



FACT SHEET

EMPLOYER-SUPPORTED VOLUNTEERING

Corporate participation in the social economy

Social Economy Fact Sheet #22

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Birds' Eye View

- From 14–25% of Canadian companies have some kind of volunteering policy.
- 27% of volunteers receive some kind of support from their employer and those with support dedicate more time (151 hours for 1.8 organizations) than those without employer support (131 hours for 1.5 organizations).
- Banks lead in this area, thanks to legal changes adopted in response to mergers and monopoly concerns, requiring that they publish Public Accountability Statements.

In this study, researchers Meinhard, Handy and Greenspan examined the limits between traditional forms and corporate social responsibility processes. They explore how employer-supported volunteering (ESV) can encourage employees to get out and participate in community betterment, adding social goals to for-profit agendas, as part of corporate responsibility policies.

Employer-supported volunteering: what it is and what it does

Sometimes called corporate or employee volunteering, employer-supported volunteering (ESV) refers to company-based initiatives to encourage their own employees to get out and help the community.

This may take the form of sponsoring events, fundraising runs/walks, liaising with local volunteer centres, forming long-term partnerships with local volunteer centres or community agencies, providing resources and honouring volunteers.

This kind of volunteer service plays multiple roles and achieves a wide range of goals.

Employees serve as company ambassadors and antennae, helping to increase brand recognition, improve client relations, enhance company reputation among possible investors and build customer loyalty. They can also identify needs for new product development and build stronger communities, which also offer a more stable setting for business.

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Further benefits, described by researchers making the business case for ESV, focus on how companies with good community involvement records are able to attract and recruit the most talented people. ESV also improves employee satisfaction, loyalty, team spirit and morale, and provides opportunities for enhancing existing skills and/or acquiring new ones. And this can increase productivity while reducing turnover.

ESV programs pose challenges for companies too, however, testing their commitment and their ability to organize around absences while staff are volunteering.

Methods

To examine ESV programs run by financial institutions, we:

- Contacted 11 relevant companies and conducted eight in-depth key informant interviews with ESV program directors at major financial institutions, and
- Used SurveyMonkey and internal company e-mail to survey employee volunteers in one financial institution to understand their motives and involvement. The response rate was almost 60% (300 people). Two-thirds of respondents were female, two-thirds married, and 93% had post-secondary education. Almost half

Findings

- Key informants saw the need for corporate social responsibility and their mission as contributing to the social economy.
- Most (92%) volunteer only in company-initiated projects; 1.3% in the matching program only, and 6.7% in both.
- Most (74%) volunteer only occasionally and the rest weekly (16%) or monthly (7%).

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Questions asked and answered

To understand how ESV programs fit into the philanthropic strategy of the corporation and how these activities are perceived as contributions to the social economy, we asked our interviewees:

- What types of ESV programs are offered and how they are run?
- What is the reason for encouraging employee volunteering?
- What are the benefits to the employer and employee?
- Have ESV programs increased volunteering?
- How do employees perceive their contribution?
- What are the opportunities and challenges faced by employer and employees?
- What about about successful and unsuccessful experiences with ESV?



Most programs were remarkably similar, involving either credits for volunteering (in the form of a \$250-\$1500 donation to the non-profit where the employee volunteers) or in-house projects reflecting either employee initiatives or company-wide philanthropic planning. These team-building efforts are strongly supported by the corporations because they see it directly benefiting employee morale. Thus, they are more willing to give employees time off for team volunteering than to individual efforts in this sense. Three of the institutions have formal time-off policies for individual volunteering; however, all of them claim time off is available on an *ad hoc* basis, negotiated between the individual and his or her manager.

In Short: Significant challenges often involve internal communication

Without question the biggest challenge mentioned by most of the ESV administrators is reaching out to employees and informing them of the many opportunities that are available to serve their communities. Moreover, volunteering is not tracked locally at the branch level or nationally.

Although our interviewees knew how many volunteer credit cheques were issued each year (i.e. the financial cost to the company), they were unable to determine the overall rate of volunteering. Their estimates suggested this stood at somewhere around 10% of the workforce, with most estimates on the lower end of the range.

Reasons for volunteering included: "it provides an opportunity to help others" (98%), "it is part of the company's culture" (61%), "because my co-workers volunteer" (29%), "because senior management encourages it" (26%), and "because of the matching grants" (25%). Almost half (42%) report that this was their first volunteering experience. Nonetheless, nearly half (45%) said that ESV initiatives made no difference. Indeed, half receive only partial support from the company or none at all (34% and 9%, respectively) and volunteer anyway.

We recommend that companies invest more in internal communication about these programs and conclude that employee volunteering programs do raise awareness and enhance company relations with local communities, credibility, reputation and legitimacy.

To Find Out More

http://socialeconomy.utoronto.ca/english/project_pages/project_22.php