

Corporate volunteering: Implications for policy and practice

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for Volunteering**



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The Volunteering Research Papers aim to capture evidence on a wide range of topics related to volunteering and outline key insights for policy and practice. The Volunteering Research Papers are peer reviewed, and insights will directly inform the development of the National Strategy for Volunteering.

The Volunteering Research Papers are an initiative of the National Strategy for Volunteering Research Working Group.

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Debbie Haski-Leventhal¹

Key insights

- Corporate volunteering (or employee volunteering) is popular in Australia, with over three quarters of Australian companies offering such programs to their employees.
- It occurs when employers (not only corporate ones) demonstrate a commitment towards their employees' volunteering by encouraging, organising, and enabling employees to volunteer as part of their work commitment.
- There are many motivations and benefits of corporate volunteering to all participating parties – the employers, employees, not-for-profits, and the community. These include instrumental, relational, and moral or altruistic drives.
- Corporate volunteering can be done as a one-off or ongoing giving of time; inside or outside working hours; skill-based or hands-on; as a team or individual effort. Companies can also involve their employees through transactional, relational, or developmental approaches.
- There are important lessons on how to achieve successful corporate volunteering for all stakeholders: starting with the needs of the community; creating ongoing multi-sectorial partnerships; enabling employee-led initiatives; and providing resources and support.

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What is corporate volunteering?

Corporate volunteering is seen as an imperative part of the changing role of business in society.² It is defined as “employed individuals giving time, knowledge, effort and money on company time during a planned activity for an external non-profit or charitable group or organisation”.³ Also known as employee volunteering, it occurs when employers (including non-corporates) demonstrate a commitment towards their employees’ volunteering by encouraging, organising, and enabling employees to volunteer as part of their work commitment. Through this support, employees give their time, knowledge, skills, and effort, usually to a not-for-profit organisation.

Corporate volunteering is usually tied to and facilitated through corporate social responsibility (CSR) programs. CSR is often perceived as a philanthropic endeavour, but a more holistic approach sees it as the broad responsibility of a company to behave ethically towards all its stakeholders.⁴ As employees are a significant group of stakeholders in any company, also named internal stakeholders, companies do well to involve them in their CSR efforts through, among other manners, corporate volunteering. Doing so increases the positive impact of the employers while also building team spirit, creating a strong sense of affiliation to the workplace, and offering meaningful leisure activities.

In 2018, 78 per cent of companies in Australia had a corporate volunteering program, and 15 per cent of employees participated in them. This translated to one million hours of volunteering.⁵ Additional data is required to assess trends in corporate volunteering over time.

Corporate volunteering is also vital as it increases people’s volunteerability by integrating it with another life demand: work.⁶ Just like employability, volunteerability refers to the individual ability to volunteer, along three facets: their willingness, availability, and ability to volunteer. This is particularly essential in the current climate, as people often feel that they do not have the time to volunteer and organise volunteering activities. Many barriers are removed when it is done for them during their working hours.⁷

2 Haski-Leventhal, 2021

3 Rodell & Lynch, 2016, p. 611

4 Freeman, 1984

5 Volunteering Australia, 2018; 2021

6 Haski-Leventhal et al., 2018

7 Cnaan et al., 2021

Antecedents

Why do companies involve their employees in corporate volunteering? Why do people participate? Who is more likely to participate in corporate volunteering?

Motivation to participate

The reasons why companies are eager to involve their employees in corporate volunteering can be divided into three. Similar to the motivation to participate in CSR in general, these can be instrumental (self-interest driven), relational (to enhance the relationship with stakeholders), or moral (a desire to “do the right thing”).⁸ As such, companies often involve their employees to enhance the company’s reputation and its brand; increase employee morale and engagement; and build their relationships with the employees, consumers, and other stakeholders. However, many companies make corporate volunteering programs because they believe it is the right thing to do, given their moral obligation towards the community and their desire to be good corporate citizens.⁹

In addition to the company’s motivation, it is essential to explore why individual employees choose to participate in these programs.¹⁰ There is a vast amount of empirical data on why people volunteer in general, but a lack of knowledge on motivations to volunteer through their workplace.¹¹ People participate for various reasons, such as the motivation to create a greater impact together, make their work more meaningful, bond with their peers, and help organisations and causes that are important to them.¹²

Another way of exploring employees’ desire to participate in corporate volunteering is through their needs. According to self-determination theory or SDT, employees are more likely to be motivated through intrinsic motivation and autonomy than incentives and rewards.¹³ SDT claims that employees are more engaged when their three core needs are met through the workplace: autonomy, competence, and relatedness. Corporate volunteering is a means to satisfy these psychological needs in the workplace.¹⁴ It is usually an autonomous activity that helps employees develop skills and relationships.¹⁵

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- 8 Aguilera et al., 2007
 - 9 Haski-Leventhal, 2021
 - 10 Grant, 2008
 - 11 Wilson, 2012
 - 12 Haski-Leventhal, 2021
 - 13 Deci & Ryan, 2008
 - 14 Millette & Gagné, 2008
 - 15 See Haski-Leventhal et al., 2019

Background factors related to corporate volunteering

Nave and do Poco found several background factors to predict the likelihood of employees participating in corporate volunteering programs.¹⁶ Females were slightly more likely to participate than males, with most corporate volunteers being in the 31 to 40 age group and having a university degree, children, and middle-level income. These statistics are similar to volunteering in general, where social capital and resources play a role in people's ability to volunteer.¹⁷ However, there is the exception of corporate volunteering being more frequent among work-age volunteers (18-65), whereas many retirees also volunteer.

The benefits of corporate volunteering

There are numerous benefits to corporate volunteering, some of which relate to the above motivations. These can be divided according to the three types of beneficiaries: the employers, the employees, and the community.

For the employers

While corporate volunteering serves many not-for-profit organisations, it also benefits employers/companies. Corporate volunteering was found to be related to higher levels of employee engagement and other positive workplace outcomes.¹⁸ Through spill-over effects, volunteering can provide a sense of purpose and meaning at work, thus indirectly increasing affective commitment, which is the emotional attachment to the job, and the most powerful of all commitment types, as well as job satisfaction.¹⁹ Corporate volunteering can strengthen employees' affective commitment to an organisation by changing the way employees view themselves and the organisation.²⁰ This, in turn, can be translated to better performance, services, and products, all affecting the financial bottom line.²¹ In addition, corporate volunteering can help companies enhance their positive reputation. Unlike monetary donations, corporate volunteering is easier to promote and communicate, increasing the positive image of the firm and the trustworthiness of the brand.²² It can also help companies and other organisations to build their relationship with all their internal and external stakeholders, which could lead to

16 Nave & do Poco, 2013

17 Wilson, 2012

18 Brammer et al., 2007

19 Rodell, 2013

20 Grant, et al., 2008

21 Brammer et al., 2007

22 Cycyota et al., 2016

employee engagement, consumer loyalty, shareholder satisfaction, and a positive impact on the community.²³

For the employees

Employees who volunteer do not only benefit others, the community, and the not-for-profits – they also benefit themselves. Employees enjoy volunteering through the workplace because it usually makes work more meaningful to them and helps them impart meaning to their overall role in the organisation.²⁴ As discussed above, volunteering can help people meet their job needs of autonomy, competence, and relatedness, as well as mastery and purpose.²⁵ Several studies indicated that participation in corporate volunteering is likely to energise the employees and provide them with opportunities to make favourable social comparisons (meaning that they feel good about themselves compared to others). This, in turn, can further enhance their confidence, self-esteem and sense of being valuable for society and the employer.²⁶ Furthermore, corporate volunteering often helps volunteers to better connect with their peers, build their teams and create an emotional attachment to their workplace, which can help them feel happier, more satisfied, and more secure in their jobs.²⁷

For the community

Most importantly, corporate volunteering benefits the community. It is an excellent example of multi-sectoral collaboration in which, if done well, all participants grow and strengthen. The community sector and its not-for-profit organisations receive the necessary human resources to help deliver required services to their clients or achieve their causes.²⁸ Furthermore, volunteering, including corporate volunteering, increases the social capital in the community and the level of trust between members of this community.²⁹ Research shows that people often prefer services from volunteers rather than paid employees as they perceive them to be more altruistic.³⁰ Finally, the not-for-profits often receive additional resources from the participating companies, such as financial support, in-kind donation, and partnerships.

23 Haski-Leventhal, 2021

24 Haski-Leventhal, 2013

25 See Pink, 2009

26 Rodell, 2013

27 Grant, 2012

28 Haski-Leventhal, 2021

29 Glińska-Neweś & Górka, 2020

30 Ronel et al., 2009

Processes: How to involve employees in volunteering

Mirvis suggested three ways of involving employees in CSR, in general, and corporate volunteering, in particular.³¹ In the *transactional approach*, programs are undertaken to meet the needs and interests of employees who want to participate in a company's CSR efforts. The *relational approach* occurs when the organisation and its employees make a joint commitment towards social responsibility and impact. This mutual obligation helps build a culture of CSR and the company's brand as a caring organisation. Finally, in the *developmental approach*, companies aim to fully activate and develop their employees and the company itself to produce greater value for business and society. The primary motivation of both employees and employers is to make a difference and create a more significant social impact.

In addition, there are a few ways to categorise corporate volunteering. Firstly, it can be paid or unpaid. By 'paid', it is not implied that employees receive money, but rather that they get paid leave to volunteer or that volunteering is done during paid working hours.³² Many companies offer paid leave days so that employees can volunteer without losing their other limited annual leave. However, this is not always effective, as most people do not volunteer for a full day, and most not-for-profits require two to four hours per week. Consequently, The National Australia Bank (NAB) decided to offer employees 16 hours instead, which can be taken in as many time slots as needed. When unpaid, employers organise volunteer opportunities for their employees outside their working hours, such as in the evenings or on the weekend.

Secondly, corporate volunteering can be undertaken on an *individual* basis, in which one employee volunteers for an organisation, or as a *team* effort, in which a group of people volunteer collectively — be it from the same department or across the organisation. Research shows that volunteering together can create a meaningful experience and a bond between employees.³³

Thirdly, corporate volunteering can occur at the organisational level, in which the whole organisation volunteers together in *one annual day* of volunteering. Companies such as Kraft Foods, Unilever, and Lendlease offer an annual day of volunteering. In the case of Lendlease, the company used to have a Community Day, but based on employees' feedback, the company changed it to Community 365™, allowing employees to volunteer outside the annual day while getting paid leave to volunteer and having volunteering opportunities being organised for them.

31 Mirvis, 2012

32 Haski-Leventhal, 2021; Rodell, 2013

33 Grant, 2012; Haski-Leventhal & Cnaan, 2009

Another important differentiator of corporate volunteering is employees' skill levels when they volunteer through their workplace. *Skill-based volunteering* has been increasing in recent years, as it uses the same skills in employees' paid roles as in their volunteering.³⁴ Skills-based volunteering increases the effectiveness of this giving, as it provides not-for-profits with knowledge, skills, and talent. It is also beneficial for the business, as it helps employees develop their skills further, making it a case of strategic CSR.³⁵ Nonetheless, sometimes hands-on volunteering is urgently needed, such as in the case of natural disasters, and many companies rise to the occasion and allow their employees to participate, even beyond their annual volunteering leave. For example, during the 2019 bushfires in Australia, Woolworths and Johnson & Johnson allowed employees to take additional leave to volunteer. Employees who were already volunteer firefighters received unlimited leave to help.

Innovative ways of involving employees in corporate volunteering

To date, most corporate volunteering programs offer employees the opportunity to volunteer occasionally, using a designated annual leave to do hands-on work. However, some companies have been innovating how they involve employees in their CSR. For example, some companies, such as Optus or Atlassian, engage employees in digital corporate volunteering, where employees volunteer online to help the community – from reading stories to children in rural areas to providing tech support to not-for-profits. In addition, some companies try to increase employees' volunteerability (their ability to volunteer, see above) by integrating work, volunteering, and family commitment and allowing their employees to volunteer together with their children. Kids Giving Back is an Australian not-for-profit which facilitates such programs. These trends were hardly covered in academic research and require further empirical exploration.

Risks and challenges

It is critical to note that companies, employees, and the community face some potential risks, which may further act as barriers to corporate volunteering. For companies, loss of employee time, administrative costs, and alienating social causes raise concerns.³⁶ For the employees, volunteering can sometimes come with emotional distress and secondary trauma, loss of work time, and job stress over tasks yet to be accomplished.³⁷ As for the community, pairing with companies misaligned with their goals and poor communication

34 McCallum et al., 2013

35 Haski-Leventhal, 2021

36 Basil & Erlandson, 2008

37 Haski-Leventhal, 2021

can be stressful.³⁸ Companies with good intentions sometimes overlook the community's needs and the not-for-profits and focus more on their employees' needs and their own drives, leading to ineffective services.³⁹

Implications for practice, policy, and future research

Based on the accumulating knowledge and empirical studies on corporate volunteering, a few imperative recommendations can be made for companies, employees, not-for-profits, and policymakers.

Companies are encouraged to build long-term relationships with several not-for-profits aligned with the company's values and mission. It is essential to have the needs of the community organisations and their clients as the core focus of employee volunteering, to ensure that the company truly creates social impact and not just team-building exercises. Companies also need to raise awareness of such programs and work with their employees, empowering them to be involved and even lead corporate volunteering programs and address their needs for impact and meaningfulness. In the same vein, it is essential to communicate the positive impact created through corporate volunteering back to the employees. Oftentimes companies report on how many employees volunteered and for how many hours, but not on the outcomes and impacts of these activities. Measuring and sharing the impact narrative is crucial to creating all the positive outcomes for all stakeholders.

Employees need to examine their employer's giving programs, including corporate volunteering, and be proactive in participating in them and designing them and leading such initiatives. For example, one Westpac employee cared deeply about asylum seekers coming to Australia, and he created an initiative named "I Am a Boat Person". Not only did he involve his entire Westpac team in volunteering for refugees, but he also managed to receive his employer's support. Together, they adapted the initiative to focus on refugees' financial literacy, making it a strategic CSR effort. It is an excellent opportunity to step out of one's comfort zone, work with unfamiliar colleagues, and find purpose in work.

As for the community sector, it is essential to communicate to companies that while volunteers do not earn money, they demand significant resources from the not-for-profit organisation. It is necessary to create an ongoing partnership with companies and to have corporate volunteering as part of this relationship. The Salvation Army in Australia

38 Lee & Higgins, 2000

39 Lee, 2010

now works with a smaller number of companies with which they create such partnerships. It is also possible to communicate that no walls need to be painted and what the community's real needs are so that corporate volunteering becomes more effective and efficient.

Corporate volunteering is often a collaboration between companies (or other employers) and the not-for-profit organisations where the employees volunteer. However, there is a vital role for the government to play in enhancing such collaborations. Governments can enhance corporate volunteering through the following actions:

- Offer tax and other financial incentives.
- Celebrate and recognise leading companies and outstanding employee volunteers through awards and a national corporate volunteering day.
- Support related research to build a stronger rationale and pathway for employee volunteering.
- Remove barriers such as insurance and background checks in some cases of corporate volunteering.

As for future research directions, there are still gaps in the literature on corporate volunteering. First, it is important to further understand related processes, such as organisational socialisation towards volunteering done by employers and other organisations. Second, more research is needed about the motivations, needs, and barriers to corporate volunteering. While there are some publications on these aspects, we need to further contextualise them and relate them to the kind of work corporate volunteers do. Third, the risks and barriers are understudied, particularly from a multi-stakeholder perspective. Finally, longitudinal studies are essential for further understanding the long-term outcomes and impact of corporate volunteering on all parties and actors.

Conclusion

Corporate volunteering is an important activity which bridges employers, employees, the community, and not-for-profit organisations. When done well, it can benefit everyone and provide needed resources for adequate social services. There are many new ways companies can involve their employees in volunteering. Still, the most critical point is that such efforts should always benefit the community. Creating ongoing partnerships and lasting relationships between all parties and creating and communicating the social impact generated through them, are key to successful corporate volunteering.

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