



## EMPLOYEE VOLUNTEERISM : ORGANISATION ORIENTED CORPORATE SOCIAL RESPONSIBILITY

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### $\frac{1}{15750}$ ABSTRACT $\frac{1}{15750}$

*Corporate Social Responsibility (CSR) is not a new term. Corporate Social Responsibility has changed a lot from its initial acceptance as a concept/practice given by Dell Carnegie, where it was just about contributing towards the society. In its evolution it has gone through a lot of changes, in terms of the way it is practiced from simply giving donations to employee oriented mechanisms like employee volunteerism. Today CSR acts as important tool for organisation just as to engage creating positive brand about themselves, but has got direct impact on the way the important stakeholder, employees react to it. Employee volunteerism is a new way organisations are trying to engage the positive aspects of employee, but as the profit maximising nature of any firm in business, there are benefits for the organisation as well in terms of various Human Resource aspects. The paper deals in Employee Volunteerism as a concept and its implications for both Employees and the employer. The paper is based on the literature available on the subject and includes some examples which are driving the new way through this new mechanism of CSR*

**Key Words** Corporate social Responsibility, Volunteerism, Employees, Benefits.

### **Introduction**

CSR (Corporate social responsibility, we will refer it as CSR henceforth in the paper) is one of the greatest global challenges of the 21st century. Our ancestors have bequeathed to us ways of conceiving, running and regulating corporations the core elements of which are tested more in the 21st century conditions than even before, they need revisiting and even recasting for the sake of our generation, our descendants and the planet's future. CSR is the lynchpin of the 21st century enterprise. CSR can be studied, regulated and practised from many different angles. The early 21st century has already witnessed an explosion of CSR standard setting initiatives on international, national and regional fronts. Embracing the G8s and G20s, OECD and a range of countries engaged in reforming or at least reviewing the CSR- sensitivity of their corporate regulatory regimes and business practises. The true multi - disciplinary character of CSR, the reality that great societal and global problems are addressed

by CSR, and the new insights into CSR's deep complexity are increasingly reflected in scholarly works related to CSR.

*"Globalisation" is giving rise to a new political struggle, not between states and multinationals or necessarily between north and south, but between people and Corporations.*

**Zennifer Zerk**

Corporate social responsibility is one of the most important issues and developments of the

21st century. This is because the world of the 21st century faces the problems which CSR is part of the answer. So, it is not surprising to see CSR achieving dominance as global issues. Corporate social responsibility (CSR) cannot be restricted to just one area. CSR can be taken up as compassionate capitalism also but the people who believe in it and support it still have the purview that CSR can be the game changer, not only at the business level but also at the organisational level. The house of CSR has many rooms in the 21st century. The task of identifying CSR is made

more difficult by the changing nature of it and its existence in various forms, the questions are regarding the responsibilities it engages in, what justifications for CSR exist, and whether the idea of corporations having any kind of CSR is relevant or not. CSR has many definitions and, grounded in many different standpoints from which it can be approached. No consensus yet exists in the definition of the term and its boundaries, let alone in its main forms and ends. Given the diversity of terms deployed to cover, the various ethical issues relating to business, it is impossible to find a meaning that will accommodate even the majority of the actual uses of the term, "CSR".

At its least specific, CSR concerns all corporate activities and their outputs which help the society and outcomes that are not strictly pursued for profit maximization of affecting bottom line of a company. While researchers have sought to understand the motivations, behaviors, and consequences of many CSR initiatives in firms (e.g. Martins, 2005; Waddock and Graves, 1997), few studies relate CSR to human resource management prospective and specifically to employees. For example, Ramus and Steger (2002) present impressive evidence that supervisor behaviors regarding environmental policy have strong influences on their employees' "

'eco-initiatives' a term coined by them which lead to a window for understanding CSR by employee as a concept. However, their CSR research is restricted to the environmental policy aspect of CSR.

CSR is focused externally on the firm's impact on the community while the environmental policy is focused internally on the firm's standards and requirements for itself. What we are looking into is the relationship between externally oriented firm and its in built mechanisms to support such

initiatives. Growing body of international research and business literature has been turning up direct links between Employer-Supported Volunteering (ESV) and many benefits for the organisation in terms of retention, organisation citizenship behaviour and those who benefit from the involvement of employees' involuntary action include, of course, "the society" which is the prime area of locus for the increased efforts to increase participation. Research in areas of volunteerism reveals that the benefits of such initiatives are for both the organisation, as well as the positive psychology of the employee. It also leads to increase in the spirituality quotient and positive association with the organisations' work. It also benefits the company that has supported and encouraged volunteering by its employees. Recent reports prove that the payoffs to employers are both varied and significant, and include increased employee motivation and commitment, increased investment from stakeholders, more branding as product as well as employer, enhanced employee competencies, and greater attractiveness to prospective new employees.

Known by a range of terms, including "corporate volunteering", "employee community involvement," "employee volunteering," and "workplace volunteering," the constant which underpins all forms of Employer-Supported Volunteering is that

Employees perform work in the community with some form of support and/or encouragement from their employer to do so.

Corporate volunteering is any formal or organized means a company uses to encourage and support its employees and retirees (and possibly their families) to volunteer their time and skills in the service of their community.



Corporate volunteering is about businesses supporting and encouraging staff involvement in the community - for mutual benefit

An examination of the literature suggests that the benefits to employees engaged in volunteer activities can be numerous. Furthermore, there is evidence of spill over effect of such initiatives in increasing employee productivity. While active participation in non-work activities historically has been viewed as robbing the work place of time and commitment (Kanter, 1997), the positive effects of volunteerism have long been recognized, as participation in non-work activities can 'support, facilitate, or enhance work life' (Crouter, 1984, p. 430) by providing employees with greater resources with which to perform their duties (Sieber, 1974).

Sieber (1974) identifies four positive dimensions:

1. Privileges gained
2. Status security;
3. Status enhancement; and
4. Enrichment of personality.

The more personal rewards gained by an employee, for example, the greater his or her self-esteem and ability to be a proactive problem solver on the job. Status security also acts as a buffer, making the strains of the job easier to manage, while status enhancement reflects the concept that by products of non-work roles, such as personal contacts, can be used in work roles. Similarly, personality enrichment involves the development of skills and perspectives that are useful in the work domain. Thus, the enrichment of personal resources may increase employees' abilities and efforts to meet the goals of the organization, while decreasing susceptibility to the job's dissatisfying attributes. Further, it has been

argued that non-work activities do not detract from an employees' effectiveness in areas related to work.

Businesses are looking at innovative mechanism in being recognized as responsible members of the corporate world, and employee volunteer programs are one of the best ways to demonstrate such a commitment. The growth in corporate citizenship efforts mirrors the growth in employee volunteer programs. Businesses are structuring their employee volunteer programs strategically to maximize the benefits that are perceived as well as realised in terms of employees. For example of the many structured framework for Employee volunteer programmes. The Points of Light Foundation (Principles of Excellence, 2002) has developed the following principles of excellence for successful and sustainable employee volunteer programs:

1. Acknowledge that your corporation's community service involvement and its employee volunteer efforts contribute to the achievement of its business goals,
2. Commit to establish, support and promote an employee volunteer program that encourages the involvement of every employee and treat it like any other core business function, and
3. Target community service efforts at serious social problems in the community.

Why employee volunteer programmes:

It is very important to look at why do we need such altruistic behaviour from organisations and what are the benefits that organisations are deriving out form it. Employee volunteer programmes seems to be very positive behaviour, it is not self-evident that people regard participation in the program as something positive. People who choose to participate might be seen as not focused on - or not interested enough in



- their regular task. On the other hand, people who do not participate might be seen as not complying with the company's policies, or as not showing commitment to the organization (cf. Mowday et al., 1979).

In the middle time of 1980s the primary reason given by the corporates for sponsoring a volunteer organization or an initiative (through sponsorship and through creating structures for philanthropy) was to demonstrate a commitment to corporate responsiveness yet by the end of the 20th century corporates had shifted from a purely philanthropic view of community involvement to a more involved vision of corporate social responsibility (CSR). Companies recognize that they should be involved in the community for several good reasons:

The society from which profits are determined should be given back something else.

Businesses are looking at CSR as strategy not limited to getting into consumers. Increasingly, companies are finding that employer-supported volunteerism is here to stay.

As per our understanding and review of the various literature resources our point of view is that there is a three way relation between the employer, employee and the community. These benefits have been identified as not the only reasons for the development of the employee volunteer programmes.

Employer has got benefits in terms of

1. Better perception of the company in the community
2. Improved brand image as a corporate Community development
3. Improved people skills among employees
4. Product ideas

There does exist a perception among

the communities where firms set up their offices, plants and factories that the sole objective of such firms is profit maximisation and not develop or benefit the community which is in proxemics to the organisation. Companies have to come directly and get their hands muddled in the development and involvement of the society. This opportunity ensures that companies are not considered just as capitalistic organisations but a development directed organisation. The kind of development Standard Chartered bank is involved in Maharashtra, that wherever there is a branch, the near by village is taken under the CSR branch of the bank and education and drinking water related development are developed.

This also leads to a better image of the company, not just in the market but also in business community, which helps them in forming strategic alliances for the organisation in long term; as what Hindustan Unilever got from directly being involved in "Project Shakti". They had a good brand image and that enable them and to get easily access to rural markets of Gujarat by the supply chains of Rudi, a SEWA based organisation.

Community development is the prime aim of corporate responsiveness be it in any form. Employer volunteerism is the mechanism. We are talking about a more inclusive and involved development by organisation and not just philanthropic donations. Community development is towards over all growth in terms of education, standard of living, alternate resources, and providing alternate mechanisms something what Husk power systems is doing in area of power generation. It has got an alternate resource for power and also creates employment opportunities for the people and also a penetration in the rural area.



People skill of the employees improve and we are talking in terms of not only interpersonal skills but speaking skills, people handling skills, patience and also it provides opportunity to get insight into heads of the customer may be not for today but for tomorrow.

Many of the unique products which are now creating roads in the rural market, which is the next big consumer base considered by many be it for products or for services are developed by such interactions through employee volunteerism. One such product is the Vortex ATM, which is a solar based ATM, which does not require an air conditioner and has minimum electric requirement: A product which is patented by ICICI idea lab. It was result of their employee volunteering programme. It shows that such programmes can give rise to innovative products which has the ability to change the market.

### **Impact on Employees**

It has got positive effect on the employees' performance in terms of as a team member and an individual. Interpersonal dynamics after getting involved in such initiatives increases employee job performance (Volunteer connections, 2002).

As it gives self esteem, more involvement from the employee, a satisfaction at personal, psychological and organisational level ensures that the employee is more interested to stay with the organisation. Organisations looking at this perspective have started to give sabbatical and short leaves to take up such employee volunteer programmes and initiatives. (Yes Bank, Standard Chartered Bank)

A more positive outlook with the work that organisations are involved in ensures that absenteeism is reduced by the employees. A more holistic perspective for the work done by the employee ensures he/

she has to look beyond his/her key response areas and do something which they enjoy.

Many of the initiatives taken by such efforts turn into long term pay back mechanism for the organisations. What has happened in case of "One water" organisation where the involvement of the people has ensured that people are directing towards new businesses and are also looking for alternate ways which lead to development of one water in to its various diversifications.

It creates a better employer brand and ensures that people are interested to join the organisation for the other work they do except their strategic businesses. For example what is the motivation for joining TATA Administrative Services (TAS) which is just a strategic unit of TATA group and is home ground for many leaders of tomorrow.

Such initiatives ensures that organisations have to undergo a cross departmental approach thus the inter linkages and relations between various departments improve and it also provides a platform for them to develop new point of relation among them.

### **Conclusion**

Literature available and practices prevalent in many organisations for CSR can lead to a misjudgement that employee volunteerism is not a new concept, but it is not true. As in the case of spirituality for employees for organisations is a new concept and cannot be considered just similar to motivation . Today in the dynamic world organisations are fighting for achieving their targets and satisfying their triple bottom line. They cannot neglect the importance of their employees and their needs. Rewards, recognitions are now just an advantage, and a more holistic work space where people are able to give back to society and their community is important. Employee volunteerism ensures that the employees



are satisfied and organisational citizen behaviour can be sustained. It also ensures that employers and the organisation are getting benefit of a more work oriented employee, a brand image, acceptance in community and also the development of businesses in unique direction. Much of the literature suggests that CSR is answer to many of the problems prevailing in the world, which is true, but one cannot negate that CSR is just an ancillary activity and not main motivation of an organisation. Organisations have to balance out the advantages and take away from unique initiatives such as volunteerism. At places CSR is just about development, it is also an optimum way to develop leaders for tomorrow and teams which are able to self motivate and achieve goals for organisations which includes selflessness, but one way to create out from such developments is to get in roads in markets which were not earlier prevalent. Employee volunteerism can be a successful form CSR if and if only it can ensure that the corporate goals are not at stake nor is organisations development.

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