

# YOUR EMPLOYEES ON SERVICE

## The Effects of Corporate Social Responsibility on Employees

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By TANNER HAFEN

A successful company is no longer one that simply makes a profit. In a world where sustainability is becoming increasingly important and a workforce that is increasingly dominated by millennials, new values are entering business. Newer companies like TOMS Shoes; Warby Parker, an online eyeglasses seller; and Ben & Jerry's ice cream have shown this in their embracing Corporate Social Responsibility (CSR), business practices involving initiatives that benefit society in some way.<sup>1</sup> TOMS has done this by donating a pair of shoes to someone in need for every pair sold. Warby Parker has a similar program for their glasses. Ben and Jerry's is known for involving itself in social and political initiatives.<sup>2</sup> These companies, and others, have not only contributed in positive ways to society, but have also been profitable doing it, and the pressure is on firms to do the same in order to stay relevant and profitable.

### Employee Volunteer Programs (EVPs)

Of course, not every company can give away products or services, and becoming too involved in certain social causes can prove unwise. So, how can a firm increase its CSR while also maintaining its core purposes? Many have found success in beginning Employee Volunteer Programs or EVPs. According to an article by Bryan K. Brenner in the *Journal of Financial Service Professionals*, "Employee volunteer programs (EVPs) are



planned, managed efforts that receive funding and personnel from a business to motivate and enable employees to volunteer."<sup>3</sup> EVPs can take on a variety of forms from giving employees paid time off to volunteer, to matching donations to approved organizations.<sup>4</sup>

Though there are many benefits for a company in increasing its CSR, this article will focus mostly on how Employee Volunteer Programs can influence the employees, current and potential, in your company.

### Benefits of EVPs

Scholarship on EVPs and their impact are somewhat sparse, but the research that has been done is promising. Mr. Brenner's article is an example of this, as he identifies several areas of a business that are directly impacted by EVPs, and most of them have to do with employees. The employee-based benefits this article will cover are Leadership Development, Skills Development, Recruitment and Retention, and Productivity.<sup>5</sup> I'll draw on his research as well as others' to show these benefits.

## Leadership Development

PricewaterhouseCoopers, the global accounting firm, has taken a proactive approach in using service to develop leadership skills. They operate a program called Project Ulysses, which entails sending teams of employees from around the world to developing countries to use their skills to address challenges unique to the area.<sup>6</sup> One partner, after working with a variety of people in Namibia said, “You realize that perhaps the way you see things isn’t necessarily the best way.”<sup>7</sup> Opportunities like this give any employee the opportunity to not only learn to listen and work with others, but also direct others in accomplishing tasks, among other leadership skills. You don’t even have to send them to Africa to develop them.

## Skills Development

Employee development programs can be quite expensive and time-consuming. EVPs can provide a very inexpensive way for your employees to develop relevant skills for their everyday work. Some employees who have participated in EVPs believe that they gained valuable skills like improved communications abilities, fund-raising and resource development, coaching and mentoring skills, organizational and multitasking capabilities, political astuteness, problem solving, and public speaking.<sup>8</sup>

## Networking

Depending on the specifics of your EVP employees will likely be interacting with fellow volunteers from inside and outside your organization. This opportunity to network can have positive results for the employee and your company. An excellent example of this is Merry Lindsay, who was working part-time for Bank of America. In her spare time, she participated in the company’s volunteer program, and she loved it. She became a team leader, and this gave her the chance to make connections and demonstrate skills she never would have been able to in her normal job. She eventually became assistant vice president for Bank of America’s environmental initiative group in San Francisco.<sup>9</sup>

BENEFITS OF EVPs	
1	LEADERSHIP DEVELOPMENT
2	SKILLS DEVELOPMENT
3	NETWORKING
4	RECRUITING AND RETENTION
5	PRODUCTIVITY

Table 1 Benefits of EVPs

## Recruiting and Retention

As was mentioned earlier, Millennials are making up a larger and larger percentage of the workforce, and their priorities are slightly different than job seekers of the previous generation, and EVPs can be an important part of attracting them to work for you. One study out of the Berkley School of Business found that 97% of Millennials think companies should offer their employees opportunities to serve.<sup>10</sup>

EVPs can also help you retain the employees you have. Employees are more likely to stay at a company when their employer provides

“substance and meaning”, and EVPs are an excellent way to do this.<sup>11</sup>

### Productivity

A study done by the Boston College Center for Corporate Citizenship surveyed several companies, and found that 89% of them observed a positive correlation between participating in an EVP and higher engagement in their employees.<sup>12</sup> Other research measured an increase in competency of up to 14-17% as a result of volunteering.<sup>13</sup>

### What You Can Do

The benefits to your employees, and as a result your company, of instituting an Employee Volunteer Program are numerous. If you don't have one, you should seriously consider starting one. If you do, you might look into ways to make it more effective. There are a variety of specific programs and frameworks that have worked well for other firms, but it is best to consider your company and its unique strengths, and goals.

Your employees are your most important asset, and an EVP has the potential to attract and retain great employees, increase their skills, and make them happier and more productive in the work place. ■

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