close collaboration with NGOs



FIRST AXIS OF IMPACT: COMMITMENT TO AND INTENSITY OF THE VOLUNTEERING EXPERIENCE

The first step to achieving a greater global impact in Global CV programmes is to achieve a substantial impact on the employees who take part on the initiative. CODESPA's experience has identified that the main variable that

influences the greater or lesser impact on an employee is the intensity of the volunteering experience. To the extent that the person manages to have a significant life experience through volunteering, the impacts generated are definitely greater.

In the experience of Professionals for Development, the intensity of the experience is produced by two factors: in the first place, the possibility of becoming familiar with a different social context which faces social challenges; and in the second place, the scope of the volunteer's contribution.

On the one hand, contributing to the fight against poverty or to solving a major social problem makes CV acquire enormous value. To the extent that the volunteer, as an employee, has the possibility of contributing to solving a problem that affects an especially vulnerable population, the experience becomes gratifying and transforming. Global CV allows the person, the employee and the professional, to discover a human and social reality that is usually distant from their day to day and that they are capable of helping with; this provides their experience enormous value.

Thus, the more profound the experience, the grater impact on the volunteer. The transformation in employees goes much further than “learning about a different reality.” It can become a real change on how life is perceived if they can become steeped in that different reality. It may become a source of inspiration for caring and human values. The employee feels that he has discovered something worth taking part in.

“When you go overseas to be part of a Global Corporate Volunteering project and return, you come back with a different mentality. Before I would worry about the type of things that, after this experience, make me think: ‘Please... don’t fret about such trifles.’ When you remember how other people live, you see it isn’t worth it.”

Alberto González, volunteer of Canal Voluntarios²

SECOND AXIS OF IMPACT: THE POSSIBILITY OF CONTRIBUTING WITH PROFESSIONAL KNOWLEDGE

A second axis for achieving greater global impact involves the application of professional knowledge within the CV programme. Most employees who have taken part in Professionals for Development especially value the fact that they have felt useful thanks to things they do on a daily basis in their job.

On the one hand, we have witnessed that employee satisfaction is much greater when they have the opportunity to contribute with their professional knowledge and skills to support those most in need. This gives them a new way of seeing themselves, their value as professionals and the value of their job.

At first, it is easy to think that employees would be more interested in a type of volunteering that takes them away from their everyday job. However, witnessing the experience of professional volunteering it is very revealing: The experience is even more rewarding when the person carries out professional tasks that may contribute less “at first sight” to people’s wellbeing. When professional knowledge is placed at the service of others who need it, the value of its social usefulness becomes evident.

Contact with a situation of poverty in which the person’s professional knowledge is useful, acts as a mirror that reflects the professional and acknowledges the value of so many years of hard work and dedication to a job that has provided the employee with the knowledge that is so valid for those who most need it, all through the approach of Global CV.

“I thought that I couldn’t contribute much given my job – I studied publicity and marketing – and that if I were a doctor or an engineer then I could do something. I find out that this wasn’t true. You can also make a big contribution with your knowledge, your work and your professional experience. And passing on this knowledge can help people a lot”

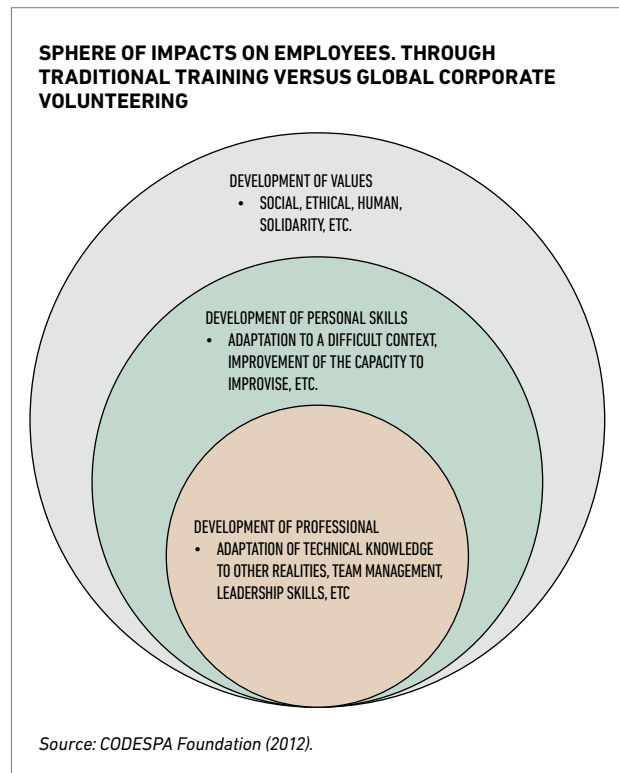
Natalia Rico, volunteer of Grupo Antena 3 in Professionals for Development

On a separate note, the impact on employees can be extended through the possibility of including personal and professional skills development. In our experience, it is visible among employees who participate in a Global CV initiative that is sufficiently intense and in which they devote their professional knowledge, that they develop leadership and problem-solving skills and learn to adapt to change in a more tangible manner than when carrying out other random types of volunteer work (or even, more conventional skill development exercises normally implemented by Human Resources departments). In addition to this, as we have already noted, the contact with a reality of poverty awakens intrinsic values and motivations, which leave a deep imprint on people and a sense of gratitude for the opportunity that the company has given them to have this life experience, which easily results in becoming more identified with the company and more motivated to work.

The graph below shows how, faced with the need to

² See “The vital role of the Supervolunteer” in Part II, Chapter 1, of this same publication.

develop certain professional skills, one can choose to provide traditional training (seminars, courses, etc.) and develop these skills in the people who receive the training. However, Global CV can effectively fulfil the objective of developing professional skills and, additionally, encourage other skills in addition to human values in a way that is virtually automatic.



Finally, seen from the perspective of the social project in which the collaboration takes place, the possibilities for a CV professional to achieve a substantial impact on the social problem that they are working on is much greater.

Thus, we can conclude that undoubtedly, qualified volunteers are a fundamental axis for extending the impact of a programme.

Since its origins, CODESPA has defended the idea that the greatest contribution that companies can make in the fight against poverty is to devote their business knowledge and resources to this cause. The experience of Professionals for Development has confirmed that the impact of a company's contribution is greater the more it is integrated with its own know-how and business strategy.

THIRD AXIS OF IMPACT: INTEGRATION OF THE VOLUNTEERING EXPERIENCE IN THE COMPANY'S CSR STRATEGY

Many companies design their CV programmes for their employees. They are simply for employees only. They do this in the hope that their employees can channel through the company part of their personal motivations to care for and help others in need, and thereby feel fulfilled as people. This is perfectly commendable and positive.

However, we believe that it is possible to take a step further and for the company to capitalise on its employees' experience to expand on and improve the company's own social contribution. To do this, it is necessary for the company to think about the return it expects from the employees who have been given the opportunity of participating in a programme of this nature. We have encountered companies that have a certain fear of adopting this approach. It would seem that because the work is "voluntary" the company should not expect to have a return. For some, this approach "tarnishes" or "contaminates" the purity of the volunteer work and they believe that employees would view suspiciously the idea of a return.

However, we are convinced that this vision is a tremendous limitation on the potential of these programmes. Furthermore, we consider that these programmes are too expensive to be implemented without the company optimising what it gets back in return. To adopt the logic that the company should obtain a benefit from the volunteer work of its own employees is not incompatible with the logic of offering the employee a space for volunteering in which the employee participates because he/she wishes to do so.

Once the company starts to think about how the time invested voluntarily by its employees in the fight against poverty can be useful, the investment can start to be capitalised. If the programme is aligned with the company's CSR strategy and with its activity, and if the programme becomes a space for innovation and a laboratory of ideas so that companies can discover how to work directly in the fight against poverty... the possibilities of making the investment profitable are enormous.

For example, when the company has links with countries where the reality of poverty is prevalent, Global CV becomes an opportunity to learn firsthand the social needs of its own stakeholders (potential clients, suppliers, communities affected by its business activity, etc.). In these cases, it becomes more possible to identify lines of action for extending its social contribution and even to make the leap to promoting inclusive businesses, products for Base of the Pyramid populations, responsible

supply chains,³ etc. In other words, the leap to social innovation through business initiatives that integrate social objectives and that therefore, extend the possibilities of sustainability, integration with the company, and long-term impact generation.

At the same time, by integrating Global CV as a source of feedback for the company's contribution, the impact is boosted further since it opens up channels for an individual experience to permeate the behaviour of the whole company. If this occurs, the transforming potential of this type of programmes is automatically extended. Programmes can move on from being a bridge that transforms people, to a bridge that transforms companies; and at the same time, a bridge that unites them with a world that needs their knowledge and resources to generate opportunities for everyone.

This idea, which can seem somewhat romantic, is truly realistic when the decision-making spheres of the company allow themselves to become fully involved in the outcomes of the programmes. In fact, it is ideal for high-level managers to participate in these programmes, which can become the drivers of initiatives and innovation within the company.

In this sense, a few steps to advance in this direction include:

1. Designing Global CV programmes in areas where the company can genuinely make a substantial contribution, putting the company's main business skills at their service. This means that the Global CV programme ideally ought to be aligned with the company's strategy for social action, and integrated in turn in the company's CSR policy.
2. Viewing the Global CV programme as a complement to the company's social action. In doing this, the company allows its employees to contribute voluntarily to those social initiatives that the company has decided to support and thus, makes the social action truly participatory, not just for the company as an entity but also for its professionals. Corporate volunteers can become the best ambassadors for their cause and transfer the achievements of the work by these organisations to their societies of origin and to their own companies.
3. Taking advantage of Global CV's connections to lines of social action so that volunteers can identify

how the company (in addition to the Global CV programme) can improve them or extend their impact. This would involve seeing Global CV as a source of social innovation to achieve a more substantial contribution on the part of the company (and, of course, of the CV programme). Who better than the very employees who are familiar with the company's business to identify what the company can do? This feedback exercise, which may seem obvious, only occurs in exceptional cases. At CODESPA, we see that volunteers can act as "the eyes of the company" in the face of a particular social reality and be put in charge of identifying how the company can do more or better. For this to happen, the company needs to consider that part of the return that employees ought to provide is their ideas about how it is possible for the company to genuinely contribute to resolving certain problems. To do this it is necessary to create specific feedback spaces when volunteers return, and to allow volunteers to remain linked to the project in which they collaborated or to be linked subsequently through specific initiatives.

At the same time, this approach reduces the "bubble" phenomenon experienced by some volunteers and which produces enormous frustration. Volunteers who have participated in a transforming activity, which teaches them a reality that for many was previously unknown, discover that as professionals they can make a contribution that fills them with motivation, but... what happens when they return? The lack of time, the whirlwind of daily activity, means that they gradually dilute their expectations of being able to do something for others. Occasionally, this leads some employees to decide on a life change, to look for jobs that make their personal and professional interests more compatible, because the CV experience has allowed them to discover that this is possible. If the company manages to counteract this "bubble" sensation, it is more likely that employees will improve their global satisfaction in the long term and can truly channel their social concerns in the medium term within their own working environment.

³ Inclusive business initiatives, the development of products, goods and services for Base of the Pyramid, the creation of responsible supply chains, etc., are part of CSR +D and social innovation strategies. To find out more about these concepts, see the essay "Different concepts related to social innovation and the private sector" by Forum Empresa in Part I of this same publication.

FOURTH AXIS OF IMPACT: CLOSE COLLABORATION WITH NGOS

Another of the axes of impact is for the company and the employees to make the most of their relationship with the social actors who have an in-depth understanding of the needs of a particular context and the real possibilities that the company and its volunteers have to make a substantial change.

NGOs are experts in social intervention. They know how to run projects that seeks to resolve problems of specific populations in a situation of poverty. They know the context, the culture, the way of reaching the population, the risks of approaches that are too patronising or that generate dependency. Unquestionably, they know the key factors for a social intervention to succeed. To rely on their knowledge is fundamental for programmes to be adequately organised and to optimise the contribution that the volunteer can make. Also, the impact of a social intervention normally requires work in the medium term, meaning that considering random collaborations is interesting but less realistic from the point of view of achieving impact. Truly transforming NGO-company alliances require time and a long-term collaboration.

At the same time, generating awareness and training volunteers (and the company) is fundamental for the initiative to succeed. NGOs play a key role in this and it is important for companies to acknowledge the importance of this task. CODESPA recommends other NGOs to put special effort and dedication into the process of preparing and training volunteers in the phase prior to the journey, since having a person motivated by the cause and aware of the reality to be confronted boosts their contribution to the development projects. For the part of the company, it is necessary to devote time to this work between the NGO, the company, and the volunteers.

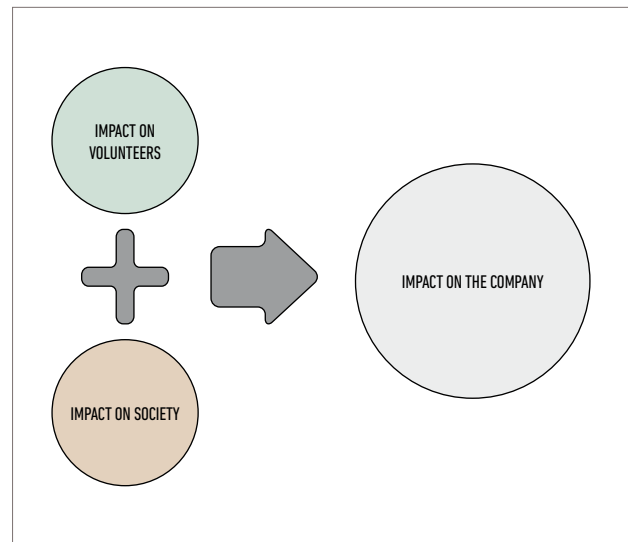
Society, company and people

In view of the foregoing, the underlying idea behind CODESPA's experience is that the greater the impact on the individual, the greater the benefits for the company also. Given their nature, Global CV programmes contribute to creating human and social values that help to build better people and better companies.

With this understanding, Global CV becomes a win-win approach that gives employees access to a unique experience, in which they witness how their professional knowledge and the company's skills and resources (often undervalued because the person is not fully aware of the importance of their own knowledge – or of their

company's know-how – until transferred to contexts where this knowledge does not exist or is not easily accessible) have the potential to improve the life and possibilities of others who have fewer options.

This experience, if sufficiently profound and extended over time, translates into the awakening of a series of values and desires to contribute (occasionally, dormant) which affect people's essential intrinsic motivations and change their way of being in the world. And, therefore, their way of being in the company.



At the same time, it is necessary for the company to visualise the true potential and usefulness of these programmes so that they are designed with the characteristics needed to maximise their impact. This may be the outcome of a process, but it is important to visualise the global potential so as to continue pursuing it.

Global CV programmes can be revolutionary if the company visualises the collaboration with the NGO – which is aware of the contexts, problems and cultures normally unfamiliar to the company's day-to-day, but representative of the problems affecting most of the world's population – as a strategic alliance, and if it perceives the NGO as a potential strategic partner that can support the company and provide it with much-needed knowledge and advice.

EXAMPLES OF CODESPA FOUNDATION PUBLICATIONS | Business and Development

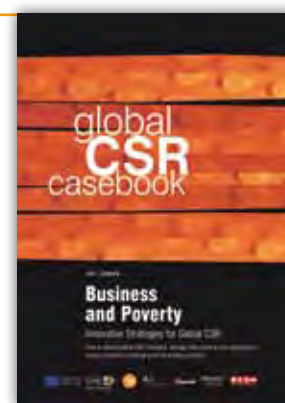
I. PUBLICATIONS

GLOBAL CSR CASEBOOK: BUSINESS AND POVERTY

Innovative Strategies for Global CSR. *CODESPA and ICEP, 2008*

This publication includes nine case studies of best practices from European companies involved in the fight against poverty through a Global CSR strategy. Published by CODESPA in collaboration with the European Commission and ICEP Austria, and with the support of the IESE Business School and The Boston Consulting Group.

To request a printed copy contact innovacion@codespa.org



II. SYSTEMIZATION OF KNOWLEDGE

Practical guide for implementing Global Corporate Volunteering programmes

The model of Professionals for Development. *CODESPA, 2011*

A step-by-step guide that systematizes the wide experience of CODESPA on developing and implementing Global Corporate Volunteering programmes. Based on its experience, CODESPA has developed a process that includes a series of practical and didactic phases, detailed activities and tasks, and key drivers to facilitate and succeed in the implementation of a specific initiative of Global Corporate Volunteering.

To request a printed copy contact innovacion@codespa.org



BEST PRACTICES MANUAL FOR TOURISM ACTIVITIES

Municipality of Copacabana. *CODESPA, 2010*

Written for tourism micro businesses, the objective of this manual is to present best practices and methods that can improve management and lead to the development of sustainable tourism and environmental conservation activities. Following certain practices, fundamental benefits can be gained from sustainable tourism: improvement in the quality of life of the host populations, offer of a high-quality experience to the visitors, and conservation of environmental quality, on which the involved actors depend (local populations, visitors and businesses). This manual is a product of the collaboration between CODESPA Foundation, the municipal government of Copacabana and the Apathi Community Tourism Network of Lake Titicaca; developed within the framework of the Competitive Development Projects of Rural Tourism in the Andes and the Tourism Activity Legislation in the Municipality of Copacabana.



VALUE CHAINS. Creating commercial links for the eradication of poverty. CODESPA, 2010

This document was created in response to the reflections and experiences exposed during the forum organized by Foundation CODESPA in Madrid on December 14 and 15, 2009. With the collaboration of Madrid City Hall and the Spanish Agency for International Development Cooperation (AECID).



SOCIAL INNOVATION IN MICROFINANCE

Development methodology for new products: Micro insurance 3x1 and loan for business creation of ADOPEM. CODESPA, 2010

This publication describes and analyzes the development process of new microfinance products that are the result of a remittance bancarization project, which had the objective of improving the quality of life of Dominicans through microfinance services and productive investment linked to remittances. Thanks to this project, a micro life insurance product costing only 4 Euros per year for beneficiaries, and an integrated business creation loan and business training program were successfully developed.



III. TECHNICAL NOTES ON DEVELOPMENT

European Volunteering Year: An opportunity for the social involvement of businesses. February 2011

Institutional strengthening. Rural community tourism competition in the Andes in Bolivia, Ecuador, and Peru. January 2010

CSR and the stockholders' role in American businesses. December 2009

That microfinance does not lose its opportunity. June 2009

The five stages of CSR. From defensive positioning to business integration strategies as a sustainability axis. December 2008

Strategic relationships between NGOs and businesses. Alliances for development. November 2008

Business and development. November 2008



FURTHER INFORMATION

CODESPA Foundation [www.codespa.org] is a not-for-profit organisation with no political or religious affiliations and with more than twenty-five years of experience in international cooperation for development, honorary chaired by H.R.H. the Prince of Asturias.

Based on its belief in human capacity to build a more equitable and fair world, CODESPA's mission consists on creating opportunities for people so that they may, through their work, develop their capabilities and take control of their own development. CODESPA's areas of specialisation include access to microfinance, market and training for employment. CODESPA manages more than one hundred projects in seventeen countries in Latin America, Asia and Africa through nine international local offices.

CODESPA carries out projects using the latest development cooperation innovation practices, and works together with the private sector in designing projects that allow businesses to become a directly involved actor in the fight against poverty.

- **DEPARTMENT OF RESEARCH AND SOCIAL INNOVATION**

In Spain and Europe, CODESPA develops initiatives to encourage training, awareness and research concerning topics related to development cooperation and the effectiveness of aid in the reduction of poverty. The Research and Social Innovation Department is in charge of launching these initiatives in Spain, creating spaces such as forums, conferences, and workshops that foster reflection and dialogue with the objective of advancing these fields.

Similarly, the department leads the knowledge management of the organisation, coordinating the systemization processes of CODESPA's experiences to extract the lessons learned and implement improvements that lead to deeper impact of the in-country interventions.

This knowledge systematization bears forth CODESPA's publications, which are specialized in the development field (including among other topics microfinance, Corporate Social Responsibility for Development - CSR+D -, and institutional strengthening). Through these publications, CODESPA shares its knowledge with different development cooperation actors.

- **HOW TO OBTAIN CODESPA'S PUBLICATIONS**

CODESPA's Web page www.codespa.org, in the PUBLICATIONS section:

http://www.codespa.org/index.php?option=com_content&view=article&id=23&Itemid=24

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“Global Corporate Volunteering. A strategic tool to involve companies and employees in the fight against poverty” includes real cases of companies that have successfully addressed the different challenges that arise during the design, implementation and development of Global Corporate Volunteering (CV) initiatives. Through essays and interviews, reputed international experts on the field present ideas and experiences on how Global CV can become a tool that contributes to Human Resources management, Social Action and Corporate Social Responsibility policies, as well as business strategy; a tool that allows companies to balance social end business goals.

Collaborating entities:

