ROTTERDAM SCHOOL OF MANAGEMENT
ERASMUS UNIVERSITY

WHY AND HOW NONPROFIT ORGANISATIONS,
COMPANIES AND INTERMEDIARIES
CAN USE CORPORATE COMMUNITY INVOLVEMENT
TO STRENGTHEN SOCIETY

Research findings
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The business school that thinks
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Lonneke Roza, Wendy Stubbe and Lucas Meijs are affiliated with the Department of Business-Society Management at the Rotterdam School of Management, Erasmus University. This volume is based on ongoing research and previous publications by the three authors. It provides information concerning various aspects of corporate community involvement. If you have questions about the topic, publications or studies, please contact Lonneke Roza (lroza@rsm.nl).

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INTRODUCTION

The involvement of companies in the community has become a permanent fixture in Dutch society. This is not surprising, as it suits the country well. Examples of Dutch companies offering sport facilities, education, housing and healthcare service to their employees and their families date back to the late 19th century. From a long-term perspective, corporate social responsibility and community involvement are thus anything but new. In the past 15 years, the story has changed. For many reasons, corporate community involvement (CCI) has made a prominent re-emergence in response to increasing demand from society, a receding public sector and pressure from a broad spectrum of stakeholders. Employees expect community involvement, consumers are increasingly choosing to buy products that they support morally and ethically and nonprofit organisations are becoming more likely to see the benefits of addressing social issues in partnership with the commercial sector. In recent years, corporate community involvement has clearly regained its popularity: CCI is booming!

At the same time, questions are being developed with regard to CCI. While many companies (particularly SMEs) and nonprofit organisations have yet to be convinced of the benefits of CCI (i.e. what's it in for me?), others have been involved for years and are wondering how they should best organise these activities (management of CCI). Although scientific research on CCI has been developing slowly, it has been accelerating in recent years. The authors of this volume hope to contribute in this regard. Academic knowledge often remains abstract, theoretic and possibly inaccessible. The sources are not easy to locate, and articles and books are expensive. With this relatively accessible volume, we hope to bring academic knowledge somewhat closer to practice. Given our diverse backgrounds and specialisations, this publication is also directed toward a broad audience. We hope that it will provide interesting insights, tips and frameworks to people from nonprofit organisations, companies or intermediary organisations who are interested in CCI, as well as to those who would like to become involved or to develop it further. Our ultimate goal is to generate enthusiasm and inspiration for the initiation or further development of CCI programmes.

We begin the volume by outlining a broad perspective on partnerships, a concept that seems to be surrounded by considerable confusion, both in theory and in practice. We discuss a case in order to provide a practical example of factors leading to success and failure in the initiation and development of partnerships. We then provide a closer examination of the actor perspective. More specifically, we consider partnerships based on CCI from the perspectives of both companies and nonprofit organisations, with particular attention to the benefits that each of the parties involved stands to receive. We investigate the challenges involved, as well as ways in which they can ensure that the intended objectives of the partnerships are actually achieved. It is then logical to explore how the sometimes-conflicting goals and challenges of the stakeholders can be integrated or balanced in such a way that both parties benefit, in addition to considering which interests should be assigned the most weight. Unfortunately, the current body of knowledge is too limited to allow any definitive statements regarding these issues. In the coming years, however, the authors will be investing considerable effort to find such answers.

Finally, we would like to introduce ourselves.
Lonneke Roza (MSc) is a PhD candidate at the Rotterdam School of Management, and she is affiliated with the Erasmus Centre for Strategic Philanthropy. Since 2009, Lonneke has been working on a wide range of studies concerning volunteering and nonprofit management, under the guidance of Lucas Meijs. She has also taught a variety of courses on nonprofit management and consultancy. Since 2011, she has been specialising her efforts through a doctoral research project. This project focuses on corporate community involvement, with particular attention to employee volunteering. Lonneke's research focuses on the perspectives of both companies and nonprofit organisations. Her projects explore ways in which the organisational goals of CCI can be achieved, linking the goals of the organisations to the manner in which programmes are arranged. Lonneke expects to complete her doctoral research in September 2015.

Wendy Stubbe earned an MSc degree in Business Administration from Rotterdam School of Management at Erasmus University, with a specialisation in Business-Society Management. She has worked as a consultant for MOVISIE in the area of volunteer policy and local support infrastructure for volunteering. She has also worked as a senior consultant for CSR Academy in the area of corporate social responsibility. She specialises in consultancy, research and training for companies, industry organisations, governments and social-service organisations in the area of corporate social responsibility and corporate community involvement. Wendy is also affiliated with the Department of Business-Society Management at the Rotterdam School of Management, where she is conducting doctoral research on partnerships between multi-national enterprises and nonprofit organisations. In April 2014, she began working as a Lecturer in Corporate Social Responsibility and Research Skills at the Academy for Financial Management at the Avans University of Applied Sciences in 's-Hertogenbosch.

Prof. Lucas Meijs is Professor of Strategic Philanthropy at the Rotterdam School of Management, and he is affiliated with the Erasmus Centre for Strategic Philanthropy. His primary research interests are in the areas of nonprofit management, volunteering and civil society. He is the editor of *Nonprofit & Voluntary Sector Quarterly*, one of the leading academic journals in the field of nonprofit organisations and civil society, in addition to serving on the board of the Netherlands Council for Social Development (RMO). Lucas serves in various administrative capacities for nonprofit organisations and corporate foundations. One recurring theme throughout his research (and his research agenda) is the instrumental application of volunteering by companies, nonprofit organisations and governments to achieve organisational or social goals.

We hope that our readers will find this contribution to the literature both interesting and enjoyable. For any questions, please contact us through Lonneke Roza (lroza@rsm.nl).

I. COMMUNITY INVOLVEMENT

In the first part of this volume, we consider what community involvement is and how the concept is perceived by the public.

1. What is corporate community involvement?

Although some continue to disagree with the notion that companies have social and civic responsibilities beyond the generation of profit, employment and prosperity, companies are increasingly experiencing both internal and external pressure to fulfil broader civic objectives.

For example, governments and nonprofit organisations (both domestic and international) are holding companies accountable for their responsibilities. Consumers are becoming more critical and stricter in their demands, while employees are becoming more likely to join companies that correspond to their personal moral motives. Moreover, the success or failure of companies (both national and international) is determined in part by their legitimacy within society, including with regard to the manner in which they engage in dialogue with their stakeholders.

Companies are an inseparable part of society, in addition to citizens, nonprofit organisations and governments. Companies benefit when society operates smoothly, and they can make a positive contribution to this process by living up to their responsibilities. In the Netherlands, the concept of corporate social responsibility (CSR) was introduced in the mid-1990s. This was followed by intensive debate regarding the content, scope and activities of CSR for companies. These debates resulted in a distinction between corporate social responsibility (CSR) and corporate community involvement (CCI). In addition to facing demands from their stakeholders to contribute to such global issues as protecting the environment or respecting human rights (CSR), companies are also being expected to support the activities of local nonprofit organisations through such initiatives as sponsoring a local museum or making a voluntary contribution to the local Red Cross chapter (CCI).

The two concepts (CSR en CCI) are becoming increasingly connected to each other in both theory and practice. For example, CCI plays a prominent role in international guidelines, including ISO 26000, the CSR performance ladder and the guidelines for the Global Reporting Initiative (GRI). Community involvement is increasingly becoming a component of the civic responsibilities for companies as well, as expressed in investments in the community.

Corporate community involvement can be seen as the starting point of a company's CSR initiatives, or as a 'conductor' of CSR. It thus involves activities and investments that companies make in their local (or broader) surroundings, to the benefit of specific target groups or civic causes. It involves collaboration between companies and nonprofit organisations through the investment of knowledge, skills, personnel capacity and other resources.

Simply stated, CCI consists of the voluntary efforts of companies to contribute to society by supporting nonprofit organisations. These voluntary efforts can be categorised according to the 'Five M's': Money (financial support), Means (computers, food, furniture or other physical resources), Mass (introduction of the nonprofit organisation into the company's network of consumers, associates, employees), Media (promotion of the nonprofit organisation or social issue through the company's marketing channels) and Manpower (employee volunteering). Companies – from SMEs to multinationals – are finding active ways of realising their community involvement. They are donating money to charities, providing computers and IT equipment to community centres or sending their employees to teach money management in schools. At the same time, the issue is playing an increasingly important role at the strategic level. One way is through strategic partnerships (e.g. the partnerships between TNT and the World Food Programme and between BCC and the World Wide Fund for Nature), and another is through the impact of the choices made with regard to CCI policy. It is becoming increasingly common for companies to include CCI as a part of their business operations and to connect these efforts to their objectives and activities.

THE FIVE M'S

▶ **Manpower**	The employees of a company work as volunteers for an organisation.
▶ **Means**	A company provides physical resources (e.g. computers) to an organisation.
▶ **Money**	A company provides financial support to an organisation.
▶ **Mass**	A company connects its network (e.g. suppliers and customers) to an organisation.
▶ **Media**	A company promotes an organisation through its own communication channels (e.g. through its website).

Table 1: The Five M's of CCI

This level of involvement can be realised in a variety of ways within a company. First, a company can cultivate *recognition* amongst employees by expressing appreciation for the voluntary efforts of its employees. This can be as simple as a compliment or a note on the bulletin board with regard to the efforts. In some cases, however, it can involve matching the contributions of employees with money from the company. A company can also offer *support* to its employees. In this case, the company makes it possible for employees to become active, through such facilities as using company resources (e.g. a printer or meeting space) or by adopting flexible work schedules adjusted so that employees can also volunteer. In other cases, organisations use their networks (Mass) for transmitting calls to foundations, or they may offer volunteers, thereby demonstrating that they regard the work of the nonprofit organisation as important. A third way in which a company can be involved in the community activities of its employees is to *organise* such activities for employees. In this case, companies become actively involved in the giving behaviour of their employees by organising it for them. One example for the dimension of 'Means' could be for a company to organise an event in which employees collect clothing for a nonprofit organisation. Finally, companies can initiate *sponsoring activities* that allow employees to volunteer during working hours, in addition to supporting them with financial or other resources. *Payroll giving* is also prominent, particularly in the United States, the United Kingdom, Australia and other

Anglo-Saxon countries. In this type of corporate donation programme, employees can allow the direct deduction of funds from their salaries (payroll) to be donated to nonprofit organisations. In many cases, the company matches these donations, thus doubling the amount of the contributions. Such activities illustrate how the various dimensions of CCI can be combined, as well as how employees and their organisations can work together to develop community activities. It is a type of internal partnership.

In the contemporary world, and particularly in the future, companies will not be able to survive without CCI and the recognition of their civic responsibilities (CSR). A proper and balanced CSR policy and a portfolio of community-oriented activities constitute require both a dialog with stakeholders and the investment of resources to the benefit of society. Without investing in the local community, a company cannot make a sufficient contribution to a sustainable society. The combination of CSR and CCI is an essential element in an effective corporate social policy, and it forms the foundation for a positive license to operate.

Tip

The impact of CCI and CSR on both the company and society can be increased by connecting them in practice.

Source:
Stubbe, W. (2012). *Van verantwoord naar betrokken ondernemen. Perspectieven op CSR.NL* [From responsible to involved enterprise: Perspectives on CSR.NL]; in Corporate social responsibility in turbulente tijden [Corporate social responsibility in turbulent times]. Hardjono, T.W.H., & Markus, A. eds. pp. 112-115.

It is also based on insights obtained through the doctoral research projects of Lonneke Roza and Wendy Stubbe.

2. Public perceptions of community involvement

There are many forms of corporate community involvement (CCI). Studies have shown that consumers and employees (both existing and potential) consider the level of community involvement when forming their perceptions of companies. For example, this aspect can play a decisive role in purchasing behaviour or in the ability to attract potential employees. It is therefore helpful to identify these perceptions, in order to help organisations learn how to influence them.

Most people have at least some image – and opinion – with regard to CCI. Because of these opinions, even well intended corporate initiatives can have negative consequences for the public perception or reputation of a company. On the other hand, community activities can help to form a positive image of a company, thereby strengthening or improving its reputation. The effects of these perceptions are also reflected in the company's image as a potential employer, as well as in consumer and purchasing behaviour. These perceptions can be managed by learning what employees and consumers think about CCI. For example, as presented below, results from a study of consumers in the Netherlands reveal that, in the Dutch context, companies would do better not to position themselves according to their own profits. Moreover, employees can be apparently very positive towards community-focused programmes, even if they do not participate in them personally.

Tip

Different forms of community involvement can generate different reactions from consumers. The perceptions of employees with regard to such activities can also generate HR advantages. It is therefore important to be aware of the perceptions that various stakeholders have of corporate community involvement, thus making it possible to coordinate the activities to these perceptions.

Consumer perceptions

Studies in the Netherlands and other countries have indicated that consumers see CCI as contributing to a company's reputation and Human Resources (HR) goals. To a somewhat lesser extent, consumers are of the opinion that CCI should contribute to the company's core activities and strategy. Despite the different reactions that consumers have to different forms of CCI, they do tend to recognise all forms of such involvement. It is interesting

to note that the highest scores were indicated for the dimension of 'Means', followed by 'Money' and 'Media'. Although the lowest scores were observed for 'Mass' and 'Manpower', both of the dimensions were recognised as possible forms of CCI. Closer examination reveals that the net costs of CCI play a role. An activity is more likely to be regarded as CCI if its costs to the company exceed the benefits that it stands to realise through the activity. In other words, if the company realises an advantage through a given CCI activity, that activity is less likely to be perceived as a form of CCI. The results also highlight the importance of a clear investment on the part of the company. The likelihood that an activity will be perceived as CCI increases with the amount of money donated by the company. This is consistent with research on volunteering, which indicates that people are more likely to consider a task as volunteering (or pro-social behaviour) if the associated costs exceed the benefits to the individual performing it. Consider the example of a company that receives advertising space in exchange for community sponsorship. Consumers are less likely to perceive this type of arrangement as CCI than are those in which the company receives nothing in exchange. The same would apply if the director of the company were to have a relationship with the community activity or organisation. If the director of a company serves on the

board of a foundation to which a donation is made, this activity would be less likely to be perceived as CCI than would be the case if there had been no direct relationship between the director and the organisation. With regard to employee volunteering, consumers are more likely to perceive the 'Manpower' factor as CCI if the volunteering is done during working hours than they are if it is done in the employees' own time. The investment of time is thus considered as well.

Based on the results of this Dutch study, we can tentatively conclude that any positive effects that a company might realise from investing in society might not always be accepted by consumers. This has consequences for communication concerning CCI activities. For example, in the United States, it is generally accepted that CCI should generate benefits for a company (otherwise, the company would not bother). In the Netherlands, however, CCI is expected to be truly oriented towards the social effects, and companies are expected to make investments in such efforts that exceed any benefits that might arise from them.

Perceptions of employees
In addition to the perceptions that consumers have of CCI, it is interesting to examine the opinions of

employees with regard to such community programmes. Studies have shown that positive employee perceptions of CCI programmes can have a positive influence on several HR goals, including corporate commitment.

Tentative results from a study involving two multinational companies in the Netherlands suggest that people who actually participate in the community programmes of their companies tend to have opinions that are more positive with regard to those programmes. This result is not surprising. Many studies have reported that experiences can influence perceptions. One interesting feature, however, is that the type of programme that is carried out is an important factor. Employees who have participated in bottom-up, employee-led programmes are more positive about the programme than are participants in top-down, employer-led programmes. This result can be explained in terms of a match between the values of the employee and those of the company. Companies allow employees to express their own values by using the resources of the company. This gives employees a feeling of being supported and valued, and that the company suits then well. This match subsequently ensures that employees will have positive perceptions of the community programme and feel connected to the company (at least in theory). A second interesting

finding from this study is that it reveals a relationship between the ways in which employees assess companies according to internal CSR policies and external CCI policies. In other words, employees feel that there should be a balance between how good employers are for their employees and how good they should be for society. It appears important to adopt a balanced, integrated policy. Finally, our study indicates that employees who do not participate can nevertheless be positive about the community programme, as long as they are convinced that they have sufficient knowledge about the programme. It is essentially impossible to achieve 100% participation in a community programme. There will always be reasons that lead employees to decide not to participate, including lack of time and lack of a match with the cause that is being supported. Nevertheless, internal communication can help many people to develop a positive attitude about the community programme.

3 Tips

1 Allow employees to have input into the efforts that will be invested in CCI.;

2 Seek a balance between internal CSR and external CCI.;

3 Seek a balance between internal CSR and external CCI.

The findings generated by these two separate studies conducted amongst two separate target groups are highly diverse. The most important insight is that we know what employees and consumers think about CCI and how these opinions might be able to be managed. One important overlapping finding is that careful communication is needed. It could be that different messages are needed internally and externally.

Source:
Stubbe, W., Roza, L., Meijs, L.C.P.M., & Moodithaya, M.S. (2011). Public Perceptions of Corporate Community Involvement: A net-cost approach among university students in India and the Netherlands. *Nitte Management Review.* Vol. 5, Issue 1, pp. 51-69.

Roza, L. Spraul, K., Meijs, L.C.P.M. & Handy, F. (anticipated in 2015): *You don't have to participate to be positive: Employee responses towards Corporate Community Involvement programs.*

II. PARTNERSHIPS

This chapter addresses the concept of partnerships. The first section concerns definitions of partnerships from both the literature and practice. The second section presents a description of an actual partnership between a company and a nonprofit organisation.

1. Definitions of partnerships

Public-private partnerships are the key to a sustainable society. In the quest for sustainability, national and international cooperation between companies, governments and nonprofit organisations are needed. These partnerships offer a sustainable solution for international social issues. Cooperation leads to cross-pollination and synergy, and it can contribute to public awareness concerning social issues and the development of sustainable policy and sustainable products.

In the literature on business and nonprofits, there is an ongoing discussion concerning the blurring of boundaries between the public and private sector, as well as between the nonprofit and for-profit sectors. Some scholars see this trend as a catalyst for new organisational forms (e.g. partnerships and social enterprises). Others regard it as evidence of increasing cooperation between nonprofit organisations, companies and governments, albeit with a clear division of responsibilities between these sectors in these partnerships. The impact of partnerships can be more sustainable than are the effects of individual actions. Moreover, partnerships can generate advantages for individual organisations, in addition to serving common goals in society. Companies and nonprofit organisations could be seen as dependent upon each other in order to make sustainable contributions to society and to solve social problems. At the same time, the advance of global society is increasing both internal and external pressure on organisations. In response, relationships between commercial, nonprofit, public and governmental organisations are undergoing rapid change. The number of cross-sectoral partnerships will continue to grow. In the following section, we consider what these partnerships mean and how they are defined.

Literature survey

In literature and practice, the concept of 'partnership' – and, more specifically, 'partnerships between companies and nonprofit organisations' – is commonly used to refer to a wide variety of forms of cooperation. Inconsistency in the use of the concept has made it difficult to compare partnerships between companies and nonprofit organisations.

A literature survey of articles published between 2000 and 2011 in four academic magazines focusing on nonprofits and commercial companies reveals interesting results. Of the 796 articles that were found containing the key word 'partnerships', 18 concern partnerships between companies and nonprofit organisations; 84 focus on partnerships between the government and nonprofit organisations, and 55 discuss partnerships between companies and the government. It is even more interesting to note that almost half of the articles containing the key word 'partnerships' did not describe any form of cross-sectoral cooperation between organisations. These articles address the economic aspects, ethical conduct or corporate social responsibility of companies. They concern cooperation within the value chain of companies, as well as the relationships between companies and customers through customer programmes. Some of the articles focus on the role of multinational companies and their need for inter-organisational relationships when entering foreign markets (e.g. the BRIC countries or other less-developed countries). Most of the articles were written from the Anglo-Saxon perspective, and only a few reflected a European perspective.

Articles that do address partnerships and those that specifically concern partnerships between companies and nonprofit organisations describe the focus of the cooperation (e.g. employee volunteering, cause-related marketing or philanthropic activities). Articles about partnerships between companies and governments focus primarily on describing the relationship between these two sectors with regard to legislation and regulations. By far the most articles that were identified in this literature survey, however, concern partnerships between governmental bodies and nonprofit organisations (e.g. societal-level coalitions between organisations in the field of healthcare and welfare). They focus primarily on partnerships between companies and the government and between nonprofits and the government. They thus address partnerships with the government.

Types and phases of partnerships

In practice, cross-sectoral partnerships consist of cooperation between organisations from various sectors. For example, partnerships can be formed between companies and nonprofit organisations, between governmental bodies and nonprofit organisations or between governmental bodies. Multi-sector (or 'tri-sectoral') partnerships are another option, involving companies, governmental bodies and nonprofit organisations. A partnership between a company and a nonprofit organisation could be described as one in which the company focuses on 'investing' in the relationship with non-governmental or campaigning organisations (NGOs) to benefit public perceptions of the company. This type of partnership takes the form of a stakeholder dialog. Within such relationships, the NGO strives to achieve behavioural change on the part of the company. The company is primarily interested in protecting or improving its reputation, using the NGO's 'approval' as an instrument with which to influence other stakeholders (e.g. investors and the media). On the other hand, such partnerships can focus on the exchange of resources, possibly in the interest of social issues. Investments from the company consist of a combination of the 'Five M's': Manpower, Money, Means, Media and Mass. The nonprofit organisation invests by allowing the company into the organisation – often in the form of employee volunteering. The benefits to the nonprofit organisation are clear. The additional resources provided by the company simply make it possible for the nonprofit to provide more, different or better services. The benefits to the company can vary, although they are usually in the area of strategy, HR or marketing/PR.

A partnership between a company and a nonprofit organisation can develop into various phases of cooperation: philanthropic, transactional and integrative. Philanthropic cooperative relationships are established from within the perspective of single-purpose giving: the company donates to a nonprofit organisation (in many cases, on a one-off basis). This is a highly one-sided relationship, in which the company donates and the nonprofit organisation receives. The transactional phase goes a few steps further. This relationship emphasises the two-sided character of a partnership, with the goal of achieving a win-win situation. The nonprofit organisation is no longer the receiving party, but a business partner. One example would be social sponsorship, in which the name of the company receives prominent mention and the activities focus on social team-building, employee volunteering or similar aspects. Both partners use the cooperation to create their own value. In the integrative

NATURE OF THE RELATIONSHIP	PHASE 1: Philanthropic	PHASE 2: Transactional	PHASE 3: Integrative
Level of involvement	Low	>>>	High
Relevance to mission	Marginal	>>>	Central
Scale of resources	Small	>>>	Large
Scope of activities	Narrow	>>>	Broad
Level of interaction	Low	>>>	Intensive
Complexity of management	Simple	>>>	Complex
Strategic value	Low	>>>	Substantial

Table 2: Three phases of partnerships

phase, the value is created in a truly joint manner. The partners have a shared vision, and the missions of the organisations are coordinated with each other. As the activities expand over time, most transactional partnerships eventually develop into integrative, sustainable partnerships. The boundaries are no longer clear.

Some scholars have argued that a fourth phase should be added to the three discussed above. Known as the transformational phase, this stage of cooperation has become increasingly visible in recent years. In the transformational phase, the cooperation between

companies and nonprofit organisations develop into social enterprise. Partners work together to address socially relevant issues, paying considerable attention to the unique role that the cooperative partners have in this context. In this type of cooperation, the partners jointly identify a social issue that is relevant to both parties, in addition to determining the manner in which social innovation could contribute to a transformation in the community. To date, however, insufficient research has been conducted on the effects of these phases of cooperation on the nature of the relationship between the partners.

Tip

Each phase of cooperation is accompanied by challenges, requiring a specific manner of organisation and management. It therefore important for the organisations to identify the phase of the partnership in which they are located, as well as the expectations of both parties.

Source:
This chapter is based on ongoing research within the framework of the doctoral research of Lonneke Roza, in collaboration Wendy Stubbe.

2. Critical success factors in partnerships: Considerations needed in order to achieve an effective partnership

In many cases, the cooperation begins between companies and the civil society (or a specific sector of society) based on a shared idealistic vision of how the can work together to contribute to a better society. Working together to build a sustainable society sounds wonderful. In practice, however, it has proven difficult to organise.

One solution is CCI, which brings private parties (i.e. companies and nonprofit organisations) together in order to generate social impact. The general idea is that corporate investments of Manpower, Money, Means, Mass and Media can help nonprofit organisations provide more, different and better services. Within these partnerships, the two parties work together to arrive at a win-win situation. In order to achieve this goal, however, it is important to consider several factors that can help the parties to arrange the partnership as effectively as possible.

These critical success factors can be categorised into two distinct phases (for an overview, see Table 3). The first phase entails the preparation for the partnership, and the second consists of its operation. Results from research conducted by the authors of this chapter indicate that the preparatory track plays an important role in the course of a partnership between a company and a nonprofit organisation. Extensive preparatory discussions,

approaching and involving the right people, bringing the partnership to the attention of the management, formulating a clear vision and concrete objectives and ensuring the involvement of upper management have proven fruitful. In other words, well begun is half done.

Tip

The preparatory track of a partnership is extremely important for both the company and the nonprofit organisation. Proper preparation can go a long way to ensure that the cooperation will proceed smoothly.

Results from international research have highlighted the importance of establishing a common mission for the partnership, based on the shared values of both parties. Sharing this responsibility ensures a balanced partnership. It is important for both parties to specify their expectations and possibilities clearly. This allows their consideration and integration into the common goals that are to be set. The open expression of

expectations, responsibilities and possibilities can create greater mutual trust, which has been identified as one of the characteristics of the most successful partnerships. Such trust ensures that both parties are willing to share knowledge and resources. The acquisition of new resources, knowledge, expertise or money is often one of the most important reasons for entering a partnership, but synergy emerges only when the partners begin to share these elements.

Studies have shown that communication remains highly important throughout the entire partnership. Lack of communication is often the cause of problems with and between partners, and it can even lead to the failure of the partnership. Communication is important for trust and for the expression of expectations, possibilities and responsibilities, as well as for the creation of a base of support amongst the employees of the partner organisations. A base of support provides an indication of the extent to which the parties involved have embedded the cooperation within their own organisations. One of the most important advantages of having a sufficient base of support (particularly if it consists of employees from all layers of the organisation) is that it makes a considerable contribution to the stated goals of the partnership. A partnership cannot flourish without the participation of employees. In other words, employee involvement is needed in order to achieve the goals that have been set. Leadership is extremely important in this regard. Managers and directors should demonstrate to employees what the partnership means to the organisation. This confers legitimacy on the partnership. This is important in both the preparatory and operational phases.

In the operational phase of a partnership, many of the same critical success factors can be observed (e.g. the importance of communication, mutual trust and a base of support). In addition, international studies have shown that the measurement of results and effects can be an important factor, as can the evaluation of the cooperation. In practice, however, the monitoring, measurement and evaluation of partnerships are often forgotten. The monitoring and measurement of results, along with the evaluation of the cooperation constitute one manner of identifying progress and adjusting the goals throughout the course of the partnership. These activities also make it possible for managers to adapt to changes taking place within the organisation. They can also serve as benchmarks for determining which partnerships have been the most successful and why. In this way, each of the partners can consciously learn from the partnership, possibly developing an even more effective approach to subsequent partnerships.

Furthermore, results from our own research highlight the importance of the type of programme that is developed. Depending upon the size of the partner organisations, a choice for either a centralised or a decentralised programme can be made during the preparatory phase. For companies and/or nonprofit organisations with multiple locations, this use of both centralised and decentralised programmes can considerable enhance the course of cooperation. A combined programme is important if the locations of the various departments of the company and the nonprofit organisation are dispersed throughout the country. In geographic terms, it would be ideal for a nonprofit organisation to be identified in the immediate area of a specific division of the company. This would allow employees to feel as if they were contributing to the community in their own area. Local employees (i.e. employees who are actually from the city, town or region) tend to be more involved. The centralised programme could be facilitated from the company's home office and/ or the nonprofit organisation, with a corporate foundation playing a key role. An intermediary or an external party (e.g. a foundation) could guarantee the continuity of the partnership, in addition to supporting the various partners in projects, facilitating the programme and monitoring and evaluating the cooperation.

PHASE	CRITICAL SUCCESS FACTORS
Preparatory phase	Clear objectives, expectations and possibilities
	Building on mutual trust
	Creating a base of support and involvement amongst the directors and management
	Communication
Operational phase	Communication, base of support and trust
	Measurement and evaluation
	Determining the type of programme
	Focus on geographic location

Table 3: Critical success factors for partnerships.

As previously noted in this chapter, partnerships between companies and nonprofit organisations can generate social impact. Partnerships can help to build bridges between worlds that are largely separated. The establishment of these partnerships is no simple task, however, and it requires considerable preparation, time and dedication. Furthermore, although the effects of private involvement in public issues is difficult to measure, cooperation clearly generates more social impact than do the efforts of individual organisations working alone. The critical success factors that have been described can be seen as conditions in this regard.

Source:
Roza, L., Stubbe, W. & Meijs, L.C.P.M. (2013) *Building an effective cross-sector, multi-level and multi-party partnership.* Working paper.

III. COMPANY PERSPECTIVE

This chapter describes corporate community involvement from the perspective of a company. What do companies achieve through community involvement? How do they interpret it, and what are the effects for companies?

1. *The business case for corporate community involvement: Effects for my company*

Corporate community involvement is often associated with pure philanthropy and the donation of organisational resources. In this case, philanthropy is regarded as the voluntary donation of money, goods or effort without receiving anything in return. According to academic and practical research conducted in the past 10-15 years, however, CCI is much more.

Corporate community involvement has achieved a place on the agendas of nearly all multi-national enterprises. It can simply no longer be ignored. Taken as a whole, considerable money is invested in it. Increasing numbers of companies are establishing formal divisions and foundations, which have the potential to support the interests of both the company and society. Nevertheless, CCI is not always developed in a manner that allows the full potential to be achieved. It is therefore important to demonstrate to internal and external stakeholders of companies that CCI is backed by a clear business case and that it is therefore worthy of investment. In the table below, we describe three over-arching topics that generate the business case: CCI as a marketing instrument, CCI as a HR instrument and CCI as a source

of legitimacy for the company within society.
Studies have shown that clearly working to express involvement in society can have a positive influence of a company's image. This could be achieved with any or all of the Five M's described earlier in this publication. For example, cause-related marketing (a component of Media) has become indispensible as a marketing strategy and branding tool for multi-national enterprises. Nearly everyone is familiar with examples of companies that have launched advertising or other types of campaigns in cooperation with charitable causes. In 2013, the fashion label Goosecraft sold a jacket, from which a part of the proceeds was donated to the 'Because I'm a Girl' initiative of Plan Nederland. The Netherlands Red

CCI as a marketing instrument

BUSINESS CASE

Consumers associate companies that participate in CCI with altruism, which creates positive feelings about the companies. A good reputation makes consumers more likely to purchase the company's products.

EXAMPLES

In an international study, 94% of the respondents reported that they would probably switch to a company that supports a social cause, if the price and quality were the same, and 62% reported having purchased a product in connection with a charity within the past year.

CCI as a marketing instrument

Cross has been cooperating with 3FM Radio since 2004 to organise the immensely popular Serious Request initiative, in which private individuals and companies can request their favourite numbers to be played on the radio for a donation. Through its Pampers brand, Proctor and Gamble joined forces with UNICEF to launch a campaign in which each package of diapers sold resulted in the donation of vaccinations for children and their mothers in developing countries. Studies have shown that these types of initiatives have a positive effect on the marketing efforts of the companies that engage in them.

Tip

Give careful consideration to how your company intends to apply CCI. In addition to considering the advantages that CCI could generate for your organisation, be sure to identify potential disadvantages. How will you achieve the desired result with as many advantages and as few disadvantages as possible?

The donation of money, resources or the efforts of employees can also contribute to a positive reputation. These are all ways of displaying the human side of a profit-driven organisation. This affects a wide range of stakeholders. For example, consumers associate companies that engage in CCI with feelings of altruism, and this leads them to think more positively about these companies. Furthermore, CCI can help a company to maintain good relationships with society and the local community, as well as with the actors who are active within these contexts. Studies of employee volunteering indicate that, as ambassadors of the organisations for which they work, employees talk to others about their employers in positive terms, due to the civic activities that they develop. Nevertheless, cooperating with charities can also have negative effects on a company's reputation. If a company cooperates with a nonprofit organisation that receives negative media coverage, this can affect the way in which consumers think about the company. It is interesting to note that this negative influence is greater than the positive influence that can be observed when the nonprofit organisation receives positive media coverage. It is therefore important to be appropriately critical with regard to potential partners.

CCI as HR instrument

BUSINESS CASE

High-potential employees are attracted to companies with social programmes, which can be used throughout the entire career to offer development and cultivate commitment. Near the end of a career or during crises, CCI can be used to help people find other jobs.

EXAMPLES

In an international shoe company, 95% of the employees reported that they had chosen their employer partly because of the extensive social programme that it offers, and 79% of the employees of Alliander have expressed pride that Alliander supports volunteering through its foundation.

CCI as HR instrument

As illustrated by these examples, CCI can be regarded as an effective HR instrument. Considerable research has been conducted on this topic, particularly in recent years. It begins with the recruitment and hiring of suitable employees. Research results indicate that members of Generation Y attach considerable importance to the ways in which companies express social responsibility and community involvement. They even factor this into their choice of employers. When faced with a choice between two jobs that are identical in terms of salary, duties, responsibilities and geographic location, prospective employees tend to choose the company that profiles itself in a social light. According to a study of an international shoe concern, 95% of the employees had chosen this employer partly because of its community involvement.

Current employees can be affected by CCI as well. Various scholars have reported positive relationships between participation in employee volunteering programmes and loyalty to and/or involvement in the company and employee morale. An internal study of Alliander reveals that 79% of the employees are proud that Alliander uses its Foundation to support employees who volunteer.

Employee volunteering is largely used for on-the-job training for junior employees and trainees. Volunteering has been shown to be a good source of personal and skills development through informal and experience-based learning. For example, volunteering can cultivate the development of 'soft' skills, including communication skills, problem solving and teamwork. At Barclays, 61% of the employees participating in the corporate community programme reported that their skills had improved through the programmes. In addition, managers reported that the atmosphere at work and the cooperation between colleagues had improved. Employee volunteering takes employees out of their comfort zone, sometimes forcing them to consider new, innovative ideas for their work. One example is the case discussed in Chapter 2 (partnerships in practice), involving the creation of a new product for a new outlet.

In addition to employee volunteering, donation programmes constitute another possibility. In these programmes, employees can make financial donations to charities, possibly together with their employers. Programmes that involve the direct deduction of these donations from salary payments are known as payroll giving. Although such programmes are being increasingly offered in Anglo-Saxon countries (e.g. the United States),

they are relatively unique in the Netherlands. It is interesting to note that studies have shown that people who participate in payroll-giving programmes tend to demonstrate higher levels of commitment to their employers. This effect has been observed with employee volunteering. The various methods of realising CCI programmes thus appear to have similar effects.

CCI as a source of legitimacy

BUSINESS CASE
The base of support amongst consumers, the government, other companies and society as a whole is increasing. The utility of the company's 'being' is reinforced by good relationships with the community and the various actors within it. Willingness to cooperate with the company is increasing.

EXAMPLES
Consumers are likely to boycott particular companies due to the choices they have made or to purchase the products of organisations that are known to perform well in terms of CCI and CSR. Governmental bodies are paying increasing attention to the social conduct of companies before allocating contracts to them.

CCI as a source of legitimacy in society

Social service organisations, consumers, employees and governmental bodies are increasingly expecting companies to conduct themselves as responsible actors within society. In other words, there is clear pressure from stakeholders to engage in CCI. For example, companies and governmental bodies are demanding a vision on community involvement from companies to which they award projects. Governmental bodies can increase this pressure in the absence of self-regulation: the government will regulate it. This was accomplished to some extent years ago in legislation that required companies to offer at least minimal benefits to their employees. In the area of sustainability as well, governments are increasingly seeking to lay a foundation when they deem that self-regulation on the part of companies in insufficient. This could obviously take place with regard to involvement as well. The lotteries in the Netherlands offer a good example. These 'companies' are required to return a portion of their profits – which amounts to millions – to the community. It is no coincidence that the Postcode Lottery is one of the largest financers of charities in this country.

Consumers constitute another interesting actor in the pressure for corporate involvement. Current times are characterised by the presence of a moral marketplace. In other words, consumers are influenced by – and act according to – moral needs. People are increasingly weighing their moral standards against the availability of low-priced goods. Do we buy the cheap T-shirt made with child labour, or do we take the slightly more expensive T-shirt for which no child labour was used? The issue of whether to engage in socially responsible or involved corporate conduct can thus have major consequences for a company's legitimacy within society.

The business case and beyond?
As demonstrated by these three pillars of a business case concerning CCI, the phenomenon can contribute to a company's bottom line, whether directly or indirectly. The issue is no longer whether a company should become involved in the community (why would it not?); the primary questions now concern what a company does, where the boundaries of responsibility are located and how a company can achieve the desired outcomes of CCI? It is also important to identify the mechanisms that underlie the business case. Although considerable experimentation is taking place in practice, few studies have been conducted on the effectiveness with which CCI programmes are designed. In order to achieve truly sustainable business cases with regard for CCI, it is necessary to know not only *what* it can accomplish, but also *how* this can be achieved. Only then can it be managed according to objectives.

Source:
Roza, L., Meijs, L.C.P. and Verlegh, P. (2012). The rewards of Corporate Giving. *RSM Insight.* Erasmus University Rotterdam.

It is also based on the ongoing doctoral research project of Lonneke Roza.

2.   Management of corporate community involvement: From effect to design

The community involvement of companies often begins with the enthusiasm of employees and their active involvement in the community, associations or social service organisations. One of the greatest challenges facing a company is to structure its policies and programmes concerning community involvement in such a way that employees are involved in the activities associated with them.

Attention to and investments in CCI are increasing, and the diversity of activities and programmes is growing. Increasing numbers of companies have established corporate foundations, which are responsible for organising the companies' social programmes. Nevertheless, companies and corporate foundations continue to have difficulty organising CCI properly, managing it and creating a sufficient base of support for the activities. For example, a company that tends to integrate diverse independent employee initiatives within a well-defined policy is likely to experience unexpected side effects (e.g. insufficient support or resistance from employees). Corporate foundations and CCI managers are faced with a dilemma. They must determine how to organise the company's social programme while giving due consideration to the expectations of stakeholders within and outside the organisation, within the limits of the organisation.

The development of CCI programmes

Studies have shown that the development of CCI programmes within companies proceeds through a number of phases. The first phase is characterised by growing enthusiasm amongst individual employees. With support from the director or from the management, it is possible to establish a CCI project in which employees can request contributions for the volunteering that they do on their own time. In this phase, community involvement is the responsibility of the employee. In the second phase, community involvement emerges from a social movement within the organisation, leading towards a formal organisational structure. In the third phase, steps are taken to bring CCI closer to the company and the corporate objectives. For example, a company could adopt a focus on developing competencies by having employees participate in CCI activities. In this context, the emphasis is on the win-win character of 'investing' in CCI. This phase is also characterised by increasing focus

on 'pull' strategies, in which the corporate foundation or CCI manager actively provides advice and offers customised solutions to the various divisions within the company. The fourth phase is marked by a clear change. The focus comes to rest on the management. A top-down approach emerges, with the goal of making the various layers of management aware of the benefits of CCI and offering them the opportunity to appropriate CCI. In the fifth phase, CCI is interpreted as a component of the company's business operations, with the goal of positioning CCI as a strategic instrument and creating collective responsibility.

This phase is characterised by a clear shift in perceptions of CCI within the organisation. During the previous phases, participation in CCI is regarded as a personal choice emerging from the employees. The original assumption is that community involvement emerges from several small-scale, individual movements, and not as a standard component of the company's business operations. In the fifth phase, the approach to CCI focuses more on the role of the company. Given that CCI is a corporate matter, participation in CCI is a responsibility of the management, and it is subject to the processes of the hierarchy. In recent years, CCI has become increasingly led by the influence that the company has on society, as well as by a sense of competition with regard to the community involvement of other companies. The strategic approach to CCI ensures its distribution across a variety of activities, thus increasing the impact on both the community and the company.

Employer-led and employee-led CCI programmes
Roughly two types of programmes can be distinguished within the development of CCI (see Table 4). First, in employee-led programmes, employees can choose the ways in which they will participate. They are allowed considerable freedom to determine what they will do, how and when they will do it, and where. This ensures a high degree of fit between the employee and the cause, although there is likely to be a low level of fit between the company and the cause. With this type of programme, the company's goals are usually focused on the employees (e.g. satisfaction, development, work-life balance) or on society (e.g. encouraging volunteering as a whole, supporting the nonprofit organisation or sector). This freedom also leads to a relatively low level of investment in the company, as it requires less organisation.

The second type of programme is led by the employer. In this type of programme, the employer formulates a clear policy to determine what employees can and cannot do through the organisation. The company determines the charities for which employees may direct their efforts, in addition to the rules of play (e.g. level of obligation, within/outside working hours, knowledge-based/practical projects). These programmes are particularly well suited to the achievement of organisational goals. The emphasis is on the benefits for the organisation. The company seeks to improve its reputation, to develop employee skills or to achieve similar results. This is not to say that employer-led programmes do not offer any benefits to the employee or to society, although such benefits are not at the root of such programmes. Employer-led programmes are also not suited to every organisational component (see the following section). The investment that a company makes in such programmes is considerable. Moreover, such programmes are often linked to the core business, thus ensuring a high level of fit between the company and the charity.

EMPLOYER-LED PROGRAMMES

▶ High degree of fit between company and nonprofit

▶ Low to high internal social pressure to participate (even obligation)

▶ Emphasis on organisational goals

▶ High company investments in the programme

▶ High level of programme restrictions (company determines programme)

EMPLOYEE-LED PROGRAMMES

▶ High degree of fit between employee and nonprofit, potentially low fit between company and nonprofit.

▶ Low pressure to participate Employee initiative

▶ Emphasis on the goals of the employee or community

▶ Relatively low company investment

▶ Few restrictions to the programme (choices up to employees)

Differences between employer-led and employee-led CCI programmes

Issues of design

Even though we know the benefits that CCI can yield (see also the previous chapter in this publication), we often do not know exactly how to achieve these benefits. The first step for a company or corporate foundation is thus to ask the question: As an organisation, what would we like to achieve with our programme? Are these goals specifically related to: HR? (e.g. employee involvement or personal development) Marketing? (e.g. external reputation) Innovation? (e.g. development of new products). Alternatively, is the goal to encourage employees to volunteer or to offer a partial solution to a social problem? Many organisations have the ambition to achieve a win-win situation for both the company (employee) and the community. To achieve this, however, it is necessary to consider the design of the programme. This is thus the second step: How can we reach our goals? Studies have shown that the realisation of an organisation's goal to develop employee skills through CCI depends upon the duration of the project (longer projects are more effective than one-day projects), the level of responsibility and autonomy that employees receive within the project and the quality of internal and external communication. These findings can be explained partly in terms of learning theories, which argue that learning processes are dependent upon the time that is spent on them. In addition, if a company communicates about its projects, employees are likely to reflect on these projects, particularly if they are approached by their colleagues about them. Reflection is an important aspect of learning processes. If the goals of CCI focus on pride in the company, the duration of the activities should be short; they should preferably be carried out in groups, with little social pressure to participate. This implies that employee-led programmes are particularly well suited for such goals as corporate pride.

Tip

Step 1: Where is the organisation located in the development of our CCI programme? (identifying the current situation)
Step 2: What would we like to achieve with our CCI programme?
Step 3: How can we organise our CCI programme in order to achieve the desired goals?

Source:
Van der Voort, J. M., Glac, K., & Meijs, L. C. P. M. (2009). "Managing" corporate community involvement. *Journal of Business Ethics,* 90(3): 311-329.

It also contains insights from the ongoing doctoral research project of Lonneke Roza.

IV.   NONPROFIT PERSPECTIVE

This part describes corporate community involvement from the perspective of a nonprofit organisation. It addresses the question of how nonprofit organisations perceive the phenomenon of community involvement, how they interpret it and what the effects are for these organisations.

1.   The 'business case' for nonprofit organisations

In general, we assume that social programmes result in a win-win situation for both companies and nonprofit organisations, but is this truly the case? Moreover, what costs or disadvantages might be associated with such programmes? In this chapter, we focus specifically on employee volunteering ('Manpower'), with particular attention to the opportunities and challenges for nonprofit organisations.

In the literature, as well as in practice, the assumption is made that cooperation between companies and nonprofit organisations generates positive effects. In a previous chapter in this volume, we discuss how cooperation with nonprofit organisations can have a number of positive effects for companies. Nevertheless, scientific studies have yet to examine the effects from the perspective of civil society – what opportunities do these programmes offer to nonprofit organisations, and what challenges do they face when cooperating with companies through employee volunteering? This chapter is based on a study that specifically addresses the 'M' of 'Manpower' (i.e. employee volunteering), and particularly its effects at three levels: society, organisation and beneficiary.

Employee volunteering & the community

As is the case with traditional volunteering, employee volunteering can generate social capital. This means that, in general, people who volunteer tend to have more relationships (both formal and informal), to have more trust in other people and to share norms and values with other volunteers. Social capital is an important element of a healthy and flourishing community. A society cannot exist without common activities, norms and values. Another aspect that employee volunteering supports is the reinforcement of existing relationships *(bonding)* and the building of bridges between groups of people who would ordinarily be unlikely to encounter each other *(bridging)*. For example, team-building activities with a particular target population or with particular employees

of the nonprofit organisation can strengthen shared capital *(bonding)*, while also ensuring that participants meet new people *(bridging).*
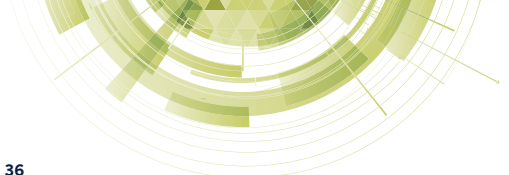
At the level of society, one important aspect involves the cultivation of awareness with regard to social issues within the community. Through volunteering, people are exposed to problems that they otherwise might not have known, or that they had previously not been able to comprehend. For example, a bank employee might spend a day going along on an outing with socially isolated people who are lonely, unemployed and at some distance from the rest of the community. The experiences of these people are quite different from those usually encountered by the employee. Such programmes can also bestow legitimacy on the social issue. As more people become familiar with it, understanding about the issue is likely to increase, and people will be more likely to take it seriously.

Employee volunteering thus need not have direct benefits for the organisation. It can also contribute to the social relationships, recognition and awareness of social problems or of target populations within society that are somehow less well understood. It can also present a number of challenges. For example, it can make the differences existing within a community painfully clear,

possibly magnifying the sense of inequality within the society. At the same time, it is important to prevent situations in which the input of employee volunteering from companies comes at the expense of employment opportunities at the nonprofit organisation. In some cases, such programmes can displace jobs in nonprofit organisations, with employee volunteers maintaining grounds and facilities, playing games with clients and similar tasks, which thus no longer need to be performed by paid staff. In addition, employee volunteers might build websites, consult with nonprofit organisations or even do the bookkeeping. All of these tasks might have previously been performed by paid staff.

Employee volunteering & the organisation
As the facilitator of employee volunteering, a nonprofit organisation may face various types of opportunities and challenges. First, cooperation with companies (more specifically, in the form of employee volunteering) can serve to improve the reputation of the nonprofit organisation amongst potential donors, as well as amongst the employees who come to volunteer. A second advantage that can be achieved is that companies some-times bring more than 'hands' or 'brains' alone. In a great many cases, they combine such contributions with the other four M's: Money, Means, Media and Mass.

For example, companies often cover the costs of organising activities with their employees. The experience with the nonprofit organisation can also lead the company to feel more involved with the organisation, such that it decides to engage in other types of sponsorship as well. Moreover, a one-off cooperative project can lead to more sustainable cooperation, in which a variety of activities can be initiated. In short, employee volunteering is a good way to introduce people and companies to the nonprofit organisation, thereby building a deeper relationship with several of them. For example, employee volunteers have been known to become regular volunteers or donors after having participated in the corporate activity.

In addition to the many potential opportunities mentioned above, however, employee volunteering can be accompanied by roughly three types of challenges. The first involves opportunity costs. The time and energy that are invested by the staff of the nonprofit organisation (whether paid employees or volunteers) can be applied to only one place at a time. This can lead to the neglect of other tasks, which might be more important to the fulfilment of the mission. In addition, the choice of a given cooperative partner automatically excludes other potential partners. If Real Estate Company A will be helping with a fundraiser, it is unlikely that Real Estate

Company B will help as well. Finally, there are transaction and production costs. In many cases, the use of employee volunteering and cooperation with companies can require considerable time, as well as money. Not every company is willing to cover the costs of paint or lunch, and maintaining the network requires a true relationship manager who maintains regular contact with the partners. Antennae are also needed in order to find new partners. Most companies are not willing to bind themselves to a nonprofit organisation for 10 years. Periods of 1-3 years are more likely, and the potential pool of companies and their employees must therefore be updated continually.

Employee volunteering & the beneficiaries

The introduction of employee volunteers can also have benefits for the services that are provided to the beneficiaries of the nonprofit organisation. Volunteers from companies make it possible to organise outings with beneficiaries that would otherwise be impossible to offer, due to any number of circumstances. Moreover, such initiatives make more volunteers available to each beneficiary, thus ensuring that beneficiaries can receive more attention than they do under ordinary circumstances. Both the quantity and the quality of the services provided to the beneficiaries can be increased in this manner.

In other cases, however, the introduction of employee volunteers into nonprofit organisations can create networks that differ from those that the beneficiaries usually have. In some cases, such projects literally bring the community to the beneficiary. This is particularly true for those whom independent participation in the community is difficult. For example, for young people in troubled circumstances, employee volunteering can make companies more willing to consider offering internship opportunities, side jobs or even actual jobs. Under ordinary circumstances, they would never qualify for such opportunities based on their résumés. In practice, however, this obviously does not always proceed positively. One problem is that some types of beneficiaries may find it very difficult to cope with constantly changing volunteers. Moreover, volunteers from companies often come for only one day or, at any rate for a very short period. In some cases, beneficiaries have reported feeling overwhelmed by the number of activities in which they were suddenly expected to participate. Nonprofit organisations are eager to enter relationships with companies, and this can sometimes be too much for beneficiaries. This makes it necessary to find a good balance, with primary emphasis on the mission of the nonprofit organisation and the interests of the beneficiaries.

Source:
This chapter is based on ongoing research within the framework of the doctoral research of Lonneke Roza, in collaboration with Prof. Lucas Meijs, Itamar Shachar & Dr Lesley Hustinx on the effects of employee volunteering.

	OPPORTUNITIES	CHALLENGES
▶ CCI and the community	Social capital, bonding & bridging, insight into social issues	Job displacement
▶ CCI and the organisation	Stronger reputation, additional organisational resources (all five M's)	Reputation damage, opportunity costs and transaction costs
▶ CCI and the beneficiaries	More or different services, better services	Decreased quality of services

Table 4

2. Embedding corporate volunteering in non-profit organisations: A practical approach

Companies are receiving increasing encouragement to donate their time and expertise instead of money, and their giving behaviour is changing accordingly. For this reason, nonprofit organisations must respond by developing effective programmes.

Particularly for large companies, the question no longer concerns *whether* they will engage in CCI, but *what* they will do. The increasing supply from companies and the changing role of the government within society are leading nonprofit organisations to become increasingly involved with embedding CCI activities from companies with their organisations. Given the variety and complexity of the CCI supply, particularly with regard to employee volunteering by companies, it is important for nonprofit organisations to consider carefully what they hope to accomplish through the application of the company's resources. Effective programmes with nonprofit organisations are important, particularly in order to ensure that contributions from companies actually serve the mission, instead of merely the expressed or implied interests of the company. To date, few academic studies have addressed the organisation of CCI by nonprofit organisations. Based on our own research, this chapter briefly presents three considerations that could play a role in the development of CCI programmes within nonprofit organisations

Selection of partners

SELECTION OF PARTNERS

▶ With which company shall we and shall we not cooperate?

▶ How can we ensure a proper balance between the interests of the company and the interests of our organisation?

▶ How well does our organisation fit with the company?

▶ What are the consequences of choosing this partner and excluding other partners?

The first consideration concerns the selection of cooperative partners. In other words, it concerns the organisations with which the nonprofit will and will not cooperate. First, it is important to consider the opportunities and challenges with regard to association: potential effects could emerge from the fact that a nonprofit organisation might be associated with the partner (i.e. the company).

Studies have demonstrated the importance of achieving some type of fit between the partners. There should be a logical connection between what the nonprofit organisation does and what the company does *(business fit)*, the activity that is carried out jointly should be regarded as logical *(activity fit)* or there should be a logical connection with regard to reputation *(familiarity fit)*. If this is the case, the cooperation with the company could enhance the reputation of the nonprofit organisation, as it presents a reinforced 'brand' to consumers (or donors). This also sends a message that the nonprofit organisation is apparently doing good work – otherwise, why would a company with a strong brand wish to cooperate with them? The legitimacy of the organisation is thus enhanced, and this could help to attract new donors.

In practice, most nonprofit organisations are approached by companies, and not the other way around. One consequence is that conscious consideration is not always given to the advantages and disadvantages of specific partners. Another consequence is that the company usually assumes a dominant role in the cooperation. For example, in many cases, the company has considerable influence on the type of volunteer activities that are developed by the nonprofit organisation, as well as on when they are to be carried out and under which conditions. These activities might not always be effective for the nonprofit organisation. There are examples of cases in which nonprofit organisations have had their offices painted three times in a year, because companies 'like to paint', and because it is easy to organise. Donor dependence is obviously always a factor that affects what a nonprofit organisation can and cannot do with the resources that they receive. In the selection of a partner, however, it is important for the nonprofit organisation to state its needs clearly. After all, any company with an active CCI policy should want to make some social impact. A 'useless' day is thus not the intent. In addition, nonprofit organisations are not always aware of the possible consequences of selecting one partner over another: choosing a particular company could damage the reputation of the nonprofit organisation or eliminate the possibility of working with another company. Competing companies are not very likely to support the same charity. Nonprofit organisations that are aware of such consequences are more likely to adopt a proactive approach in which they actively search for partners that are consistent with their own goals and needs (e.g. timing or specific skills).

Long-term and short-term projects

CONCRETE CONSIDERATIONS

▶ Will our cooperation consist of short-term projects or long-term projects?

▶ Should we cooperate with just one company for a longer period, or should we focus on the short term and work with many different companies?

After these aspects have been decided, it is important to consider when the cooperation is to take place. For example, would it be more effective for the nonprofit organisation to carry out many short projects, or should it seek partnership arrangements for longer periods? Should the nonprofit organisation work with only one company or with many different companies? Might it be best to combine an intensive, long-term programme with one or two companies, or would it be better to carry out a variety of short-term projects with many different companies? The answers obviously depend on what the nonprofit organisation wishes to achieve through its cooperation with the company (or companies). For example, the organisation of many smaller/short-term projects could be effective in expanding the quantity of services or in introducing many new people to the target population, the

underlying social problems or the organisation within a short time. Moreover, it results in 'fast money', making it easy to collect resources or local media attention through a simple campaign (i.e. a 'Buy a loaf, donate a loaf' project with a bakery). Short-term cooperation could thus be particularly well- suited for organising such projects as outings with the target group, game days or minor maintenance activities.

In practice, the vast majority of projects are focused on the short term, based on small, one-off activities, even though most organisations tend to express a desire for longer-term involvement. Long-term projects are better suited to objectives that require a long-term relationship between the volunteer and the organisation, the employee or the target population. For example, such projects are particularly well suited for knowledge-intensive activities (consultancy, website construction), network expansion and, perhaps most interestingly for nonprofit organisations, a combination of the Five M's. A third possibility would be to adopt a ribbon or relay form for employee volunteering, in which the company agrees to provide volunteers to the nonprofit organisation for a specified period (middle or long-term). One example of this would be for a company to provide five activity assistants to the nonprofit organisation every Wednesday

afternoon. Although such a project could involve the same volunteers each week, the nature of the activity would obviously allow the participation of different volunteers each week, as long as the company ensures the availability of five assistants.

Even though nonprofit organisations would ideally prefer longer-term projects to shorter, smaller scale projects, they do not always structure their cooperative projects according to this preference, and programmes based on coaching or similar activities have yet to become commonplace. It is nevertheless clear that the introduction of employee volunteering is particularly likely to attract additional resources as well.

Should an intermediary be used?

▶ USING AN INTERMEDIARY

Should we use an intermediary in the selection of a cooperative partner?
Do we have the time, money and energy to develop a programme on our own?
Are there enough interested companies in our network with which we could cooperate?
What would be the consequences (both positive and negative) of using an intermediary?

Many intermediaries (i.e. 'CCI brokers') are currently active in trying to match nonprofit organisations with companies. These intermediaries play a central role in the process of bringing nonprofit organisations together with companies, coordinating their preferences, and setting up and supervising entire projects. The use of such intermediaries offers many advantages for nonprofit organisations, although it can also become an obstacle. The advantages of entering into indirect relationships by appointing or using CCI brokers relate largely to the network competencies of the intermediary. The network can be applied effectively and efficiently, thus considerably reducing the time involved with organising the programme and maintaining the relationship. In this case, nonprofit organisations have access to the networks of their intermediaries, making it possible to expand their own networks and to learn how they can organise and realise financial and other benefits by cooperating with companies. One potential disadvantage of using a broker is that the intermediary receives a fee from the company to organise the project. This fee could otherwise have been directed to the nonprofit organisation.

The alternative, a direct relationship between a nonprofit organisation and a company (i.e. without an intermediary), can ensure strong involvement, possibly in the form of additional resources (financial or otherwise) or legitimacy. The nonprofit organisation could also charge a fee for its services. Nevertheless, a nonprofit organisation might need an extensive network or an account manager in order to facilitate the entire process, as it would require considerable time and energy in order to develop the programme independently.

Final remarks

Requests for money or resources are inherently different from requests for time or volunteers. In addition to being able to explain what they would like to do with these inputs into their organisations, they should be able to translate these goals into concrete plans for the volunteers. Perhaps even more important in this regard, the embedding of employee volunteering could force nonprofit organisations to pay careful consideration to the ways in which programmes are developed in order to attract, deploy and retain resources for their organisations. In short, although CCI has the potential to contribute positively to nonprofit organisations, it is neither free nor easy. It remains important for nonprofit organisations to ask critical questions, including the following: 'What do we hope to achieve with this input?' 'Do we actually need this input?' 'How can we achieve what we hope to achieve?' 'How should we organise the project?' 'How can we find a proper balance between what the companies would like to achieve and what our organisation needs?' 'Do we want to cooperate with this specific company?' Because nonprofit organisations ask these questions too infrequently in practice, they are unable to make optimal use of CCI. More importantly, many nonprofit organisations are too willing to assume positions on the receiving end, forgetting that companies also consider it important for their efforts to have an impact. Moreover, companies realise true advantages from cooperation with nonprofit organisations. For example, they can use CCI to cultivate employee commitment, satisfaction and loyalty. Finally, a nonprofit organisation should not start working with a company if the project does not contribute to the short-term or long-term fulfilment of its mission.

Tip

As a nonprofit organisation, you should continuously ask critical questions about your cooperation with companies. The cooperation should not be advantageous only for the company, but for your organisation as well. In this regard, be sure to monitor whether the cooperation is contributing to the fulfilment of your mission.

Source:
This chapter is based on ongoing research within the framework of the doctoral research of Lonneke Roza, in collaboration with Prof. Lucas Meijs, Itamar Shachar & Dr Lesley Hustinx, on the embeddedness of employee volunteering in nonprofit organisations.

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