

Understanding Permeable Boundaries: Growing strategic, competency-based Employee Involvement

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Abstract:

How can strategic community involvement possibly be credible and effective without strategic and effective employee involvement? After all, the employees *are* the company.

The task for companies is to clearly put a larger focus on developing and growing strategic and impactful employee involvement in the community. This is where the real opportunity for *distributed* Corporate Community Involvement lies.

1) Employee Volunteering for the quick numbers

Employee Volunteering tends to be the part of Community Involvement that companies find easiest to implement, together with basic philanthropy¹. 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/Rec 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.

- International benchmark for Employee Volunteering: 30% of employees involved
- Impressive best practices:
 - General Mills' 82% of U.S. employees volunteering
 - Disney's VoluntEARS, sourced among 144.000 employees, consistently delivering half a million volunteer hours per year

Involving employees that way is fairly easy as well: A bit of an Internal Comms information push through emails and posters; a commitment from 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 (e.g. Boeing's Global Day of Service). 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 liaise 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 day at their desks in the office.

¹ giving away 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

2) 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.

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 like e.g. mentoring a young person. Also service on NGO boards could be grouped in this bracket. At this level, employees need to commit volunteering 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 continue to work with the pyramid approach out of a perceived necessity to both meet employee interest and achieve scale worth reporting: 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 only follow Kofi Annan's 2000 call on companies to give up on 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 programs 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'², on the other side are the employees. Skilled Community Involvement has been undertaken by 'the company', i.e. 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

² assumption: the company as a 'thing', a 'machine'; a view often still based on Frederick Taylor's (1856 – 1915) now outdated view of 'scientific management'

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 company. In this view, the Community Involvement manager no longer needs to be 'the expert' – and transitions into the role of engagement facilitator.

Looking at context differently is what is required in our world today. Another important question to ask nowadays is: Where does the company end? If we take an open systems view, with a company being a part of society, with permeable boundaries, then employees making up the company are also in a constant interdependent exchange with surrounding society – and 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'³. 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"?

3) Practical examples

Most outstanding practice

The two most impressive examples of competency-based volunteering are IBM and The Boston Consulting Group (BCG).

IBM is recognized as best in class with its claim to have shifted *all* employee volunteering to their strategic community focus. As part of IBM's 'Smarter Planet' initiative, employees from research and technology, consulting and IT are involved in raising the standards of performance in education, contributing to economic development, addressing humanitarian needs, energy efficiency, secure water supplies, safe food and improved healthcare.

At BCG, it was Bruce D. Henderson, the company's founder, who decided already in 1963 that BCG's business expertise should not just benefit companies, but should be applied for the benefit of civil society. His enlightened view was 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: On the global level, the company contributes its expertise to civil society partners the World Food Programme, Save the Children and the Gates Foundation. Beyond these global partnerships, national BCG chapters get involved with NGOs on a country level.

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 corporate clients. 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.

³ Bea Boccalandro: The End of Employee Volunteering – A Necessary Step to Substantive Employee Engagement in the Community
<http://www.cccdeutschland.org/sites/default/files/CCCDebatte%2007%20engl%20final2.pdf>

Beyond pro bono work on company time, employees can also commit their private time voluntarily, for example as trainers or mentors in schools or for unemployed youth. Two examples of BCG'S commitment in Germany are the company's 'Business@School' and 'Joblings' programs. In 'Business@School', employees mentor students during their last year of high school to prepare them for beginning their university studies or entering the world of work. In 'Joblings', unemployed youth receive full-time training for six months and are then placed in employment⁴. The program is managed full-time by BCG-seconded consultants, and BCG employees act as trainers and mentors on the program.

Joblings has proven highly successful: 60% of trained young people have been placed in employment, compared to only 30% in government-initiated programs. 90% of those young people placed have stayed employed.

Both programs have been designed as platforms – BCG invites other companies to become partners and take the programs to scale. For Business@School, many companies have heeded that call; the Joblings program is entering that expansion phase now.

The five big consulting companies⁵ now all have similar programs, 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. Such secondments can last anywhere between two weeks and a year.

At advertising agencies, creative minds tend to love devoting their skills to a pro bono campaign for an NGO. At law companies like DLA Piper, lawyers work as hard at giving their legal advice 'pro bono publico' to NGOs as they work on paid client work.

Bridging the educational divide

In 2002, Nokia looked into how corporate core competencies could aid education needs around the world. The company soon found that its own abilities were not centered around the 'dumping computers' initiatives that were popular at the time. Inquiring into the many 'computers for schools in developing countries' initiatives, the company found that only rather wealthy schools in those so-called developing countries were even considered for such computer classrooms. The company inquired into the needs of the thousands of schools 'below the line' of wealth needed for a computer classroom and proper security. The findings were: Often a school consisted of a bamboo hut on stilts, with 20 children on the floor, two twenty year-old text books and no paper or pens. The question the company asked was: How can learning be brought to these children? At the time of initial inquiry, top management in the company had no answer to this. The CEO at the time, Jorma Ollila, unusually made budget available and encouraged employees in the R&D department to take time out of their day jobs for skills-based volunteering: Coming up with and implementing an innovative solution. It took a few months and quite a bit of testing (and failing) various approaches, and then the concept emerged: Teachers in those so-called developing countries, even if they were based in the jungle along the Amazon, could send text messages from a mobile phone that would trigger a signal in a satellite (with all of the world's land surface being covered by satellites). That signal would trigger the satellites to download selected distance learning materials – even in the required local languages - into a set-top box on top of a TV set in the teacher's classroom – even if that classroom would just be a bamboo hut. All the so-called school building would need was a generator for electricity. TV sets, set-top boxes and mobile phones were to be provided through funding from a platform of partners, including local ministries of education, the United Nations, national satellite companies and national

⁴ vocational training, as is standard national practice in Germany

⁵ Accenture, Deloitte & Touche, Ernst & Young, KPMG, PriceWaterhouseCoopers

telecommunications companies. So here was a sustainable, low-cost solution to *reaching every school in the world*, offering real opportunities to children. The next step for Nokia's 'involved employees' was to work together with employees from the satellite companies for technical implementation. And then the next step was to go out into communities and test the solution under 'real-life' conditions. Finally, involved employees ended up manning a 24-hour support hotline for teachers. The 'volunteering' was officially done on paid company time – however, employees in their enthusiasm voluntarily chipped in many more hours of unpaid overtime.

Consulting on environmental efficiency

Employees at E.ON increasingly took on a role championing saving energy and waste at all corporate sites, encouraging colleagues to be more environmentally responsible in the workplace through changing their day-to-day behaviour. 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 and engaging school administrators, teachers and students on conducting energy audits, measuring and taking action to reduce their energy consumption, and changing the school's operating patterns to a sounder environmental performance.

Making a whole industry follow suit

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 United Nations 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.

4) What's the business benefit?

The companies described consider their secondments a big win-win – the NGOs report on having gained useful institutional knowledge in areas like strategy development, operations management, marketing and communications, IT and accounting. Learning and development departments at the Big Five, in charge of developing their young talents, report on the MBA trainees having deepened their listening skills, understanding, patience and perseverance, and leadership skills.

BCG's commitment has played a great role in their recruiting. The company is one of only three to appear in the top 15 of *Fortune's* "Best Companies to Work For" report for six consecutive years. In the most recent publication, BCG is listed as the second best company to work for. According to BCG, their social impact approach plays no small role in winning that recognition and attracting talent.

However, there is business benefit beyond recruiting: BCG finds that in working with civil society, for example with the World Food Programme in Mauretania, the company and its employees increase their own learning, gaining different perspectives, understanding global interdependencies and supply chain issues and gaining a wholistic perspective on value

⁶ UNOCHA: United Nations Office for the Coordination of Humanitarian Affairs

creation. “We then bring that learning into the companies we work with,” explains Dr. Raphael von Hoensbroech, project leader at BCG.

How did Nokia benefit from their approach? The company had the opportunity to demonstrate own technological innovation potential for the benefit of society and was able to draw a direct business benefit from its engagement and commitment: through receiving offers from governments around the world to pay for the solution to be brought to their countries.

E.ON found that 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. The company was perceived as understanding permeable sectoral boundaries, and as meaningfully and impactfully contributing corporate and employee core competencies.

The logistics companies find that their strategic community and employee involvement is good marketing: Whenever a catastrophe happens, they are ‘already there’. Their programs give them visibility as outstanding logistics companies, and that visibility directly impacts their profitability, adding bottom-line business value.

Informed stakeholders perceive all of these companies as understanding permeable sectoral boundaries.

5) Final opportunity: A value chain of integration

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. 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 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. Why should only the people in the C(S)R or Sustainability department have all the right answers? A lot of innovation potential lies dormant in the employee force.

Yet the next level of integration is about understanding the permeable boundaries between sectors, and between the company and society at large.

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.

An abbreviated version of this paper with shorter case examples will be published in the Global Corporate Volunteering Good Practice Case Book in April 2012.

About the author:

For many years, Veronica Scheubel was in a global role as Senior Manager Corporate Responsibility at Nokia. In that function, one of her responsibilities was to build up, manage and lead Nokia's global Employee Volunteering in more than 30 countries.

She is also co-author of the book 'Corporate Community Involvement: The Definitive Guide to Maximizing Your Business' Societal Engagement' (Greenleaf/Stanford University Press 2010), featured on Cambridge University's 'Top 40 Sustainability Books' list, also published in Korean, and currently translated into Arabic.

With an MSc in Organizational Change Consulting, Veronica continues to work globally as a consultant, coach, trainer, facilitator and international speaker. Her topics are leadership and change, sustainability and stakeholder engagement. Among her clients have been E.ON, Daimler, ThyssenKrupp, Skoda, the German Federal Association of Cooperative Banks, the Global Alliance for Improved Nutrition, Plan International, the Government of Bahrain, Boston College, the University of Aberdeen, and the Finnish PR Association.

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