

Employee Volunteering: The Key to Talent Engagement



▶ A report on the vital link between employee volunteering and talent engagement



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► **Neighbourly** is a community investment and engagement platform that connects businesses with over **20,000** local charities and good causes across the UK and Ireland.

It ensures the delivery of volunteer time, money and surplus products is tailored and targeted to support people in difficult circumstances, helping to build strong communities.



Introduction

The war for talent has collided with a rise in social consciousness to transform workforce expectations and drive an increasingly urgent need to improve employee engagement.

Major societal events have ignited a paradigm shift in the way people work and, perhaps most importantly, who they want to work for. The shift to hybrid working is well-documented, but changes in employee expectations spread beyond where your desk is located. And though it's undoubtedly been a hugely significant factor, there's more to it than a pandemic.

Government-mandated lockdowns in response to the Covid-19 crisis caused people to re-evaluate their lives. On the more drastic end of the spectrum, a flood of city dwellers decided to relocate to rural areas with more internal and external space. Yet even among those who resisted the urge to move, many valued their new work-from-home freedoms.

As vaccines arrived and the economy rebounded, new jobs were created to meet demand. Meanwhile, as workers were called back to the office, albeit mostly on a hybrid basis, many handed in their notices. Talent availability has subsequently fallen at the fastest rate on record. Four out of five companies which made efforts to recruit last year experienced difficulties, according to research by the Chartered Institute of Personnel and Development, and 30% of employers admitted it has been harder to retain staff. In the first quarter of this year, there were more job vacancies than unemployed people in the UK for the first time since records began.

Though it's easy to attribute the Great Resignation entirely to remote working expectations following the pandemic, an evident rise in social consciousness is intensifying the war for talent just as much if not more. When the news agenda hasn't been dominated by Covid-19 in recent years, it's likely to have featured one of the growing number of social or environmental movements which have rocked the worlds of business, politics and culture.

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“In what the media labelled ‘the Great Resignation’, it was clear many people were willing to move to a new employer to get the work-life balance they now expect.”

Aligning values

From #MeToo to Black Lives Matter and the climate crisis, these are issues that companies can no longer ignore. The profit-at-all-costs principles of shareholder capitalism are being dramatically usurped by the rapid rise of stakeholder capitalism, where staff, employees, local communities and the environment are equally considered in business decision-making.

Workers and customers increasingly expect organisations to take a stance on social and environmental issues, and will happily act with their feet if companies don't align with their own personal values. ESG has consequently catapulted up the business agenda, accompanied by public pledges on issues such as net zero and diversity as well as keen efforts by employers to define their purpose beyond profit and sew it into their core fabric.

Employers have realised that to strengthen both retention and productivity they need to improve their employee experience. The younger generations, millennials and Gen Z, are leading this rise of social consciousness in the workplace. In a study of university students in 30 countries, by Yale University and the Global Network for Advanced Management, 51% said they would accept a lower salary to work for an environmentally responsible company.

Workers who are thoroughly engaged with their company's purpose and values not only stick around for longer but are more likely to perform to the best of their ability. And one of the best ways to achieve this, as validated in Neighbourly's **'Discover the Power of Employee Volunteering'** research report last year, is through volunteering programmes. In the YouGov study, 61% of volunteers, through an employee programme, rated their general happiness at seven out of ten or more, compared with just 55% of employees who had never volunteered.

Eager to explore this further, in this report we take a deeper look into the link between employee engagement and employee volunteering. Supported by insights by three brands leading the way in this crucial area – Coca-Cola Europacific Partners, Virgin Media O2 and RSA Insurance – we identify how to build a volunteering programme that's not only successful in its own right but ultimately also boosts employee engagement at a time when organisations need it most.



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55%

Of employees who had never volunteered with their company in the past



The critical need for talent engagement

A growing number of companies are recognising the business value of an engaged workforce, and the role successful volunteering programmes can play in achieving that.

A great employee experience is underpinned by two fundamental factors: community and purpose. Together they form a powerful key to gaining trust, which is one of the most important currencies in winning the loyalty of customers and employees today. To foster it, companies must be making efforts to engage with the local communities they operate within.

This was amplified during the pandemic, which clearly highlighted that people who work where they live are more invested in the success and resilience of their local communities. Volunteering is not only an effective way of bringing people together, but when approached strategically it can link seamlessly to the company's defined purpose and enable employees to reinforce and align their personal values with the work they do in their day-to-day careers.

Senior decision makers within sustainability, ESG, CR and CSR, who have risen quickly through the ranks of large organisations as boards and senior leadership teams have sought to bolster their ESG credentials, have a keen eye on employee wellbeing and talent retention. In a recent Neighbourly survey of professionals in these roles run by YouGov, 80% of respondents noted employee engagement as a business priority.

It's easy to see why. TUC research has shown that higher employee wellbeing boosts productivity and reduces sick days. This was echoed by Gallup Organisation analysis which found organisations with high staff engagement saw a 22% productivity uplift. High-turnover companies judged to be in the top quartile of employee engagement reported 25% lower turnover than bottom-quartile firms, while among low-turnover firms the difference was 65%.

Employee engagement is crucial to meeting ESG goals. But ESG programmes are also a crucial way of driving employee engagement and therefore creating a happier, more productive workforce that's invested in the company values and likely to stay for longer.

In Neighbourly's research with YouGov last year, 70% of respondents who had volunteered with their organisation were more likely to trust their employer, compared to 57% of non-volunteers. And 70% of those who had volunteered through a corporate programme said they would recommend their employer, compared with only 51% of non-volunteers.



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Living and breathing

Of course, simply communicating a company purpose is not enough to secure the engagement of a workforce. Employees will quickly know if an organisation's actions don't reflect the public commitments they are making, and many won't hesitate to whistleblow through social media. Living and breathing core values is easier said than done, but volunteering programmes present one of the best tools through which to make fast progress.

Coca-Cola Europacific Partners (CCEP) saw 20% of its employees volunteer for at least one day last year. A central focus of its hugely successful employee volunteering programme has been ensuring that it is as beneficial for its employees as it is for the communities it supports.

"Following a couple of difficult years, it's more important than ever to create a clear connection between volunteering and wellbeing," says Holly Firmin, Senior Community Partnerships Manager GB at CCEP. "There are so many benefits to stepping away from your day job and spending time making a difference, including a feeling of increased connection with colleagues or communities, which many of our employees report after they volunteer."

Issues relating to employee wellbeing were heightened during the Covid lockdowns, and opportunities to connect through volunteering provided an essential boost to people's mental health. Savvy employers like CCEP are able to see the resulting link to talent engagement.

"Although we set out to reach an aspirational 5,000 hours of volunteering, our ultimate goal was to give as many colleagues as possible the opportunity to re-engage with their peers after such a long period of minimal contact," Firmin adds. "We also wanted to ensure we were supporting people's mental health and supporting our charity and community partners."

"Employee engagement in volunteering is currently at its highest ever level seen in our business, following a rapid increase in the number of colleagues putting their name forward and taking part in volunteering activities. We're also seeing an unwavering commitment to specific causes amongst employees, with volunteering days being factored into their agendas from the beginning of the year."



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While there is a way to go in the journey to recognising the link between employee engagement and employee volunteering, employers are increasingly following the lead of companies like CCEP. Even if they do see the link, however, a volunteering programme will not automatically translate to higher employee engagement. Activating a successful programme presents numerous challenges which Neighbourly helps employers overcome.

Building a volunteering programme that engages employees

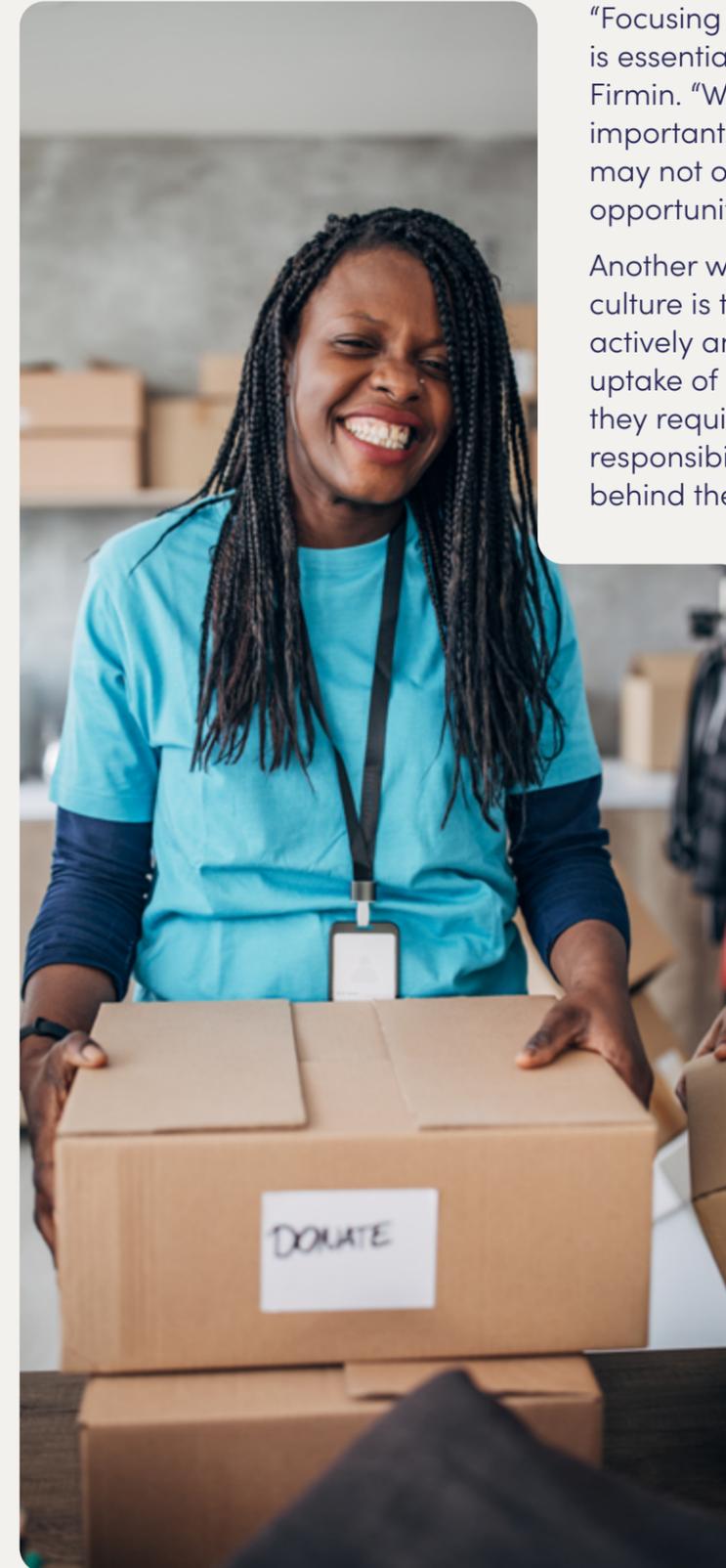
Recognising the link between volunteering and employee engagement is one thing. Activating a successful volunteering programme then requires a multifaceted strategy.

The transition from CSR to ESG in recent years has partly been about repositioning corporate responsibility in the business. While CSR programmes were typically isolated in small pockets of an organisation, sometimes with limited impact, the rise of ESG has seen issues like social and environmental impact placed at the very heart of the business agenda. This is also reflected in the wave of new job titles such as Head of Sustainability and Social Impact.

While still a nascent position with organisations, those already excelling in the role typically have exceptional communication skills and are highly adept at stakeholder management, liaising strategically with different parts of the business to ensure ESG efforts get traction. That includes reporting back at board level on engagement statistics after volunteering.

The more volunteering and community action are ingrained in the culture of a company, the easier they will be to execute and foster greater employee engagement. Companies great at this typically put their volunteering policy in the job descriptions of all employees as well as job adverts. New joiners know from day one that volunteering is important to their employer.

Aligning volunteering with company values will help with ingraining it in the culture as well as serving as evidence that the business is living those values. For its sustainability action plan, CCEP set out key pillars including action on society, climate, water and packaging, which align with many of the volunteering causes the company has subsequently opted to support.



“Focusing on causes which align with your ethos and purpose is essential to making a volunteering programme work,” says Firmin. “We’re also focused on educating our people on what’s important to us as a responsible business and communities they may not otherwise have exposure to, while amplifying volunteering opportunities with our sustainability and social impact partners.”

Another way to ingrain employee volunteering in a company’s culture is to include it within KPIs, as something that line managers actively and regularly check on. One of the biggest blockers to uptake of such programmes is the sense among employees that they require permission to take time away from their main work responsibilities to volunteer. The more they feel their manager is behind their volunteering efforts, the more engaged they will be.

The KPIs used to evaluate the success of employee volunteering programmes can also influence overall success in relation to employee engagement. Whereas previously organisations would focus on getting, for example, 500 employees to volunteer, those enjoying the most success now tend to instead report on the number of lives they have been able to positively impact.

Saying you have helped 100,000 people is a more powerful and impactful way to show employees the impact they’re making, in turn increasing engagement.

Consulting employees

Volunteering programmes will often fall down when employees aren't properly consulted in the process or feel like they can't associate with it. A programme that is prescribed and not built with the employees in mind won't work. Some companies, for example, understandably want to share their principle skills with good causes through skills-based volunteering, but by doing so they can overlook the soft skills of their employees or their core skills out of work.

When it comes to launch, it's important to ensure the themes of the volunteering align not only with the company's purpose and values but that of its employees too. Consulting with employees from the outset is essential to increase employee engagement. Neighbourly works with organisations to ensure employees are involved in the process of selecting charities, and also allows employees to 'nominate' causes they are passionate about.

By offering the opportunity for colleagues to volunteer as a team, CCEP is able to increase buy-in and demonstrate broader benefits. Instead of asking colleagues to volunteer for a prearranged event, teams can request the type of event or cause they want to volunteer for, enabling opportunities to be identified through Neighbourly or other existing charity partners.



“With any volunteering programme, it’s essential to get buy-in from colleagues and make sure everyone knows that they have a role to play, irrespective of their job function or level of seniority,” Firmin adds. **“Our ‘Community Champions’ proactively identify volunteering opportunities for colleagues that they’re passionate about. We also give employees an opportunity to help select the causes we work with, to get them invested in the programme.”**

800 volunteers

For Coca Cola Europacific Partners 2021 was an incredible year, with more than 800 volunteers clocking up over 6,000 hours across 90 events and initiatives, surpassing their target of 5,000 volunteering hours

Strategic communications



Neighbourly encourages all of its clients to identify peak times during which to ramp up internal and external promotion of volunteering programmes. This could be seasonal or perhaps linked to thematic observances such as Black History Month or International Women's Day. During these periods organisations see particular success with engaging employees in how they can contribute or even propose their own ideas for volunteering.

Insurer RSA's sustainability team has worked with its internal communications colleagues to create a clear campaign for employee volunteering supported by consistent messaging. This has included a 'lunch and learn' with guest speakers from Neighbourly, charity recipients and employee advocates, as well as case studies, films and a podcast hosted by the company's CEO, who has also attended a head office 'summit' focused on employee volunteering.

"We're also in regular and ongoing contact with our Neighbourly account manager to ensure that the process of signing up to volunteering is simple and straightforward," says Ruth Poulten, Social Impact & ESG Manager at insurance group RSA. "We know that one size doesn't fit all when it comes to volunteering and that's why we have partnered with Neighbourly to connect employees with volunteering opportunities around the country that work for them whether in-person or virtual.

"It's important to understand the opportunities that are possible for your business. Get to know your internal audience. Identify the barriers to employees signing up and the solutions to enable participation. Engage with leaders to understand how their departments function day to day. There may be business priorities which will prevent them and their teams from getting involved at certain times of the year.

If you can plan for seasonality, shift patterns and business demands, your employee volunteering scheme stands a better chance of success."



Volunteering mix

Finally, it's important to make employees aware of the different ways they can contribute. Some might not feel they have enough time to offer, when in fact micro volunteering can be tremendously impactful. Virgin Media O2 has one of the UK's most generous volunteering allowances of five paid days per year. Its employees can volunteer for the good causes of their choice and via opportunities sourced through its bespoke page on the Neighbourly platform, selecting between a mixture of micro volunteering as well as full-day opportunities.

While the key goal of the mobile network and broadband provider's employee volunteering programme is to drive participation in volunteering, the functionality of the Neighbourly platform means the company is also able to measure the people that volunteering supports.

"It's helpful to quantify that as this is the ultimate reason for doing this activity, so that it makes a difference in the community," says Will Kirkpatrick, Head of Social Impact & Sustainable Development at Virgin Media O2. "We want to ensure that we're offering a mix of volunteering opportunities, aligned to our strategy of environmental action and digital inclusion, also including skills-based volunteering, but we also need to offer flexibility for people to do the things which they are passionate about."



“Genuine connection has never been more important to each other, our communities and our planet. Our advice is to create the right mix of strategic and flexible options to drive the numbers of employees participating, and create advocates in the business who will help within their divisions to increase activity.”

From a comms perspective, we also want to create a buzz and create pride, so showcasing the volunteering through internal channels is key.”

Of course, many charities need monetary donations as much as they need volunteer help, and thanks to a unique feature on Neighbourly, this is another way to increase employee engagement. Neighbourly enables businesses to donate micro-grants to local good causes, which can be more impactful than giving large donations to one or two big charities because the funds get to frontline causes much faster. Activating this number of donations is too onerous for large organisations to take on, but Neighbourly's Donation Management product facilitates the entire process while allowing employees to nominate causes they are passionate about.

The wider impact and recommendations

Supporting lots of small good causes is no longer an onerous task, which means businesses are now able to positively impact local communities while increasing employee engagement.

While the focus of this report has been on how employee volunteering programmes can be strategically activated to increase employee engagement in a company, we also mustn't forget the substantial impact these programmes have on their subjects: local good causes.

These small frontline organisations, beloved in the local communities they serve, need more support than ever. In Neighbourly's March 2022 community survey, despite 81% seeing a rise in demand for their services, 51% said their income had dropped in the previous three months.

96%

of local good causes expect the cost-of-living crisis to have a significant impact on their organisation and beneficiaries.

A perfect storm of supply chain challenges still enduring from the pandemic, as well as the effects of the war in Ukraine and rising energy prices, has meant 96% of local good causes expect the cost-of-living crisis to have a significant impact on their organisation and beneficiaries.

It just so happens that supporting lots of small good causes, rather than one or two large charities, not only makes a huge impact on the frontline of local communities, but is also a tremendous means through which to maximise employee engagement within a business.



Using our experience in helping companies create and scale volunteering programmes and drive positive community action, Neighbourly has summarised five key recommendations companies should adopt to ensure their programmes are increasing employee engagement:

01

Ingrain employee volunteering in the culture of the company. Adding your volunteering policy to all job descriptions and KPIs will help by removing the sense that employees need permission to volunteer. Managers also need to encourage it.

02

Align your volunteering themes with your purpose and values. This will not only positively reinforce your company's publicly stated ethos, allowing you to 'live and breathe' it, but also ensure your employees feel a greater affinity to those values.

03

Consult your employees through the process. People want to work for companies whose values align with their own, and they are likely to lose interest if volunteering programmes fail to do that. Encourage them to nominate causes important to them.

04

Have a regular drumbeat of communications across channels. But also choose strategic times for promotional pushes. Encourage participation and drive momentum by having employees share their experiences on internal and external social media.

05

Mix it up. Traditional volunteering programmes don't appeal to everyone so it's important that your employees know there are different ways they can contribute. Micro or remote volunteering are just two examples of how they can make an impact.

All of these recommendations and more can be seamlessly achieved through the Neighbourly platform. Acting as a broker, communicator and data aggregator, Neighbourly helps facilitate employee volunteering at scale and maximises talent engagement by triggering participation, automated workflows and evidencing the impact in a tangible way through reporting and insights that capture the impact of activities.



If you'd like to talk to us about how to foster, scale and maximise employee engagement through a volunteering programme, email us at hello@neighbourly.com.