

29 September 2005

Committee Secretary
Parliamentary Joint Committee on Corporations & Financial Services
Department of the Senate
Parliament House
Canberra ACT 2600
Australia

Email: sduns@volunteering.com.au

To the: Committee Secretary

We are please to present the Centre for Volunteering's submission to this joint committee.

Our submission focus addresses terms of reference c, f, g

For any queries regarding this submission, please contact:

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Yours sincerely

Stephen Duns
Chief Executive Officer

Parliamentary Joint Committee on
Corporations and Financial Services

Inquiry into corporate responsibility

September 2005

Introduction

The Centre for Volunteering is the peak body in NSW working to advance volunteering and all forms of community participation and includes Volunteering NSW and the School of Volunteer Management, a registered training organisation.

Our mission is to promote and support volunteering and community participation. Through our leadership and experience in delivering services in NSW and throughout Australia, we connect people and organisations in order to enrich the community. One of our key programs areas is corporate volunteering.

This submission addresses employee volunteering programs (EVPs) undertaken by companies fulfilling corporate social responsibilities. Our recommendations are largely a result of experiences in promoting and supporting EVPs with companies. We make two recommendations:

1. the need to align corporate social responsibility programs to the business mission and shareholder value
2. the need to align expectations of corporate volunteering programs with volunteer-using organisations.

Our submission endorses the recommendation made by Volunteering Australia in the reporting practices associated with corporate responsibility that measure benefits to non-profit organisations and the community in addition to the investments made by their corporate beneficiaries.

Linking Corporate Social Responsibility to Business Mission and Shareholder Value

This section broadly addresses the linkage between social issues, responsibilities and business success where companies embark on a program of employee volunteering.

We acknowledge the contribution made by companies in terms of cash and in-kind goods and equipment. This submission addresses the time and skills of business employees as volunteers and changes in business policy to promote community benefit and engage in meaningful corporate citizenry (Davis 2005).

Different models of corporate volunteering and their respective benefits have been and are being researched and evaluated (see for example, Meijs and van der Voort 2004). International experience of employee volunteering programs in USA, UK and Europe demonstrates best practice occurs when companies actively integrate their business mission and goals with social issues and community involvement programs rather than engage in sporadic, unsupported efforts and under-resourced programs (Regelbrugge 1999; Logan 2002). For example, a leading organisation like CISCO in the USA has developed a social-economic business strategy that has maximised the long term performance of the company through integrated employee volunteer programs. Similarly, this has been replicated in Australia, with clear examples from Insurance Australia Group and Melbourne Water. These community investment initiatives and programs are detailed in their respective sustainability reports.

We recommend that government investigate how corporate social responsibility interests can be written into legal frameworks governing director's duties. Such guidelines can be developed from international and local best practice to assist them to match their corporate social responsibility efforts with their shareholder value and company mission statements.

Aligning Expectations of Corporate Volunteering Programs and Volunteer-using Organisations

Employee Volunteer Programs (EVP) are a relatively recent development in Australian business practice but are gaining increased interest and support where 61 per cent of the top 100 companies have some operational program (Zappala & Cronin 2003).

The Centre for Volunteering NSW has some experience in assisting companies with their EVPs. Based on this, it is important that expectations of both parties, companies and not-for-profit organisations (NFPs) are matched in ways that maximise the potential mutual benefits.

From our experience, there is the potential for unrealistic expectations from both parties that can result in unproductive and short-lived relationships. For example, companies require large groups to be accommodated on one day by a volunteer-using organisation that is struggling to keep on top of things on a day to day basis. Also volunteer-using organisations need to design tasks suitable for groups of volunteers. It is important in the first instance, to set guidelines and disseminate examples of best practice to promote sustainable relationships between companies and NFPs that engage in EVPs.

REFERENCES

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