



## CSR LABORATORIES: BRINGING THE EUROPEAN ALLIANCE ON CORPORATE SOCIAL RESPONSIBILITY (CSR) TO LIFE



### EMPLOYEE COMMUNITY ENGAGEMENT:

An effective way of improving the skills essential for employment amongst disadvantaged and socially excluded groups of people within the EU

November 2008



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Ways in which CSR can help the European Union deliver the goals of the Growth and Jobs Strategy

## EMPLOYEE COMMUNITY ENGAGEMENT:

An effective way of improving the skills essential for employment amongst disadvantaged and socially excluded groups of people within the EU

A research report with recommendations prepared by ENGAGE. This CSR Laboratory is led by Citi, Freshfields Bruckhaus Deringer LLP and KPMG LLP with support from other members of ENGAGE including Allen & Overy LLP, APCO Worldwide, BP, Brown-Forman, Credit Suisse, Diageo, DLA Piper LLP, GE, IBM, Linklaters LLP, Morgan Stanley, Nokia, Rolls-Royce and UBS. ENGAGE also works with a network of community broker organisations across the EU such as Hestia, Sodalitas and UPJ who have also contributed to this research.

November 2008



## GET ENGAGED:



“The students have been transformed, they have overcome their fears and found their voices”

Teacher whose pupils participated in the Mobi<sup>3</sup> project, Paris

“Volunteers have been visiting our school since 1999. With their enthusiasm, help and encouragement many of our pupils have improved their literacy and numeracy skills. Perhaps even more importantly, it has helped to motivate the children, improved their communication skills, given them new confidence and a different perspective on life which we hope they will carry with them as they move through school and into the world of work”

Head teacher at a primary school in London

“I learned that I can be someone, if I want”

Participant in job coaching scheme, Frankfurt

“I was broken when I came to you and you fixed me... this experience has opened doors for me”

Participant in Ready for Work, a UK work placement scheme for homeless people

“I would recommend becoming a Reading Partner, Number Partner or a Chess Partner to anyone who would like to do something different that can make a significant difference to a young child’s learning potential. It’s fun, easy to fit into the working week, helps the local community and also enables you to meet new people from the office”

Volunteer, London

“Some young people do not believe that they’ll succeed - this type of experience gives them back their confidence”

Volunteer, Paris

Many businesses in Europe are already supporting employee community engagement initiatives designed to help people from disadvantaged backgrounds improve the skills essential to gaining and keeping a job.

Ensuring disadvantaged groups of people enhance their basic skills is key to developing and sustaining a thriving economy and cohesive society. It makes good business sense.

Discover more about how employees can make a real and positive difference to the lives of people in their local communities from our online best practice guide and toolkit at [www.ENGAGEyouremployees.org](http://www.ENGAGEyouremployees.org).

## A CSR Laboratory demonstrating the effectiveness of employee community engagement in improving the skills essential for employment amongst disadvantaged and socially excluded groups of people within the EU

Our CSR Laboratory explores the value of a variety of employee volunteering initiatives supported by businesses across the European Union in terms of improving the skills essential to gaining and sustaining employment.

Our focus is on projects targeting groups of disadvantaged people including young people especially early school leavers; those ‘at risk’; and people from disadvantaged, low educational or deprived backgrounds; unemployed and underemployed people including homeless people; refugees, legal migrants and recent immigrants; and minority ethnic groups.

Our ‘deliverables’ for the CSR Laboratory are designed to enable more employers to create and develop effective programmes suitable to their own communities and to their businesses.

As a result, we at ENGAGE have launched an online toolkit at [www.ENGAGEyouremployees.org](http://www.ENGAGEyouremployees.org), bringing together a range of case studies and a step-by-step practical guide to help employers of all sizes and in all areas of business and industry, to develop effective employee community engagement and volunteering initiatives. Our online toolkit aims to enable employers to create programmes that:

- require different levels of skills and commitment in terms of time and money;
- improve the skills essential for employment;
- work with a wide range of people from disadvantaged backgrounds;
- are stimulating and rewarding for all participants;
- make a positive difference to the community; and
- ensure employers are being socially responsible.

Additionally, as part of our CSR Laboratory, we have produced this research paper (hereafter referred to as the Report) with its findings and recommendations which we hope will be considered by the European Commission.

In the early stages of our research we came to the conclusion that a series of road shows around the EU would be an ideal way of engaging more employers in supporting employee community engagement schemes, so we are delighted that the EU is providing funding for the road shows planned by CSR Europe and the European Alliance for CSR, and look forward to participating in them.

**ENGAGE** is an international programme that brings together businesses and community organisations around the globe to increase the quality and amount of employee involvement in their local communities.

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## Introduction

From Frankfurt to Paris to Cluj, government, business and community partners are working together through employee community engagement to improve the lives of excluded groups and individuals. More often than not, the work is done in collaboration, bringing sustainability and diversity to the projects. The programmes are innovative, flexible and replicable, as the case of ENGAGE has shown, and can contribute to achieving the EU Growth and Jobs Strategy.

This Report seeks to use the opportunity of the European Alliance's CSR Laboratories to demonstrate the unique contribution employee community engagement can make in bringing about positive change, in line with many of the goals of the Growth and Jobs Strategy

CSR initiatives such as employee community engagement can improve the skills essential for employability amongst disadvantaged and socially excluded groups of people within the EU, whilst also providing the volunteers themselves with valuable experience and development. Moreover, by bringing together business people, community organisations and disadvantaged members of the community it can help to promote social cohesion.

### Improving skills and promoting social cohesion

Our CSR Laboratory is founded on the belief that employee community engagement can, and does, help to improve the skills of people who either are, or may feel, disadvantaged in terms of gaining employment. It can also help to break down perceived barriers to employment.

In addition, employee community engagement schemes can reduce the number of young people who cannot read properly and the number of early school leavers; improve the achievement levels of learners with migrant backgrounds or from disadvantaged groups; and attract more adults, particularly low-skilled and older workers, into education and training.

Better essential skills, improved motivation and opportunities for disadvantaged groups, are key to helping people realise their potential and to gaining and sustaining employment.

For these reasons, employee community engagement is a valuable and special form of community investment or corporate citizenship which has important social and potentially economic impacts, and as such has a role to play in the EU Growth and Jobs Strategy.



### Responsible citizenship

At the same time, employee community engagement can bring people together from all nationalities, religions, socio-economic backgrounds and ages to contribute to positive change and promote active, responsible citizenship, something which is central to European ideals and values of democracy, solidarity and participation. It is also a flexible means of reaching a variety of people, engaging employees in doing something constructive for the community, and meeting the needs of the community and wider society - and indeed, the economy - in an organised and systematic way. In the long run, it will also help to make the workplaces of many businesses more diverse.

For these and other reasons, businesses are increasingly developing employee community engagement initiatives as part of their wider corporate social responsibility or corporate citizenship programmes. We would like the European Commission to do more to encourage and promote this, and have made recommendations to this end.

### Encouraging and enabling more businesses to get involved

We are always looking at ways of engaging more businesses. As a result of our CSR Laboratory, the lead partners have ensured the ENGAGE website includes a toolkit to encourage and enable more businesses to establish employee community engagement schemes and for community organisations to develop them. This can be found at [www.ENGAGEyouremployees.org](http://www.ENGAGEyouremployees.org).

The website also includes the examples of employee community engagement initiatives we have collected together for this CSR Laboratory. We have concentrated on multi-stakeholder initiatives: in particular cross-sector partnerships that involve a number of businesses, NGOs, brokers or community organisations, collaborating on community initiatives designed to enhance the essential skills of disadvantaged groups of people within the EU. We believe many of these can be replicated and adapted to suit particular needs and communities within the EU.

### ENGAGE Key Cities

Through the ENGAGE Key Cities programmes in Barcelona, Bratislava, Frankfurt, Istanbul, Kosice, Milan, Paris and Prague, which continue to expand and develop, ENGAGE aims to encourage more businesses to get involved in employee community engagement, and to raise the profile of its role within the wider corporate social responsibility agenda.

We hope that this CSR Laboratory will encourage and enable more employers across the EU to support employee community engagement initiatives.

## Key findings

- Corporate investment in employee community engagement has now reached significant levels and has become increasingly linked to core business strategy in terms of up-skilling employees and productivity levels and developing the skills of disadvantaged groups in local communities, as identified in the Growth and Jobs Strategy.
- Businesses invest in this resource because they believe it is crucial for economic and social cohesion. There are also direct business benefits and for the volunteers too.
- Consistency and robustness of data across all employee community engagement is sometimes lacking. This is in part due to the desire to use funds to directly support the disadvantaged group. However, the level of employee community engagement has become sufficiently sophisticated to now adopt a measurement framework to ensure effectiveness, taking into account the need for both qualitative and quantitative information. It is worth noting that there are a number of case studies which demonstrate the positive effect volunteering has on skills for employability from both a quantitative and qualitative perspective.
- The impact of employee community engagement can be enhanced by working collaboratively with other stakeholders. The study identified a number of successful pilots between one or two companies and an NGO partner being replicated many times over in different locations with new businesses and social groups.
- Participants in the study believe the European Commission has a key role to play with other stakeholders in encouraging an environment where employee community engagement can thrive, and to minimise duplication of effort by supporting the dissemination of best practice, hence ensuring optimal levels of impact and innovation. This should include ensuring there is a strong country and EU wide infrastructure.
- Stakeholders involved in this Report confirmed a desire for increased recognition of employee community engagement by the European Commission in achieving the goals of the Growth and Jobs Strategy.
- Volunteering across the board is growing with 3 in 10 Europeans currently involved totalling over 100 million people and contributing \$400 billion to the global economy. Employee community engagement makes a significant contribution to this.



**Businesses** invest in this resource because they believe it is crucial for economic and social cohesion.

## Recommendations

**These** schemes could be invited to act as national accreditation for an EU-wide initiative.

Many businesses, as stakeholders in the EU, are supporting employee community engagement programmes that improve the skills for employability. Ensuring people with disadvantaged backgrounds enhance their basic skills – the skills essential to gaining and keeping a job – is key to developing and sustaining a thriving economy and cohesive society. These are issues shared by us all.<sup>1</sup>

### Encouraging volunteering in the European Commission

A practical way for the European Commission to demonstrate recognition of this value (in addition to its support for the CSR Europe / European Alliance for CSR road shows) is to lead by example by encouraging its own employees to participate in employee community engagement activity. ENGAGE would be willing to work with the European Commission to develop and appropriate activities.

### European Year of Volunteering

We recommend that the EU institutions announce 2011 as a European Year of Volunteering as a way of encouraging and recognising employee community engagement activities. On 15 July 2008 the European Parliament adopted, with the signatures of 454 MEPs, a declaration calling upon the European Commission to announce 2011 as the European Year of Volunteering, a call that has been endorsed by the European Economic and Social Committee, the Committee of the Regions and the Council of Youth Ministers.

### Awards programme

We recommend that the European Commission should consider launching annual employee community engagement awards (or perhaps wider corporate social responsibility awards) in the EU, to further highlight the impact of employee community engagement and to encourage the development of these schemes.

Awards of this type already exist in some countries: for example the BITC Awards for Excellence in the UK; Sodalitas Social Awards (Italy), and the Fundacion Empresa y Sociedad Premios (Spain). These schemes could be invited to act as national accreditation for an EU-wide initiative. 2011 as a European Year of Volunteering and the 10th anniversary of the United Nations' International Year of the Volunteer would be an ideal time to launch such a pan-European scheme.<sup>2</sup>

### Measurement framework

We recommend that, since the level and sophistication of community engagement has now matured to a sufficient level, work should be commissioned to develop a pan-European measurement framework.

### European Commission procurement processes

We recommend that the European Commission should recognise employee community engagement in its communications, policies and programmes, encouraging European employers to share best practice and to support these activities within their companies, and in particular, the employee community engagement initiatives that support the Growth and Jobs Strategy.

### Promoting best practice

We recommend that EU and European employers work together to foster a European-wide increase in employee community engagement by:

- Supporting the development of employee community engagement centres of competence, for example the ENGAGE programme, with our Europe-wide networking and knowledge building and exchange initiatives. This might include the provision of workshops either as part of the proposed road shows or afterwards, and online advice on employee community engagement within different counties as part of the new website;

### Encouraging evaluation

- Promoting tools to measure the impact of employee community engagement and more specifically, provide reliable avenues to secure funding for this type of evaluation. Various frameworks have been developed and the EU should consider funding more development and dissemination work;

### Seeing is believing

- Developing 'Seeing is Believing' type activities across the EU and for the European Commission, to show Commissioners and business leaders the social issues and to explore the ways in which employers can support their local communities. In particular we recommend visiting good practice examples, and personally experiencing the internal and external impact of employee community engagement programmes within the EU in order to spread the concept into all member states, business sizes and sectors<sup>3</sup>;

### Recognition for community participants

- Creating a recognition system for participants in employee community engagement schemes to officially acknowledge their achievements. For example, simple certificates for completion and merit would confirm the value of employee community engagement as a valuable tool for developing skills, and make it easier for participants to refer to their achievement when applying for jobs or training. This need not be onerous and could be piloted in the first instance to test its usefulness.



<sup>1</sup> Cf. Lisbon Strategy for Growth and Jobs: 2007 Strategic Report Country – Assessment of the National Reform Programmes - Main conclusions

<sup>2</sup> For more information on these schemes please visit [www.bitc.org.uk](http://www.bitc.org.uk); [www.empresaysociedad.org](http://www.empresaysociedad.org); [www.sodalitas.it](http://www.sodalitas.it)

<sup>3</sup> The Seeing is Believing concept was developed by Business in the Community, for more information please visit [www.bitc.org.uk](http://www.bitc.org.uk)

## Some definitions



**Mentoring,**  
coaching, training,  
work experience,  
community  
assignments and  
secondments, team  
building projects,  
careers days ....

**Employee community engagement** – “community service initiatives, endorsed by management, where employees use their skills and time to address social or environmental issues. These actions generate specific benefits for the corporation, employees and the community.”<sup>1</sup>

Employee community engagement activities involve businesses encouraging and supporting their employees to volunteer in the community via facilitated and designed schemes, sometimes using the volunteers’ professional and work-related skills and competencies, sometimes simply their knowledge and experience, to improve the employability skills of target groups. Sometimes specific training is involved too. This Report focuses on this area of activity.

Examples of employee community engagement activities include mentoring and coaching; training and skills transferral such as literacy and numeracy skills; work experience and apprentice schemes; community assignments and secondments; team building projects, and community days such as careers days. As a secondary element, we look at the benefits to the volunteers of participating in these schemes.

**Volunteering** - an activity of voluntary character and personal commitment, exercised in an organised setting and with a structured framework, unpaid, undertaken for the benefit of other individuals and society as a whole<sup>2</sup>.

**CSR** – “corporate social responsibility is a concept whereby enterprises integrate social and environmental concerns into their business operations and in their interaction with their stakeholders<sup>3</sup>.”

**CSR Laboratory** – CSR Laboratories are business-driven and action-oriented projects which aim to address corporate social responsibility challenges in and around the priority areas of the European Alliance for CSR. The objective of the CSR Laboratories is to bring together business practitioners, stakeholders and representatives of the EU to share experience and explore joint operational projects<sup>4</sup>.

**Disadvantaged (groups of) people** – our CSR Laboratory looks at employee community engagement programmes aimed at helping to improve the employability skills of people with few chances in the job market; people who may feel excluded from the job market; people with low employability skills, and those who traditionally find it difficult to gain and sustain a job.

Many people might be ‘classified’ in more than one of these ‘groups’:

- young people (especially early school leavers, those ‘at risk’, and people from disadvantaged or low educational or deprived backgrounds);
- people with disabilities;
- ageing or older workers;
- unemployed, particularly long-term unemployed, unemployed young people and women; low skilled people and people on the margins of the labour market;
- returners to work;
- underemployed people including homeless people;
- women;
- lone parents;
- people whose first language is not the common language of the country;
- ex-offenders;
- people in care;
- undeclared workers and those not in the formal economy;
- refugees, legal migrants and recent immigrants; and
- minority ethnic groups.

**Employability skills** – in the case of our CSR Laboratory, we are defining these as “not job specific but...skills which cut horizontally across all industries and vertically across all jobs from entry level to chief executive officer.”<sup>5</sup>

Naturally the specific skills required vary across the EU, due to the different economic, political and social situations within each member state and locality, and across different job sectors. However, following consultation with the European Commission’s Directorate-General Employment, Social Affairs and Equal Opportunities, it is clear that there are core skills and competencies that are crucial to gaining and sustaining employment. These are skills which employers commonly cite as being vital for employees at any level to possess, and that will ensure that people are sufficiently adaptable to (re-)enter and remain in the labour market and grasp new opportunities.

These skills can be broadly broken down into four areas: self-reliance; people skills; basic or essential employment skills; and job ready skills.

**Not** job specific  
but...skills which cut  
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vertically across all  
jobs from entry level  
to chief executive  
officer.

1 The challenges of implementing multi-jurisdictional corporate volunteering programmes: A European perspective, Florencia Spangaro, London Metropolitan University, September 2006.

2 MANIFESTO for volunteering in Europe, European Volunteer centre

3 Communication from the European Commission to the European Parliament, the Council and the European Economic and Social Committee, *Implementing the Partnership for Growth and Jobs: Making Europe a Pole of Excellence on Corporate Social Responsibility* (22/03/06) p. 1

4 <http://www.csreurope.org/pages/en/laboratories.html>

5 Sherer, M. and Eadie “Employability Skills: Key to Success.” *Thrust* 17/2 (1987): 16-17.

## Defining the essential skills for employability<sup>1</sup>

- Basic skills
  - Communication
  - Literacy
  - Numeracy
  - IT/computer literacy
- Thinking skills
  - Problem-solving
  - Planning and prioritisation
  - Learning skills, strategies
  - Creative, innovative-thinking
  - Decision-making
  - Business acumen, enterprise
- Job-ready skills
  - CV writing
  - Interview techniques
- Self-reliance
  - Self-awareness, realism, focus
  - Pro-activity, resourcefulness, drive
  - Willingness to learn, enthusiasm, motivation
  - Self-promotion, persistence, ambition
  - Networking, team skills, ability to initiate and build relationships
  - Dependability, responsibility
  - Positive attitude towards work, willingness
  - Conscientiousness, punctuality, efficiency
  - Self-confidence, positive self-image
  - Adaptability, flexibility
  - Self-discipline, self-management
  - Appropriate dress, grooming
  - Honesty, integrity
  - Ability to work without supervision, self-reliance
  - Accuracy
  - Commitment, dedicated, trustworthy, conscientious
- People skills
  - Team working, supportive, organised, good at delivery, able to coordinate projects and people
  - Interpersonal skills, cooperative, assertive, good at listening and giving advice
  - Oral communication, good at presenting and communicating, able to influence
  - Leadership, able to motivate, energetic, visionary
  - Customer orientation – friendly, caring, diplomatic

### Job coaching youth at risk in Frankfurt

In a joint project, local schools, businesses and the community organisation Gesellschaft für Jugendbeschäftigung e.V. (gjb; society for employability of adolescents) have developed a job coaching programme for students at the lower end of the achievement scale to further their career prospects. By combining the business expertise of the companies with the social and educational background of gjb, the programme has had a measurable impact on the local community, as well as the employees and the students.

This is an ENGAGE City project initiated by Citi, Freshfields, Linklaters, Deutsche Borse, UPJ and gjb.

#### Programme outline

At 26%, Frankfurt has one of the largest immigrant populations in Germany. Around one-third of unemployed people in Frankfurt are immigrants. One in seven immigrant students do not graduate from secondary school, and 16% of those children depend on welfare, compared to 10% of non-immigrant children.

This year-long programme focuses on the key skills needed to improve school students' employment prospects. Supported by gjb, business volunteers deliver a range of practical workshops, such as CV writing and interview training. Students are invited to the companies' offices, exposing them to a real-life atmosphere, this combined with role-play, telephone training, mock interviews and individual feedback, ensures an all round preparation for students, enabling them to take home key skills as well as tangible outcomes, such as professional photos and a freshly crafted CV.

#### Impact

In the first two school years, 90 students many from immigrant backgrounds and over 140 employee volunteers took part in the programme. The programme benefits the students in a variety of ways. It helps to improve job application skills: One student said: *"I obtained my apprenticeship with the job application we did there"*; provides exposure to a new range of experiences and contact with the business world, often for the first time: *"This was my first job interview and I did not know how to behave"*; and engenders a higher level of confidence, motivation and aspiration: *"I realised what life can offer, if you really want it"*; *"I learned that I can be someone, if I want"*.

Evaluation has shown that the volunteers enjoy the opportunity to expand their own skills and experiences for the benefit of others, as well as expand their own personal networks. 100% of the volunteers have continued with the programme. gjb was able to offer real life learning experiences for the students, enhance their own project management skills and received greater public awareness. The teachers also feel the scheme had a positive impact on the immediate networks and friends of the students.

Freshfields has now introduced similar job coaching schemes through its offices in Berlin, and Cologne.

### From Frankfurt to Berlin and Cologne

<sup>1</sup> Based on Cotton 1993, adapted and extended by UPJ.



## The growth of volunteering

**3 in 10**  
Europeans volunteer  
each year

There has been significant growth in community volunteering in Europe in recent years. This includes people who are volunteering with the support and encouragement of their employer, and those who are doing it in a personal capacity.

### 100 million volunteers in Europe

A recent Eurobarometer survey suggests that as many as 3 in 10 Europeans volunteer, which gives a number of more than 100 million Europeans in absolute terms<sup>1</sup>.

Volunteers represent the equivalent of 3-7% of the economically active population in many countries and make a \$400 billion contribution to the global economy<sup>2</sup>. The importance of volunteering varies in different parts of the EU: for example, 36% are involved in volunteering in Germany, 33% of the adult Irish population volunteer in some capacity and in Poland around 5.4 million citizens (18.3%) volunteered in 2004<sup>3</sup>.

### UK volunteers equivalent to 180,000 person workforce

In the UK, 23 million people volunteer each year, providing the equivalent of a 180,000 person workforce. The economic value of formal volunteering has been estimated to be more than 65 billion Euros which is 7.9% of UK GDP<sup>4</sup>.

The largest group of volunteers is the 350,000 school governors in England who make an essential contribution to the education of young people in the country<sup>5</sup>.

### UK volunteers contribute £48+ billion to the economy

More recent figures from Volunteering England<sup>6</sup> are that the UK has 26 million volunteers. In 2007, 49% of people in England volunteer on a regular basis. Volunteering contributes an estimated £48.1 billion to the economy. People aged between 18-24 years are most likely to be volunteers. 36% of people cite learning career skills as being their main motivation for volunteering followed by 27% who volunteer to make a difference - demonstrating how volunteering benefits all participants.

This is a trend that can be taken advantage of to promote wider employee community engagement initiatives focused on improving the skills for employability of disadvantaged groups of people within the EU, to ensure that the Growth and Jobs Strategy goals are met. However, we cannot ignore that there are certain potential challenges to this trend which we look at later in this Report.

<sup>1</sup> Special Eurobarometer 273 Wave 66.3, February 2007, "European Social Reality"

<sup>2</sup> According to the Johns Hopkins University (JHU) research done in 37 countries exploring the contribution of the voluntary sector and volunteering to national economies and their Gross Domestic Product ("Comparative Non-Profit Sector Project").

<sup>3</sup> MANIFESTO for volunteering in Europe, European Volunteer centre, 2006.

<sup>4</sup> Ibid.

<sup>5</sup> Business in the Community research on school governance

<sup>6</sup> Quoted in The Guardian newspaper (10 September 2008)

## Corporate social responsibility, the European Union and volunteering

The Resolution on Volunteering adopted in 1983 by the European Parliament recognised that the development of infrastructure is central to effective policies on volunteering; invited the European Commission to pay systematic attention to volunteering; and asked for "*a statute for voluntary work*" covering reimbursement of expenses and insurance for volunteers.

### Inclusive society based on active citizenship

In 1997 the European Commission's Communication on the role of Voluntary Organisations recognised the economic, social and political significance of voluntary action "*in developing a cohesive and inclusive European Society based on active citizenship.*"<sup>7</sup>

It was around this time that the EU contributed funding for a programme of work with a consortium of companies that led to the founding of Cecile which subsequently evolved into ENGAGE.

The 2006 Opinion of the European Economic and Social Committee on Voluntary Activity: its role in European Society and its Impact [2006/C 325/13] urged the European Commission to contribute to a strategy for strengthening the European dimension of voluntary activity and recognised that volunteering should be supported by all level of governments.

### Making Europe a pole of excellence on corporate social responsibility

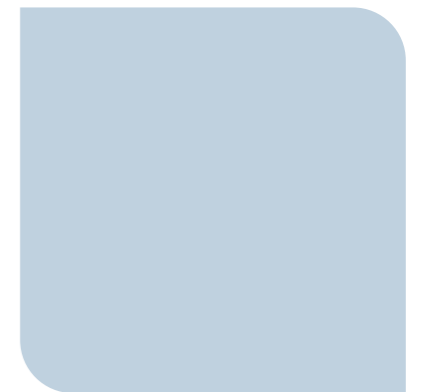
In the same year, the Communication from the European Commission on Implementing the Partnership For Growth and Jobs: Making Europe a Pole of Excellence on Corporate Social Responsibility [COM (2006) 136] recognised voluntary business contributions to achieving the goals of the re-launched Lisbon Strategy and the revised Sustainable Development Strategy.

In 2007 the European Parliament resolution on corporate social responsibility: a new partnership (2006/2133(INI)) underlined the importance of the EU-budget lines for projects such as those involving employee community engagement, and called on the European Commission to fulfil its commitment to develop policies to encourage the staff of EU institutions to undertake voluntary community engagement.

### Volunteering: improving employability

In 2008, the European Parliament resolution on the role of volunteering in contributing to economic and social cohesion recognised the role of volunteering in the social inclusion of people and integration of communities and confirmed that volunteering plays an important role in gaining skills, and improving the employability of the volunteer.

<sup>7</sup> Communication from the Commission on promoting the role of voluntary organisations and foundations in Europe, 06/06/1997. COM/97/0241 final



## Corporate social responsibility, the European Union and the Growth and Jobs Strategy



The Lisbon summit of 2000 adopted the strategic goal of becoming “*the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and social cohesion*” by 2010.<sup>1</sup>

In March 2006, the European Commission launched the European Alliance for CSR. The Alliance aims to act as a vehicle for mobilising the resources and capacities of European businesses and their stakeholders to work towards sustainable development, economic growth and job creation.

### Sustaining a competitive economy

In its Communication launching the Alliance<sup>2</sup>, the European Commission recognised that corporate social responsibility practices can contribute to a number of public policy objectives, including investment in skills development, life-long learning and employability. These are needed for the EU to remain competitive in the global knowledge economy and to cope with the ageing of the working population. These were welcome steps to recognising the role of corporate social responsibility and towards encouraging more businesses to establish employee community engagement programmes.

In March 2006, the European Council agreed that increasing labour market participation was one of three specific areas for priority action<sup>3</sup>. Those covered by this included young people, women, older workers, people with disabilities, legal migrants and minorities. The Council asked member states to encourage and help people to find paid employment and to focus on measures for those with low skills and low pay, particularly those on the margins of the labour market.

It is these groups of disadvantaged people that employee engagement programmes are so well suited to supporting, which is why we are keen to work with the European Commission to raise awareness of these initiatives, and to support our own ENGAGE projects to encourage and enable more businesses to establish employee community engagement programmes through our newly launched free toolkit and the ENGAGE Key Cities programme (see [www.ENGAGEyouremployees.org](http://www.ENGAGEyouremployees.org)).

### Growth and jobs

In December 2007, the European Commission adopted the *Strategic Report on the Renewed Lisbon Strategy for Growth and Jobs: Launching the New Cycle (2008-2010)(COM (2007) 803)*. The Communication stresses that more investment in skills is needed for the EU to succeed in the age of globalisation. It calls upon EU member states to draw up action plans and to set targets to reduce early school leaving and improve basic reading skills; goals which employee community engagement can help the EU to achieve.

<sup>1</sup> Conclusions of the Lisbon European Council, 23 and 24 March 2000.

<sup>2</sup> Communication from the European Commission to the European Parliament, the Council and the European Economic and Social Committee, *Implementing the Partnership for Growth and Jobs: Making Europe a Pole of Excellence on Corporate Social Responsibility* (COM (2006)136)

<sup>3</sup> European Council Conclusions March 2006 (7775/1/06)

## Online mentoring low-skilled young people in Spain

This project brings together IBM with the Semilla Association, an organisation which helps to give early school leavers and disadvantaged young people the skills needed to get a job. Most of the young people enrolled at the Semilla Association left school without a basic certificate in education. Opportunities for these young people are few and far between and it is only with the help of organisations like Semilla that these young people can find a way out of the situation in which they find themselves.

### Programme outline

The main component of the programme is a course of workshops run by volunteers from IBM for the young people at Semilla. These sessions are geared towards improving the young people's employability, focusing on training in technical skills and a range of personal and professional skills such as interview technique, CV preparation and negotiation skills.

One other element of the programme is an online mentoring programme. In 2008, 30 volunteers and 30 young people participated, helping to improve the students' technical and personal skills.

### Impact

In 2006 two students were given trainee placements with IBM and their contracts were extended; in 2007 three students were given trainee placements and this number is likely to continue to grow. This has helped not only these particular individuals but the wider student body at Semilla who are more motivated by seeing their contemporaries achievements.

The volunteers have reported a real enjoyment of being involved in the programme and feel that it has helped to develop their own skills. All of the first year's volunteers have remained involved in the programme, and other employees have been encouraged to get involved.

IBM also feels that it has helped with staff retention, as it has given employees another reason to stay with the company as they feel they are making a valuable contribution and making a real difference.

At the Spring European Council in March 2008<sup>4</sup>, the new cycle of the Renewed Lisbon strategy for Growth and Jobs was launched. The European Council urged member states to take action to: reduce the number of young people who cannot read properly and the number of early school leavers, and improve the achievement levels of learners with a migrant background; attract more adults, particularly low-skilled and older workers into education and training; and also to promote higher overall labour force participation and tackle segmentation in order to ensure active social inclusion.

Building on this, we believe the European Commission is well-placed to develop new initiatives to encourage and promote employee community engagement in member states. Our suggestions are set out in the recommendations in this Report.

<sup>4</sup> European Council Conclusions March 2008 (7652/1/08)

**We** believe the European Commission is well-placed to develop new initiatives to encourage and promote employee community engagement

## The business perspective

**Volunteers**  
also benefit from  
broadening their  
horizons and gaining  
new and fresh  
perspectives on  
social issues

Our research shows that many businesses are already engaging in employee community engagement programmes of their own accord, often with only anecdotal information proving their success. Businesses are doing this because they think it is the right thing to do, and because it makes commercial sense.

### Towards sustainability

For businesses, employee community engagement is an effective element of corporate social responsibility or corporate citizenship programmes – for many businesses they are a good way of managing their social responsibilities and impacts; motivating their staff; meeting the needs of wider society; gaining their licence to operate – demonstrating their good citizenship and stewardship of human resources (their own and more widely); and ensuring the future success and sustainability of their business by investing in developing wider pools of talent and promoting greater social cohesion.

The programmes also bring benefits to the volunteer participants as well as the target groups in the wider community. This is key to understanding why businesses support these activities, and an important means of encouraging more employers and potential employee volunteers to get involved.

### Benefiting employees and their employers

How do volunteers benefit? As research by the Corporate Citizenship Company has found, surveys of employee volunteers show that volunteers find employee community engagement gives them a sense of achievement and is personally rewarding. Volunteering can be a good opportunity to meet other members of the business, to improve team work and to develop or enhance skills in an informal or more structured way. It is enjoyable, fun, stimulating, morale boosting and motivating<sup>1</sup>.

Volunteering often helps to develop new skills and competencies and enhance regular skills – indeed, employee community engagement is increasingly incorporated into the training and development programmes of many businesses.

Volunteers also benefit from broadening their horizons and gaining new and fresh perspectives on social issues.

<sup>1</sup> See Employees and the Community, Valuing employee community involvement and Good companies, better employers at [www.corporate-citizenship.com/publications](http://www.corporate-citizenship.com/publications)

<http://www.volunteering.org.uk/WhatWeDo/Projects+and+initiatives/Employer+Supported+Volunteering/Resources/Research/The+impacts+of+employee+volunteering+at+Barclays+Bank.htm>

2006 Employee Engagement -The impact of community activity on employees By BITC and Research International, [www.bitc.org.uk](http://www.bitc.org.uk)

There is also evidence to suggest that employee community engagement has a positive impact on graduate recruitment, and that it can help to build a more diverse and better balanced workforce. It can also help to build a sense of identification with the values and goals of a business and foster team spirit and individual commitment - all of which can make a business more productive.<sup>2</sup>

<sup>2</sup> See research by the Corporate Citizenship Company including Employees and the community: Valuing employee community involvement and Good companies, better employers at [www.corporate-citizenship.com/publications](http://www.corporate-citizenship.com/publications)

## A Muslim-led initiative in Britain

Mosaic is a UK-wide network of multiple, Muslim-led initiatives united in a common goal of breaking down barriers across British society; raising aspirations and increasing access to opportunities for education and employment.

Mosaic was initiated by Deutsche Bank, SJ Berwin, Ernst & Young, Accenture, Denton Wilde Sapte LLP, BBC News, Deloitte, Centre for Economic and Social Inclusion, Pinsent Masons, Apax Partners, Bates Wells & Braithwaite, UBS, Joslin Rowe, Citigroup, Whatif?! Innovations, Ikonami etc.

### Programme outline

Mosaic brings together successful young Muslims from a range of sectors to utilise their skills and experiences to mentor young Muslims aged between 12-25 years. It takes place in some of the UK's most deprived areas, having started in Bradford, Burnley and Tower Hamlets. Mosaic aims to extend the mentoring opportunities to Muslim community group leaders, young Muslim ex-offenders and disadvantaged groups.

Mosaic aims to develop as a network of multiple, Muslim-led initiatives united in a common goal of breaking down barriers across British society. One of its key functions will be to encourage linkages between successful Muslim professionals and disadvantaged young Muslims, in order to raise aspirations and increase access to opportunities for education and employment.

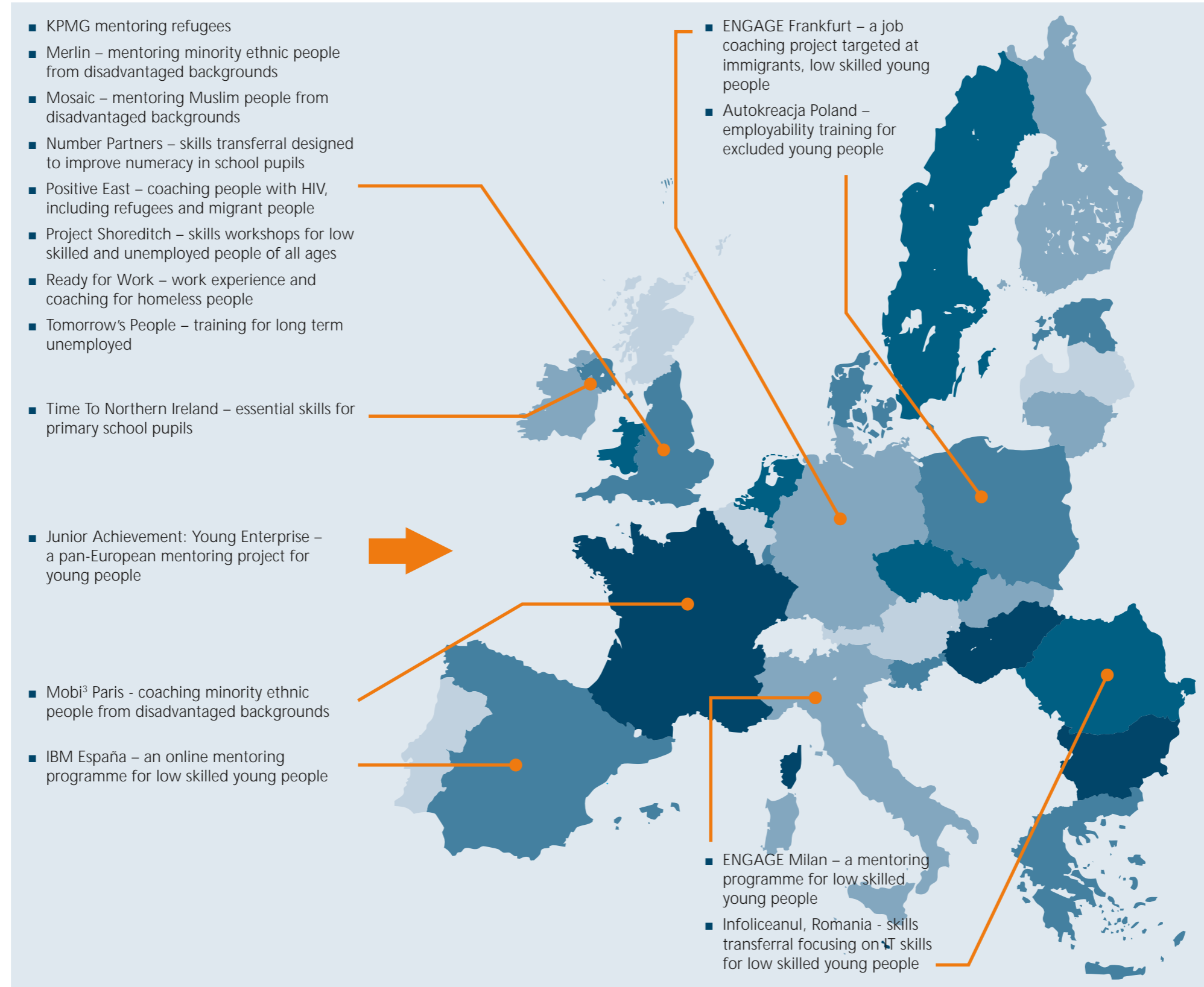
### Impact

Mosaic was launched in 2007 and already has over 200 mentors registered nationally. Through having a mentor, disadvantaged young people have developed their communication skills and have had an important insight into how they can achieve their aims. Students at Central Foundation Girls School commented on the difference that a mentor made to their working practices and drive, *"having someone like Noreen as our mentor, guiding us with her expertise at each stage, made a huge difference to the quality of our work. She really motivated us to put in as much effort as we could to achieve our best"*.



## The case studies

**Our** recommendations and findings are based on the case studies we have researched as part of this CSR Laboratory. They are also informed by the experiences of members of ENGAGE and Business in the Community including community partners and NGOs; CEV (The European Volunteer Centre); and the debates we have had with members of other CSR Laboratories as part of the CSR Laboratory process managed by CSR Europe.



**The** map summarises some of the case studies which have formed the basis of this Report and the various different types of employee community engagement that employers support that help to enhance the skills for employability amongst groups of disadvantaged people.

## The findings

### Meeting a range of different needs

The wide-ranging nature of employee community engagement enables such programmes to meet a diverse range of needs, and to involve many different types of people – both in terms of volunteers and community participants.

There is no single approach which needs to be adopted. This flexibility and adaptability to meeting the needs of communities and the abilities of the volunteers, and the size and nature of the business, is one of the strengths of employee community engagement.

### Targeting the next generation

It is noticeable, however, that many of our case studies are designed to benefit low skilled and unemployed young people - a group which is specifically targeted by the Growth and Jobs Strategy. Businesses target these groups because they are the next generation of customers, clients and employees.

### Promoting greater participation in the labour force

**Ready for Work:** As a result of this work placement and job coaching scheme for homeless people, since January 2001 61% of clients who have completed placements have been offered employment; and 72% are still in employment at three months.

At Freshfields this programme provides two-week placements plus support in writing CVs and job interview practice. Between 2001-08, nearly 140 homeless people have participated in the scheme and 15 have taken up permanent positions within the firm, and many elsewhere. One participant said, *"I was broken when I came to you and you fixed me... this experience has opened doors for me."*

**IBM España:** IBM volunteers conduct a course of workshops aimed at improving technological and personal skills, interview skills and CV preparation. The programme works with early school leavers from a deprived suburb of Madrid.

73% of youngsters who have completed their course have found a job relating to their training while a further 7% have found a job not directly related to their training. In 2006, two of the students started working for IBM as trainees, and their contracts were renewed for a second year. In 2007, three more students became interns. This has helped to motivate all students involved, many of whom would never before have believed such a job was a possibility for them.

KPMG's refugee mentoring programme and Barclays partnership with HIV charity Positive East are other examples of success.

**73%** of youngsters who have completed their course have found a job relating to their training

### Improving the IT skills of school leavers in Romania

Many students leave school early without the skill set needed to compete in Romania's growing labour market. Employers perceive a lack of innovation amongst school leavers, coupled with the absence of a competitive approach: key assets of a dynamic and flexible labour market. Additionally, many students have poor awareness of customer relations, limited capability to work within given constraints and lack exposure to the latest technology.

This project was initiated by S.C. Wittmann & Partner Computer Systems SR., and Avram Iancu High School. Through combining the skills of this local IT company with the school's experience, the programme aims to help students gain the skills needed to compete in Romania and Europe's rapidly changing labour market.

#### Programme outline

Wittmann & Partners' staff volunteer their time to Infoliceanul, an exciting and forward-thinking competition that challenges students to develop their own software solutions in a range of areas, from web design to games and educational software.

Business volunteers support the students by guiding and nurturing their ideas and enhancing their IT skills. They aim to emphasise innovation and dynamism as well as fostering students' competitive nature, providing motivation and increased community awareness of social and cultural issues through research activities. Additionally, they assist the community organisations by bringing commercial know-how to their strategies, marketing and volunteer training.

#### Impact

100 young people have taken part in the programme so far. Wittman has found that 95% of the students have increased their communication skills and 70% have improved their technical skills. Most strikingly, 65% provided innovative and effective solutions to the contest's challenge, with 10% receiving awards for their work, demonstrating their ability to think dynamically to solve a problem and increasing their confidence.

The community organisation has gained valuable knowledge, helping it to develop, and gain a better understanding of the demands of the labour market. The students have gained a greater sense of social inclusion, employability and personal skills developments, and the opportunity to put their knowledge and ideas into action in a real world setting. Volunteers have been able to build a social reputation and improve the overall perception of the company to its staff, as well as an increased sense of responsibility and awareness.

**Evaluation**  
shows that 87% of  
pupils have improved  
their numeracy skills

### Reinforcing the basic skills that underpin employability

**Number Partners:** Business volunteers from a range of companies work with school pupils aged 7–14 years, to develop their numeracy skills. They visit the schools for 30 minutes a week and work with children using a range of fun number games.

Evaluation shows that 87% of pupils have improved their numeracy skills; 90% of schools noticed an improvement in the children's self confidence and 70% noted an improvement in motivation, attitude and communication skills. Levels of attendance also improved when pupils worked with a Number Partner.

**Tower Hamlets Education and Business Partnership (EBP):** Tower Hamlets EBP has forged employee community engagement partnerships between over 230 businesses and 150 schools in Tower Hamlets. Businesses support the schools in a range of different ways including mentoring pupils and leadership staff, hosting placements, running skills workshops, Reading, Number, IT and Language Partners schemes. Both Freshfields and KPMG work with Tower Hamlets EBP.

As the head teacher of Redlands primary school in Tower Hamlets, where volunteers participate in Reading and Number Partner schemes said *'Volunteers from Freshfields have been visiting our school since 1999. With their enthusiasm, help and encouragement many of our pupils have improved their literacy and numeracy skills. Perhaps even more importantly, it has helped to motivate the children, improved their communication skills, given them new confidence and a different perspective on life which we hope they will carry with them as they move through school and into the world of work.'*

### Building a wider range of job skills

**Mobi<sup>3</sup>:** A year-long programme where teams of 4-5 students from disadvantaged parts of Paris work together to create a mobile phone and manage each phase of its life cycle, developing a wide range of skills and learning to appreciate the complexities of running a business in the process. This programme includes work in class and visiting five companies, and is aligned with the French education curricula.

100% of teachers whose pupils took part in the programme would recommend the scheme because of the skills that students developed whilst participating. These included confidence, communication and teamwork, as well as discovering different careers.

**Infociceanul:** Staff from Wittman & Partners volunteer their time to a competition which challenges students to develop software in a range of areas such as web design, games and educational software. These advanced ICT skills are particularly valuable in today's marketplace.

Evaluation shows 95% of the students have significantly improved their communication skills and 70% have significantly improved their technical skills as a result of this project.

### Focusing on mobile phones in Paris

Mobi<sup>3</sup> is a collaborative project where volunteers from businesses work with disadvantaged middle school students in Paris to create and market a mobile phone. Youth unemployment rates in the areas of Paris where the project is based stand at 30% - over three times the national average. Mobi<sup>3</sup> aims to raise the aspirations of these young people, give them opportunities to develop their full potential, and forge links between underprivileged neighbourhoods and the work of business.

Mobi<sup>3</sup> is an ENGAGE City project initiated by Dassault Systemes (DS), DLA Piper, IBM, Nokia, SFR, IMS Entreprendre pour la Cite.

#### Programme outline

Mobi<sup>3</sup> is a year-long programme where participating students work as part of a team of 4-5 people to create a mobile phone as well as make proposals on how they would manage each phase of the phone's lifecycle, including: what they would register as intellectual property; how they would market it and organise logistics; and network infrastructure and commercialisation.

Teams work with volunteers at each stage of the project who provide expert help and advice. This is an opportunity for these young people to get to know inspirational individuals from outside of their usual community. Students benefit from an insider's view of professional life and obtain advice about how to achieve their goals from people who have already completed that journey.

Each company is responsible for a specific stage for example, law firm DLA Piper advises on the legal aspects of the challenge. The culmination of the project is a presentation of each team's proposals to a jury of professionals from the participating companies where teams compete to win a trip abroad to a telecom research and development facility.

#### Impact

Having evaluated the project, 100% of teachers involved with Mobi<sup>3</sup> rated it as either good (25%) or excellent (75%) and all would recommend the scheme to other schools. Students have improved their numeracy and practical enterprise skills. Those involved with the programme have noted that the main benefits have included improved team-work, problem solving, and written and oral communication in both French and English. One teacher enthused, *"The students have been transformed, they have overcome their fears and found their voices"*.

In 2007, when Mobi<sup>3</sup> was launched, the idea proved so popular amongst businesses in Paris that the discovery day scheme was created. Working alongside the French Ministry of Education, ENGAGE and a number of other firms and businesses developed a day designed to welcome 13-15 year old school children into the workplace as part of a 'discovering business' initiative aimed at introducing them to corporate life and culture. The Freshfields office found it such a positive experience that several of the young people were then provided with work experience over the summer holidays.



### Developing entrepreneurs

**Junior Achievement – Young Enterprise (JA-YE):** Children and young people aged 5-25 years in 39 European countries participate in JA-YE programmes which complement standard curricula. Sessions are run by trained teachers using materials specially adapted to local needs with support from business volunteers who act as mentors and presenters. The highlight of the programme is the **Company Programme** where students aged 14-18 years discover business opportunities and set up their own real enterprise. 2.9 million students are currently enrolled in JA-YE programmes with 230,000 specifically involved in the **Company Programme**.

The **Company Programme** provides training in economics and enhances employability skills – 70% of participants stated that teamwork skills were improved. A key outcome is the development of an entrepreneurial mindset. 15% of former participants between the ages of 20-29 years had started their own businesses, increasing to more than 25% amongst those over 29 years. The business start up rate in the regular population in Europe is around 6%.

### Promoting life-long learning

**Project Shoreditch:** Deutsche Bank, Linklaters and UBS host 'Employability Days' where volunteers run workshops for local residents of all ages focused on interview skills, CV advice and the working environment. They also act as mentors in some cases to support the participant's transition into work. The participants are from a part of London where 82% of people live in social housing and unemployment is around three times the national average.

**ENGAGE Frankfurt:** Volunteers deliver a range of workshops such as CV writing and interviewing; students are also invited to the company's offices where activities include role-plays, telephone training and an individual mock interview. All these events build on the participant's employability skills.

One participant reported, "*I obtained my apprenticeship with the job application we did there.*" Another said, "*This was my first job interview and I did not know how to behave.*"

### Encouraging active citizenship and social cohesion

**Mosaic and Merlin:** Both programmes aim to develop sustainable linkages between disadvantaged young people from ethnic minority communities and successful professionals with a similar background to their own, in order to raise aspirations and increase access to opportunities for education and employment. Volunteers act as mentors, run workshops, and speak to large groups of young people helping to close the gaps between ethnic minority communities and the rest of society in terms of achievement, unemployment, and poverty.

Students at Central Foundation Girls School commented on the difference that a mentor made to their working practices and ambition: "*having someone like Noreen as our mentor, guiding us with her expertise at each stage, made a huge difference to the quality of our work. She really motivated us to put in as much effort as we could to achieve our best.*"

### Number Partners

Number Partners brings together business volunteers from a range of different companies with schools throughout the UK. The programme works with pupils aged 7-14 years to develop their numeracy skills in a fun and exciting way as well as fulfilling the invaluable role of being a positive adult role model. The scheme is supported by many local authorities and education business partnerships. As importantly, the volunteers also help to improve the motivation, communication skills, aspirations and confidence of participants – and to break down barriers, and broaden horizons.

Numerous schools, local authorities, and employers operate these schemes throughout the UK. The strategic group behind Number Partners includes Britannia Building Society, Freshfields, KPMG (UK) LLP, Wyatt LLP, Business in the Community, FSSC, Tower Hamlets Education Business Partnership.

### Programme outline

Volunteers visit schools for 30 minutes every week. They work with two children using a range of fun, number-related activities, designed to develop their numeracy and financial literacy skills and foster a positive attitude towards maths and learning. At Key Stages 2 and 3 (ages 7-14), activities develop basic numeracy through a range of interactive games. At Key Stage 4 (14-16), the aim is to support young people in developing financial management and skills of entrepreneurship.

Many of the activities take the form of games, such as the Savings Game, where students have to accumulate sums of money in order to make large purchases. All are designed to be far removed from the traditional image of maths being 'boring'.

Working in such small groups gives pupils the focused attention that many crave but, unfortunately, teachers are often unable to give them. Pupils learn to communicate with an adult who is not a teacher and the impacts on confidence and motivation to learn can be remarkable.

### Impact

Over the eight years it has been running, Number Partners has spread from Tower Hamlets across the UK. The impact of the volunteers on the young people is impressive. 87% of pupils have improved their numeracy skills since the start of the scheme and over 78% saw significant improvement in their confidence with numbers.

The benefits are not limited to numeracy skills. Over 90% of schools have noticed an improvement in children's self confidence and 70% have noted an improvement in motivation, attitude, and communication skills. Levels of attendance also improved when pupils worked with a Number Partner. Volunteers feel that they are making a real difference to the lives of the children they work with. One said, "*I think the scheme is brilliant and I would recommend it to schools that don't have it and to new employees to take part.*"



70% of participants stated that teamwork skills were improved.



**92%** of volunteers said they derived genuine enjoyment by participating in the programme

**Project Shoreditch:** As well as the employability days, Project Shoreditch supports the Shoreditch Games where teams of business volunteers and young people from different areas socialise and try out new sports. Such activities help to break down the invisible barriers between Shoreditch and the City of London.

99% of young players enjoyed the most recent event. Participants felt that they got to try out new things and meet people from different backgrounds. Interaction with UBS volunteers helped to break down stereotypes with one student saying, *“they were funnier than I thought!”*

### Improving corporate talent retention, increasing motivation and satisfaction

**IBM España:** 95% of employees who volunteered in the programme felt it had helped to develop their skills, providing them with a good reason to stay with the company. Furthermore, all the IBM volunteers from the first year continued on the second year and more volunteers have joined the initiative.

Surveys of volunteers at Freshfields in London have found: 91% agree volunteering gives them a sense of achievement / is personally rewarding; 91% agree it is a good opportunity to work with other people in the firm; 89% agree it helps to develop new skills and competencies of volunteers; 76% agree it gives them a fresh perspective and broadens their horizons; 95% are motivated by the desire to give something back to the community, 94% to make a difference and 79% to do something different; 94% agree the project was worthwhile and addressed a real need; 93% find it enjoyable; and 84% feel the programme helps motivate the people who work at the firm.

**Number Partners:** In evaluation 92% of volunteers said they derived genuine enjoyment by participating in the programme and 86% felt they had contributed to the local community. 72% said that taking part in Number Partners has improved the internal and external reputation of the company.

One volunteer said, *‘Being a Number Partner has helped me become more patient, write more legibly and take less for granted.’*

**ENGAGE Frankfurt:** Evaluation of the programme shows that all volunteers enjoyed the opportunity to expand their own skills and experiences for the benefit of others. The success of the programme is reflected in the ongoing enthusiasm and commitment of volunteers. 100% of volunteers have decided to continue with the programme.

## Project Shoreditch – working with disaffected people in a deprived community

Although situated on the cusp of the City of London and its wealth, Shoreditch is one of the most deprived areas of the UK with 82% of residents living in social housing. As well as high levels of poverty, communities are highly disaffected and removed from the formal economy. Unemployment runs at 16% - twice the London average and more than three times the national average. This is particularly true amongst young people, 30% of whom never get a job and 87% of whom fail to access higher education opportunities.

Shoreditch’s close proximity to the City of London means that there is a wealth of employment opportunities for residents on their doorstep. However, because of the skills gap and low aspirations, residents are often unable to compete for jobs on an equal basis. Project Shoreditch aims to open up these opportunities to disadvantaged people in Shoreditch.

Project Shoreditch is supported by Deutsche Bank, UBS, Linklaters, East London Business Alliance, Shoreditch Trust.

### Programme outline

Project Shoreditch is a far-reaching programme – tackling social problems in a variety of ways. The range of projects reflects the diverse needs of this community as well as the skills of the volunteers.

Spearheading the approach is the Employability Days programme where volunteers from all three partner companies - Deutsche Bank, Linklaters, and UBS - collaboratively run workshops, giving local residents the opportunity to receive interview skill training, CV advice, and to learn about the working environment through a tour of a City company. The companies supplying services to the partner companies are also involved.

Job-seekers are able to find out about the opportunities available to them directly from the people responsible for recruitment, and discover how to access them. Volunteers sometimes also act as mentors to support participants through the transition into work, providing advice on opportunities and how to enhance their skills.

In addition to Employability Days, Project Shoreditch aims to tackle community development issues in a range of innovative ways: for example, a five-a-side football tournament where teams of business volunteers and youth players compete to be crowned champion. This scheme provides a fun, safe, extra-curricular activity for young people in the area, and helps to break down the invisible barriers between Shoreditch and the City as players discuss their work, background, and experiences.

### Impact

Volunteers have made a real impact on the communities and companies involved. Project Shoreditch has been hailed as, *“an important template by which companies with suitable resources can really make a difference”*.

Job-seekers attending Employability Days improved their interview techniques and communication, learned more about how to access entry-level positions and to overcome negative perceptions about the opportunities available to them and the kind of people who work in the City. One participant said, *“I had quite negative expectations of the day... but the day was completely different. I now have confidence in myself and I’ve learned I do have good qualities even if my English is not good enough.”*

For the volunteers, working with Project Shoreditch has enabled them to develop their skills as well as being able to provide meaningful input towards improving someone else’s life. As one Deutsche Bank volunteer stated, *“I think it was as informative for me as it was for the participants. I learned a lot and I’m sure the participants found the session rewarding”*. Volunteers are able to reflect on their own skills, develop empathy with different circumstances, collaborate with volunteers from other companies, and improve their communication skills.



## The challenges



**76%** of people it helps are still in employment 12 months on

### Reliance on anecdotal research

There are some outstanding examples of evaluation such as Oxford Economic Forecasting's evaluation of Diageo's Tomorrow's People undertaken in 2005 which found that over the 20 years of the project there had been considerable savings to the Exchequer, the health service and to the costs of crime. At the time of the evaluation, Tomorrow's People had helped 382,000 people into employment and benefits to society were estimated at £450 million. Since then, Tomorrow's People has helped over 400,000 long-term unemployed into sustainable jobs and on average, 76% of people it helps are still in employment 12 months on.

However, despite this and the findings of the case studies we have quoted in this Report, our research has found that much of the evidence showing how employee community engagement can enhance the skills for employability of disadvantaged groups of people in the EU is anecdotal.

### Difficult to measure

Our research has found that the lack of short and long term evaluation of such initiatives is partly due to cost, which could take resources away from the projects themselves. Furthermore the programmes focus largely on 'soft' skills which are often difficult to measure, and their effectiveness can only really be seen if beneficiaries are traced for an extended period of time to see what happens to them in terms of employment – something which schemes such as Ready for Work have shown is hard to do.

However, it is worth noting that many businesses simply wouldn't support these activities and encourage their volunteers to take the time during the working day to undertake them if they didn't see any benefit given that they are actually incurring a cost by enabling their people to participate in community projects. Equally, volunteers and community organisations are unlikely to support them if they did not think they were worthwhile.

### Finding an evaluation framework

Nor should such considerations undermine the role evaluation plays in maximising the effectiveness of such programmes and in helping to promote the concept to more businesses. Improved evaluation and finding a framework for the more anecdotal evidence would be a useful step going forwards which is why we are recommending that some investment is made in evaluation, and why we are undertaking to evaluate the ENGAGE Key City programmes – particularly those projects that focus on employee engagement initiatives that are designed to improve skills for employability of disadvantaged groups of people.

### Looking for more case studies

Another limitation of our report is that we would have liked to have included more case studies from the retail or manufacturing sectors as we do recognise that there could be issues about providing time to volunteer for shift workers in particular.

More generally, there is a lack of evidence of good practice from all corners of the EU and more information is needed to build up a better picture of what can be achieved in these areas.

**Benefits** to society were estimated at £450m

## Refugee mentoring

The KPMG Mentoring Refugees programme prepares refugees with skills to work in the UK, specifically those who have qualifications in the financial sector in their own country, to prepare them for accountancy and finance work in the UK. KPMG volunteers act as mentors for the refugees.

### Programme outline

All volunteers are trained in refugee awareness and employment barriers before beginning volunteering.

The refugees send CVs and outlines of what type of employment they would like through to the Refugee Council which are then matched with KPMG volunteers in a similar career path and meetings commence. Refugees then have the option to continue contact with the volunteer.

### Impact

This programme has been successfully replicated in other businesses and has also opened new opportunities for KPMG employees to volunteer in the community, learning more about the realities of global issues and asylum in the UK. After volunteering, 72% of employees in the 2006 staff survey said that they would recommend KPMG as a responsible employer to others.

Of the refugees who have participated in this programme in London, the 2005 and 2006 sessions resulted in 13 out of 28 participants finding employment. In 2007, of the 31 participants 25% have found work, another 25% are reported to still be looking for work. This programme has also recently started in KPMG Leeds and Glasgow offices.

**In** certain parts of Europe there are cultural and historical barriers to the spread of volunteering

### Ensuring volunteering is voluntary

There are a number of cultural challenges to encouraging and promoting employee community engagement. For example, our research has shown that many people prefer to volunteer in their personal lives rather than business – but then others like the ease and opportunities which employee community engagement presents.

In certain parts of Europe there are cultural and historical barriers to the spread of volunteering. For example in some ex-communist countries ‘volunteering’ has negative connotations because of mandatory volunteering under the former regime, and in a number of countries within the EU, the ends which employee community engagement meets are believed to be the responsibility of the public sector and NGOs.<sup>1</sup>

### Mentoring minority ethnic students



Over 29% of people in London are from ethnic minority backgrounds making it one of the most culturally diverse and exciting places to live in Europe, yet these communities experience disproportionately high levels of poverty, violence, unemployment and ill health. MERLIN aims to redress this balance by creating links between disadvantaged young people and successful professionals from a similar background through mentoring.

Merlin was initiated by EDF Energy, Merrill Lynch, Channel 4, BT, KPMG, Ernst & Young and the Department for Children Schools and Families.

#### Programme outline

MERLIN aims to develop sustainable linkages between these minority ethnic young people with disadvantaged backgrounds and successful professionals with a similar background to their own, to raise aspirations and increase

access to opportunities for education and employment. It encourages employee volunteers from a wide range of businesses to get involved in the programme in various ways.

One of the most successful schemes is mentoring, where volunteers have the chance to work one-to-one or with groups of young people to help them grow their self-esteem as well as confidence in building skills and learning. Mentors can help their mentees share experiences, set targets, and explore their opportunities for achieving their goals.

Volunteers may also offer work placement opportunities, take part in workshops designed to develop interview technique and employability skills, or act as role model speakers who share their life experiences to inspire and motivate audiences of up to 180 young people.

#### Impact

MERLIN has been running since 2003 and has worked with over 2,500 students in London over the past year alone. Through having a mentor, disadvantaged young people have developed their communication skills and have had an important insight into how they can achieve their aims. MERLIN volunteers can enhance their skills, such as public presentation, stakeholder engagement (with young people and teachers), communication, and motivational teamwork and can meet new people and build networks.

### Encouraging and enabling volunteering

We do not believe that businesses should make volunteering compulsory. Employee community engagement is all about encouraging people to get involved by providing a range of opportunities, and communicating the reasons behind it. Providing time to volunteer in the working day is also a great help. However, for some businesses this might also be a barrier to supporting employee community engagement.

By creating a culture which encourages volunteering, the EU could increase levels of employee community engagement in member states.

Our recommendations are designed to help achieve this supportive environment.

### Changes in working practices

The increase in home-working and a 24-hour working day may have a negative impact on employee volunteering schemes with people being available at unsuitable times, or living too far away to come together on a regular basis to help one particular organisation.

Conversely, many businesses may see employee community engagement as a means of bringing employees together or giving a sense of togetherness. Equally, like businesses, community organisations are also adapting to these issues (and climate change) by developing e-mentoring and video-conferencing orientated schemes. IBM's case study is an example of this.

### Employee community engagement and the ‘credit crunch’

In these times of rising unemployment, low business confidence and with the prospect of recession, there is a risk that employee community engagement may be seen as a ‘good times’ programme. Many businesses are under pressure, and making job cuts, and this may indeed test some employers’ approach to corporate citizenship. But, at the same time, businesses are aware that public confidence in business is low and there is perhaps a mood for greater accountability and regulation. This will affect their behaviour as well as the recognised benefits of corporate social responsibility in terms of continuous improvement (that is not to say that budgets will not be reduced).

As Stephen Howard, CEO of Business in the Community, says, *“It’s inevitable that companies will be much more cautious about how they spend their money... But I believe that companies will realise that, in a decline, how they relate to their employees and their communities becomes more important than ever”*.

Equally, it is a time when employers should be encouraged to continue their activities as it is important to the future competitiveness and social cohesion of the EU.

None of these challenges are insurmountable, and the support of the EU would help to deal with many of them.



**Equally**, it is a time when employers should be encouraged to continue their activities as it is important to the future competitiveness and social cohesion of the EU

## A message from the lead businesses: Citi, Freshfields and KPMG



We believe that employee community engagement is an important part of our corporate social responsibility programmes, which is why we encourage the people who work in our businesses to get involved in a wide range of volunteering activities in the communities in which we operate.

We believe employee community engagement is important for many reasons. For our businesses to be successful we need a skilled, motivated, adaptable and increasingly diverse workforce; thriving communities with skilled, motivated and adaptable individuals are crucial to this. Social cohesion is vital too. We believe that businesses like ours have a key role in ensuring this is achieved by working in multi-stakeholder partnerships with community organisations, NGOs and brokers.

Indeed, we believe we have a corporate responsibility to contribute to ensuring the communities we operate in are thriving, and to minimise the problems of disadvantage and social exclusion; this is about corporate social responsibility and fundamentally our collective sustainability.

### “Healthy backstreets make healthy high streets”

As Marcus Sieff, then chairman of Marks and Spencer memorably summarised in 1982 when talking about Business in the Community: **“healthy backstreets make healthy high streets.”** This continues to be as relevant today as it was then, and can be applied to anywhere within the EU.

Encouraging and supporting employee community engagement by developing and financing programmes, and providing volunteers with the time during the working week to participate, are some of the ways that businesses like ours are seeking to deliver what we recognise to be our social responsibilities.

We believe that our CSR Laboratory demonstrates the value and effectiveness of employee community engagement in terms of improving the employability skills of groups of people who are marginalised across the EU, including those specifically targeted by the Growth and Jobs Strategy.

[www.ENGAGEyouremployees.org](http://www.ENGAGEyouremployees.org)

We hope that our Report will help to give the impetus to the Commission to implement our recommendations which we believe will help to speed the development of more employee community engagement initiatives, and so contribute to achieving the goals of the Lisbon Agenda.

We also hope to encourage other employers to support and develop similar schemes; and help more community organisations to develop more of these multi-sector and multi-stakeholder partnerships. So we are delighted our funding has enabled ENGAGE to include the toolkit at [www.ENGAGEyouremployees.org](http://www.ENGAGEyouremployees.org) and has brought together this important study and recommendations.

### Corporate responsibility

We have all been supporting employee community engagement initiatives in various parts of the EU for several years. However, our CSR Laboratory has confirmed our own experiences - that much of the evidence to support our views that employee volunteering improves the skills for employability amongst disadvantaged and marginalised groups is anecdotal.

Although there are also many outstanding examples of evaluation as this Report shows. This lack of consistent hard evidence does not deter us, and we continue to expand our own programmes based on the positive feedback and enthusiasm of our volunteers, the individuals involved and the community organisations we work with.

### Motivated people

Participants often comment on how our schemes improve their motivation and broaden their horizons. Community organisations observe that the schemes help to raise the aspirations, realise the potential, and improve the skills of disadvantaged people – whatever the individual's age, gender or background. This is important to gaining and sustaining employment. And it is important for all of us to keep this in mind in these ‘credit crunch’ times.

### Motivated employees

Our volunteers find that taking part in the schemes is personally and professionally rewarding. They can enhance their own skills and competencies: for example, hosting and managing work experience programmes can often help to improve and develop people's management and team skills. They can be fun, and are a good way of meeting and working with people from both within their businesses and the wider community. They also help to broaden horizons and provide a perspective on social issues.

Many employers throughout the EU are actively involved in similar ways to us, but there is more we can all do. Therefore, as part of this CSR Laboratory, we are disseminating more widely the ENGAGE toolkit which is designed to help employers to start or enhance employee community engagement initiatives. Through this toolkit, the case studies, and the links to other websites, we hope to enable more people to learn from best practice in the area.

**Francesco Vanni d'Archirafi,**  
Chairman Citibank Europe plc & Chairman ENGAGE

**John Davies,**  
Partner, Freshfields Bruckhaus Deringer LLP

**Christine Hewson,**  
Partner, Head of Retail, KPMG North, KPMG LLP

All members of the ENGAGE leadership group, which is part of Business in the Community

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applied to anywhere  
within the EU.

## A message from Business in the Community

**For** 25 years, Business in the Community has sought to mobilise business for good. By supporting and challenging businesses to integrate responsible business through their operations, we have seen companies have an increased positive impact on the community, environment, marketplace and workplace in which they operate.

**Business** in the

**Community**

Our work thus far has been wide-ranging and highly responsive to the changing global agenda: for example, one focus of recent years has been engaging business in tackling climate change.

### Unlocking talent

A rising challenge for European society and companies is how to unlock talent. We believe there is a vital role for businesses in developing the skills of their employees and the wider community, wherever they operate. Investment in skills is essential if companies are to continue to be globally competitive.

In the 2000 Lisbon Treaty, the European Commission laid out its intentions to make the EU the most dynamic and competitive knowledge-based economy in the world and thus set down an impetus for change. Engineering firms have already begun to feel the effect of low numeracy skills amongst school leavers on their productivity.

In fact, the EU Commission estimates that the EU will need to attract 20 million highly skilled migrants over the next 20 years to address shortages in the engineering and computer technology sectors. The incentives for businesses to act are therefore moral as well as extremely tangible.

### Inspirational role models and real life experience

The need to develop employability skills and meet the talent challenge is more pressing than ever. Businesses have an excellent understanding of the skills that will be needed to move the European economy into the twenty first century and are well placed to help develop these competencies.

They have the expertise and resources to provide people from all walks of life with opportunities to unlock their talent so that they can realise their full potential, and help the EU realise its own. In addition, businesses volunteers can offer fresh ideas, inspirational role models, and real life experience of work.

Business in the Community therefore welcomes this research, highlighting the role that employee engagement can play in delivering employability skills into the communities where companies operate across Europe.

### Closing the skills gap

There are several key points of intervention where we can make the biggest difference in closing the skills gap. They include supporting numeracy and literacy in schools, developing an entrepreneurial mindset amongst young people, tackling the large residue of functionally illiterate and innumerate adults in the workforce, and bringing young people who are not in education, employment or training into the world of work. In addition, there is still more to do to bring the best out of people at the top end of the skills scale.

Many businesses are already involved in closing the skills gap and are doing great things – this report highlights just some of the many successful employee community engagement projects that are making a difference all around Europe. Business in the Community and the ENGAGE programme is committed to building on this success.

### Stephen Howard,

Chief Executive, Business in the Community  
ENGAGE is managed by Business in the Community

## Focusing on Tower Hamlets in London

Many businesses in the UK support Reading Partner as well as Number Partner schemes to improve literacy skills, motivation, and communication skills.

Tower Hamlets Education Business Partnership (EPB) is an excellent example of a broker that brings together volunteers from over 230 businesses in the area with 150 schools and other young peoples organisations to raise achievement and provide pupils at schools in the borough with opportunities to improve their work-related skills.

Amongst other things, employers can choose to support lunchtime reading, number, language, chess and sports clubs in primary schools; business mentoring, work-related conferences, practice interview programmes, work experience and language schemes with secondary schools; or head teacher mentoring or the school governor scheme. The common thread throughout these schemes developed and supported by the EBP is improving the skills for employability and the aspirations, of young people many of whom are from disadvantaged backgrounds.

Tower Hamlets is the third most deprived area of the 354 local authorities in England. In 2007, 52% of pupils were eligible for free school meals, compared to a national average of 16%; for 76% of pupils, English was their second language - over half the population was from non-White British ethnic groups, a third was Bangladeshi, of whom half is under 20 years old; in 2006, 1 in 10 residents were classified as employment-deprived and the area had the highest rate of unemployment in London; a quarter of the borough's households had an income below £15,000 compared with a fifth of households across London.

## A message from the International Business Leaders Forum

**For** nearly two decades, the International Business Leaders Forum has worked with business, governments and civil society to enhance the contribution that companies can make to sustainable development. Much of our early work was centred on putting business in the heart of Central Europe, Eastern Europe and Russia and on delivering programmes that supported increased employability and employment.



In 2002 when IBLF founded ENGAGE – with Business in the Community – we had already seen how employee community engagement could make a huge difference to the programmes we were operating across Europe and we continue to build on these efforts by working with companies and communities to identify the best ways to leverage employee skills and resources to solve needs in communities.

### Training excluded young people in Eastern Europe

ENGAGE builds on examples like the Autokreacja programme in Poland where several hundred excluded young people have now benefited directly as a result of weeklong employability training. Many of the companies who have participated benefit too. Companies have not only been able to find new staff through the programme, but have also been able to motivate their existing staff and managers to take a greater interest in social exclusion issues.

The Manager Shadowing programme focuses on skills and competency development for young people and has involved a partnership between Bulgaria, Czech Republic, Slovakia, Hungary, and Poland.

In Poland and Romania the Youth Careers Initiative works with disadvantaged young people providing training and work experience within a five star hotel environment and Youth Business International in Hungary, Poland and Russia all show how it's more than money that makes a difference to the success of a fledgling business – in this case the involvement of business mentors supporting these disadvantaged young entrepreneurs.

### Building basic skills

This excellent research seeks to prove a link between effective employee community engagement and higher employability skills. It makes the case that employee community engagement can build basic skills and increase the opportunities for disadvantaged groups by bringing them together with people from the business sector to create greater cohesion and motivation.

### Evaluating success

Still, not many companies or community groups are systematically measuring the impact of their efforts. There are often understandable reasons for this: the costs and complexities associated with measuring long term impact; the lack of clear objectives and measures at the outset; and the difficulty of attributing specific impacts to the employee community engagement alone. As a result, the recommendation of this research to promote tools to measure the impact of employee community engagement is particularly welcomed.

Now more than ever, it is important for businesses to continue in their efforts to support economic development and employability through employee community engagement and the transfer of core competencies and by acting collectively to tackle the issues identified in this Report.

### Amanda Bowman,

Director, Corporate Partner Engagement

IBLF, the IBLF is a founding partner of ENGAGE

## Young entrepreneurs across Europe

In 2002 an EU survey found that EU citizens are less inclined to become entrepreneurs, and more risk-averse than their American counterparts. JA-YE aims to address this issue. The programmes expose young people aged 5-25 years to the world of business with a focus on skills development, confidence building, and developing an entrepreneurial mindset. The highlight of JA-YE is the Company Programme where students aged 14-18 years set up their own real enterprise. Business volunteers act as mentors on the programme.

Junior Achievement is supported by several leading multinationals at the European level along with several hundred businesses at the local and national level. Citi, HP, GE, BATA, HSBC, Microsoft, ORACLE, Nokia, MasterCard, Danfoss, FERD, Fortis, Nordea, ABN-AMRO, Deloitte... to name a few. JA-YE Europe has 41 National Partner Organisations, and works with education authorities and schools.

### Programme outline

Students participate in JA-YE programmes which are run as part of the regular school day as a complement to standard curricula. Teachers are trained by JA-YE and materials are provided which are specifically adapted for local needs. People from the business community are recruited as volunteer mentors and presenters. Content is focused on raising awareness of how the world operates. Work gradually becomes more sophisticated throughout a child's school career culminating in the year-long, intensive, Company Programme.

JA-YE's flagship programme, the Company Programme helps students form a 'mini-enterprise' under the guidance of teachers and business volunteers. The students sell stock, elect officers, produce and market products or services, keep records, conduct stockholders' meetings, and liquidate (usually returning a profit), all during the course of one school year. Students compete in the Companies Competition where their overall business model and marketing are tested. Successful companies have included: a vibrating pillow as an alarm clock, trendy mood reflectors to increase road safety for children, and entertainment services for seniors.

The programme is run in 35 European countries under the umbrella of JA-YE Europe and implemented on a national level by the national partner organisations (NPO).

### Impact

Extensive evaluation has shown the impact with regards to the participating students (skills enhanced) as well as the economic impact (high rate of new businesses started by former participants).

2.9 million young people aged between 5-25 years are currently enrolled in the JA-YE programmes, and 230,000 of them in the Company Programme. Through participating in the scheme, students have the opportunity to enhance a range of employability skills and improve their knowledge of economics and business. Evaluation with former participants shows that the impact on skills gaps has been extremely positive. 70% said that the Company Programme had strengthened their team work skills; 62% felt that they had strengthened their problem solving; 52% found their decision-making ability was improved; and 44% stated it strengthened their interest in establishing a business.

A study of former participants in six European countries showed that 15% of 20- 29 year olds had started their own businesses, increasing to more than 25% for those aged over 29 years. This is way above the business start-up rate in the regular population in Europe, which is 6%, showing that JA-YE is successful in fostering an entrepreneurial mindset.



## Citi – our approach to employee community engagement



Through the Citi Foundation and our grant giving, we are able to foster hundreds of community partnerships across Europe

Citi is one of the leading global financial services companies, with some 200 million customer accounts and does business in more than 100 countries, providing consumers, corporations, governments and institutions with a broad range of financial products and services.

With a strong position across the global community we are very much aware that we are integral to the growth of economies through the creation of jobs and raising the quality of life within the communities that we operate in, and at the same time we recognise our role and responsibilities for the betterment of society.

By working in partnership with our clients, our local communities and our stakeholders, we move closer to our ultimate goal: to be the most respected global financial services company. One key vehicle that enables us to do just this is the Citi Foundation.

### Citi Foundation

The Citi Foundation is committed to enhancing economic opportunities for underserved individuals and families in the communities where we work throughout the world.

The Citi Foundation develops and promotes strategic initiatives to meet local community needs, monitor and responds to issues of concern, and engages in proactive outreach.

We support markets across the world through investment into selected programs which align directly with our key priority/focus areas.

Following a strategic review, in 2008 the Citi Foundation announced a revised remit to better align our community investment to our businesses and core competencies and to enable Citi to engage in areas where the company and the Foundation can play a leadership role within. Today, there are five key strategic areas of involvement;

- microfinance and microentrepreneurship which helps individuals become economically self-sufficient;
- small and growing businesses leading to economic expansion and job creation;
- education which prepares young people for personal and professional success;
- financial education which helps individuals make informed financial decisions; and
- the environment with a focus on sustainable enterprises that generate jobs and stimulate economic growth while preserving the environment.

Through the Citi Foundation and our grant giving, we are able to foster hundreds of community partnerships across Europe, and beyond. Yet, these partnerships are not only based on financial contributions, but importantly the skills and expertise of our staff who volunteer their time in the delivery of said partnerships.

### Volunteerism:

Volunteerism or employee engagement has long been an integral part of Citi's culture. Senior management has been highly supportive of employees' volunteer activities, and Citi has spearheaded many successful company-wide volunteer initiatives including Junior Achievement and Habitat for Humanity.

The Office of Global Volunteer Initiatives was created in 2003 as Citi recognised that our commitment to and our influence through volunteerism could be even broader. It was conceived as a way to centralise information on volunteer activities, promote volunteerism to our employees, recognises individual and group volunteer efforts and strategically market volunteer opportunities to help meet community goals.

The Office of Global Volunteer Initiatives, in conjunction with Citi Foundation and other internal departments, helps identify and coordinate company-wide volunteer initiatives, such as Global Community Day. The Citi Volunteer Program which was launched in 2004, includes the Employee Volunteer Day, and Volunteer Management System.

The Citi Volunteer Program helps Citi recruit and retain world-class talent. Helping employees work together to make a difference builds a stronger Citi team and fosters company loyalty – and we expect that investing human and financial capital in the Citi Volunteer Program will generate dividends well into the future as Citi leads the way in corporate citizenship.



## Freshfields – our approach to employee community engagement



**28%** of the people across the firm are active in our volunteer programme

*“We encourage everybody in the firm to spend one day a year on community team challenges, and those with legal expertise to use their skills to the benefit of the wider community. We also encourage everyone to get involved in wider community activities. We believe we are not here merely to make a living and attain our professional ambitions; a wider vision, a sense of the needs of the world around us and a spirit of hope and achievement are equally important, and we are encouraged by the response of our people at all levels in the firm to our community and pro bono activities.”*

Konstantin Mettenheimer and Guy Morton, senior partners

Freshfields is a leading international law firm with 28 offices in 16 countries, employing 5,500 people in total. We recognise that being a leading business involves much more than dedication to producing outstanding client-focused results.

We have responsibilities to ensure our people are engaged, enthused and cared for in an environment that encourages them to make the best use of their talents and personalities to advance their careers.

### Investing in the next generation

It also means investing in the next generation, to improve the skills and develop the potential of young people in schools and colleges, and to encourage a wider range of people from different backgrounds to consider going into commercial law firms like ours.

We also have a responsibility to reduce our impact on the environment, and recognise that we must be prepared to make changes to our working practices to fulfil that responsibility.

Equally, we have responsibilities to ensure that the communities with which we have contact – the legal community and the communities local to our offices – benefit from harnessing the considerable talents and energies within our firm. This includes making a positive difference to our local communities.

As such, our employee community engagement programme is an important element of our wider corporate social responsibility activities and commitments. In 2007/8 around 28% of our people firm-wide were actively engaged in our volunteering programmes, contributing over 29,000 hours to community activities.

Our programmes concentrate on the following areas: supporting disadvantaged young people and homeless people, and tackling wider social exclusion as part of our community investment programme; and access to justice and human rights as part of our pro bono legal advice activities. In October 2007 we launched our first firm-wide community initiative encouraging everyone to get involved in a team challenge to make a difference in the local community – over 600 people got involved in 23 offices around the world. We have just supported this again in 2008.

Whereas much of our community investment programme concentrates on using the skills and competencies of our people to improve the skills for employability, raise aspirations and achievements and broaden horizons, of disadvantaged groups of people, our pro bono schemes use our professional skills for the public good.

## Ready for work – getting homeless people into employment

Business Action on Homelessness / Ready for Work is the only business led employment project for homeless people in the UK. Supported by a wide variety of companies across the UK, from large corporations to local businesses, including Allen & Overy, Bain & Company, Barclays plc, Bradford & Bingley, Carillion plc, Department of Communities & Local Government, Freshfields, KPMG, Marks & Spencer plc, Royal Mail and, Taylor Wimpey plc - Ready for Work aims to break the cycle of homelessness by helping help homeless people attain the skills and confidence they need to gain and sustain employment and to live an independent life.

### Programme outline

The programme has three phases although each business adapts the model. Ready to Go is an initial two-day training period where participants explore issues of self-esteem, motivation and aspirations as well as more practical skills such as CV preparation, and interview technique. Business volunteers provide interview practice on day two.

Ready to Go is followed by a minimum two-week work placement. Each participant is assigned a volunteer ‘buddy’ who offers support, encouragement and guidance throughout the placement. Towards the end of the placement, the Ready for Work manager will interview both buddy and client, to gather constructive feedback, update CVs and secure a written reference for the client.

The third phase is post-programme support and includes an Action Day where participants have the opportunity to meet and discuss their next steps into work and receive a certificate of completion. They are also matched with a volunteer who acts as a Job Coach to provide support over the next few months, and are introduced to Client Support Networks which maintain their positive peer group who are also seeking to gain and sustain employment.

### Impact

Since January 2001, 61% of clients who have completed placements have been offered employment; and 72% are still in employment at three months.

The most positive outcome for the participants is the opportunity to gain sustainable employment. This is the vital catalyst for them to achieving a lasting route out of homelessness. Many other clients move into further education and training. Our client evaluations show that the main benefits they have gained as a result of participating in the programme are improved self esteem, motivation to work, self confidence; the opportunity to make new friends at work and through the client support networks; the ability to gain the respect of others and discard the label of homelessness; and the opportunity to learn new skills and demonstrate existing ones.



**Our** award-winning programme in London, which is also our largest office, currently involves around 36% of people in the office

### Activities in London

Our award-winning programme in London, which is also our largest office, currently involves around 36% of people in the office. At 35 years, our partnership with Tower Hamlets Legal Advice Centre is our firm's longest community partnership. Over time we have developed a range of activities to suit the interests, abilities, time commitments people are prepared to make, as well as the needs of the communities.

Projects focusing on improving the skills for employability in London include job coaching for homeless people; around 50 work placements a year for homeless people, pupils at local schools, the National Autistic Society and various schemes aimed at making City law firms more diverse; Reading and Number Partner schemes at a local primary school; mentoring and French and Spanish Partners for 15-16 year olds; coaching students with Youth at Risk; and team-building challenges.

### Examples from Germany and France

Many of our other offices in the EU (and elsewhere) are engaged in similar activities. For example, most of our offices have partner schools where volunteers provide Reading, and Number Partner support to the young people, as well as community days.

As a result of our involvement with ENGAGE, our offices in Berlin, Cologne, and Frankfurt all offer job coaching to 15-17 year olds from deprived backgrounds with poor qualifications and a history of discouraging experiences. This programme was singled out in December 2006 as part of the Engagiertes Unternehmen (Engaged Business) scheme run by the office of the Prime Minister of the Federal State of Hessen.

In 2007, we began working alongside the French Ministry of Education, ENGAGE and a number of other firms and businesses on a project that welcomed 13-15 year old school children into the workplace as part of a 'discovering business' initiative aimed at introducing them to corporate life and culture. Our office in Paris found the discovery day project such a positive experience that several of the young people were then provided with work experience over the summer holidays.

### Positive East

This scheme brings together Barclays with HIV charity Positive East, to help boost the employability skills of people who are affected by HIV in East London. Barclays provides volunteers and programme funding to the service which is open to people registered with Positive East. Each person is assessed and given an individual action plan and is encouraged to attend the 'Apply Yourself' programme. This is a job preparation skills course assisted by Barclays volunteers.

#### Programme outline

Due to the long-term and debilitating effects of living with HIV, many sufferers have been too ill to work at certain points in the past and have had to rely on government benefits as their income.

Positive East also has a very large number of clients who are refugees, migrants and asylum seekers who for a variety of reasons have been unable to work for considerable periods of time.

Both groups of people live in poverty with a very limited income. A large number of this client group would now like to get back into the workplace but feel that they are unable to do it alone. This can be due to such barriers as the gaps in their employment record, long periods of sickness, out of date qualifications and their HIV status.

Each person who wants to participate in the employability skills programme attends an assessment interview to identify some of the barriers, be they psychological, social or emotional, that are preventing that person from returning to work. Following this interview an individual action plan is drawn up for the participant with realistic goals to work towards based on their own specific circumstances.

Participants are then encouraged to attend the Apply Yourself course which is a job preparation skills course to guide participants through every stage of the job application process.

Barclays volunteers come from a range of areas within the company and can offer their specialist knowledge to the members of the Apply Yourself course.

#### Impact

A telephone evaluation was conducted with all of the people who had used this service to find out the impact it had on them. A questionnaire was also given to all participants of the Apply Yourself course. Results from this research showed that: 90% of participants felt that they had made a significant progression towards employment as a result of the course; 89% of participants found the courses extremely helpful; 80% of participants felt that the course had a positive impact upon their health as well as their employability skills; 87% of participants felt that the course had a positive impact on their confidence; and 91% of participants felt that the course had a positive impact on their self-esteem.

In the first year, out of 125 people, 38 were supported into work, eight people moved into volunteering and 13 went back into full-time education.



## KPMG – our approach to employee community engagement



**CSR** is central to KPMG: in recognising our wider responsibilities to a broad range of stakeholders

KPMG is a global network of professional firms providing Audit, Tax, and Advisory services. We operate in 148 countries and have more than 123,000 professionals working in member firms around the world.

CSR is central to KPMG: in recognising our wider responsibilities to a broad range of stakeholders – including partners, employees, clients, suppliers, community groups and opinion formers – CSR permeates all levels of business activity, affecting corporate governance, employee relations, client relationships, environmental management, community involvement as well as key business operations. Our CSR agenda is to inspire, challenge and empower our employees, to positively contribute to local communities and environment and to create a substantial business future for us all.

We are familiar with the “GloCal” Business Model, addressing global issues through the coordination of KPMG member practices, who are driving corporate responsibility strategy on a local basis. We mainly operate at three levels:

- KPMG International's Global Corporate Citizenship commitments provide the framework on our overall ambitions, focusing on the key issues of education and development, environment and diversity. KPMG International has been a signatory to the United Nations Global Compact since 2002.
- Member firms in the three main geographical areas (Europe, Middle East and Africa – Americas – Asia Pacific) network to share best practices and ensure consistency of approach.
- KPMG member firms have developed and are delivering local CSR strategy which complements KPMG International's global ambitions, responding to local priorities and needs.

### Some examples

In the KPMG EMA network, 28 countries have signed a shared set of CSR principles that have been developed by member firms at the outset of the EMA Network and that are reflective of the KPMG Way and the Global Code of Conduct. These member firms have defined a common strategy which is delivered by six work streams, referring to the following issues: reporting on the environment, reporting on communities, environmental management, volunteering programs, pro-bono activities, communication tools.

In 2007, 17 countries in the EMA CSR network participated in the “Make a Difference Day” project: over 2,300 employees have supported different initiatives in 52 cities during the same day, donating their time and their skills to implement 112 projects.

### KPMG in the UK

KPMG LLP, a UK limited liability partnership, is a subsidiary of KPMG Europe LLP and operates from 22 offices across the UK with nearly 11,000 partners and staff.

KPMG in the UK's commitment to communities is at the heart of our values. We have a strong record in community involvement and have over the past 14 years built a vibrant, far reaching and coordinated programme of

## Literacy, numeracy and ICT skills for primary pupils in Northern Ireland

The Time To scheme in Northern Ireland is supported by 131 companies including Fujitsu, KPMG, Tesco, Foyle Food group, HM Revenue and Customs and Northern Ireland Electricity, 128 Primary Schools and Business in the Community Northern Ireland.

### Programme outline

Time To concentrates on the skills fundamental to a child's learning and development - literacy, numeracy and ICT - with the recognition that unless these skills are established early on in life, a child will find it increasingly difficult to learn effectively. This can lead to underachievement later on in school and in the world of employment. Time To connects young people in Northern Ireland with business volunteers to help develop these skills.

### Impact

The feedback from the participating schools has been very positive with teachers finding the volunteering to be a valuable teaching resource. The regular change of working environment has also proved to be extremely valuable for the pupils involved.

A key benefit of the Time To project is that pupils are helped to develop their self-esteem and confidence at the same time as improving their academic skills.

What is more, companies participating in the Time To schemes have also found that there are many benefits for their employees who support children in the schools. Participating employees have developed their confidence, self-esteem and motivation as well as improving their communication, relationship management, coaching and counselling skills.

In 2007 the total community contribution was £5.7m

Corporate Social Responsibility, which encompasses sound environmental management, working closely with communities, and a determination to work with everyone in a way that reflects KPMG's strong set of values. In 2007 the total community contribution was £5.7m and 35% of our people volunteered in work time, contributing more than 38,000 hours.

Our objectives are to deliver a leading CSR programme that ensures that we are living the value 'Committed to our Communities'.

Volunteering schemes and community projects which focus on employability and access to opportunity, and environmental management are the foundation of our commitment to communities; these have, over the years, matured into an integrated programme aimed at building sustainable communities and adding value wherever possible.

All our people can access 3.5 hours of firm time per month to volunteer and each of our offices has a CSR Forum – a group of people from all grades of the business who are interested in CSR – who help implement the national CSR strategy and respond to local priorities, building strong partnerships with local community organisations. These Forums are a strong foundation on which we build local involvement, action and ownership. Our programme of CSR is supported by a Leadership Team of five UK Partners; their overall purpose is to set the vision and strategy for CSR and to embed CSR into the firm's daily business activities.

Some of our key activities include:

**Education and access to opportunity:** Our main programme includes Number Partners which enables staff to support pupils' numeracy skills in primary and secondary schools, as well as an extensive number of volunteer School Governors. We are also the first professional firm to co-sponsor an Academy with the City of London Corporation. The new school, opening in September 2009, will be a mixed and non-denominational Academy for 11-18 year olds and we are investing significantly in supporting those feeder primary schools in the area. Many of our local offices have developed strong links with a local primary and /or secondary school with whom they have developed multilayer relationships – including some of the volunteering programmes described above, workplace visits and pro bono strategic support.

**Employability:** This is the main backbone of our social inclusion programmes, which aim to address some of the inequalities that exist between the least advantaged groups and communities and the rest of society by closing the opportunity gap and ensuring that support reaches those who need it most. Our programmes include supporting ex-homeless people and refugees back into work through providing CV and interview skills coaching sessions. Some of our offices are linked with local refugee and homeless organisations with a KPMG relationship manager from the office CSR Forum to develop the local link.

## Tomorrow's People – skills for life

Tomorrow's People was created by a predecessor of what is now Diageo in 1984, following its identification of chronic unemployment as the root cause of much of the inner-city unrest of the 1980s. The management's 'direct action' response was to help overcome the problem by providing jobseekers with the skills and qualifications that local employers needed.

The pioneering social enterprise that it started has become Tomorrow's People, a national charity helping people and communities overcome long-term unemployment. Its focus is on the hardest to help groups around the UK – people with disabilities, ethnic minorities, lone parents, ex-offenders, excluded young adults, the homeless and refugees. Tomorrow's People works one-to-one with these clients, offering training, confidence building, job search, CV writing and interview skills.

### Programme outline

Diageo has invested £25 million towards the work of Tomorrow's People over the last twenty years, but the company's contribution has been much greater including providing work placements; mentoring; careers workshops; expert advice; and the use of company premises. In March 2005, the charity became legally independent from Diageo.

### Impact

An independent evaluation of Tomorrow's People undertaken for its 20th anniversary by Oxford Economic Forecasting, shows considerable savings to the Exchequer, the health service and to the costs of crime. At the time of the evaluation, commissioned by Diageo in 2005, the charity had helped 382,000 people into employment and benefits to society were estimated at £450 million. To date, Tomorrow's People has helped over 400,000 long-term unemployed into sustainable jobs and on average, 76% of people it helps are still in employment 12 months on.

Oxford Economic Forecasting concluded: *"Tomorrow's People is still very much at the forefront of action to help the unemployed and socially excluded and is well-placed to tackle the problems as they arise... Under the guidance of Diageo, Tomorrow's People has also adopted sound commercial principles of business management. This has contributed significantly to its ongoing success."*

From [http://www.tomorrows-people.org.uk/assets/File/diageo\\_and\\_tomorrow\\_people.pdf](http://www.tomorrows-people.org.uk/assets/File/diageo_and_tomorrow_people.pdf)

## ENGAGE



The Key Cities Programme has now been scaled up to eight cities including Hong Kong



ENGAGE is an international programme that brings together businesses and community organisations around the globe to increase the quality and amount of employee involvement in their local communities.

ENGAGE's mission is to inspire, challenge and support businesses to develop sustainable community investment programmes, and to provide community intermediaries with a network, the tools and the support to help them work effectively with business partners.

ENGAGE puts companies in touch with community partners, who provide a valuable resource for companies setting up community involvement programmes. Strong community networks mean we are well placed to: identify local opportunities; communicate the culture and expectations of community agencies to companies and their participating employees; prepare community organisations for partnerships with companies; provide a review and evaluation process to ensure successful long-term relationships; and ensure that employee engagement meets local needs.

### ENGAGE Key Cities

The ENGAGE Key Cities Programme was introduced to implement and develop ENGAGE collaborative employee engagement projects in cities across Europe and beyond. It was piloted in 2006 in Madrid, Amsterdam and Frankfurt where each ENGAGE project was different, reflecting the local needs and culture, the skills of each participating business and its employees and the nature of the community partners.

The Key Cities Programme has now been scaled up to eight cities including Hong Kong. More cities will follow in 2009. In addition to the support of UK-based ENGAGE supporters, each city saw a large group of local and other multinational companies joining local ENGAGE projects, in this way expanding and strengthening each project and the ENGAGE movement.

Please visit [www.ENGAGEyouremployees.org](http://www.ENGAGEyouremployees.org).

ENGAGE is managed by Business in the Community, with support from the International Business Leaders Forum.

### Mentoring youth at risk in Milan

ENGAGE, in partnership with Fondazione Sodalitas and Enaip, has set up a collaborative employee engagement programme in Milan to improve the skills of disadvantaged young people with the aim of providing them with a better chance of getting a job, and enhancing their integration into the community.

This project is supported by DLA Piper, KPMG, Linklaters, UBS, Fondazione Sodalitas, and Fondazione Enaip - a local non-profit organisation that runs professional training courses for disadvantaged youths in Milan's suburbs. The scheme works with Enaip teachers and business volunteers to strengthen the participating young peoples' transferable skills as well as develop positive and productive working attitudes amongst the young people.

#### Programme outline

The unemployment rate of young people in Milan is nearly 16%, almost 10% more than the national unemployment rate across all ages. Frequently, the participants have low self-esteem and little support at home, and many come from difficult family circumstances. Additionally, many of the participating young people are from immigrant backgrounds and are struggling to integrate into the local community.

By bringing these people together with business volunteers, the scheme aims to: address the local skills gap by targeting a disadvantaged group to enhance their employment prospects and widen the labour market; broaden employee understanding of the local community to bridge the social divide and promote healthy communities; and increase employee motivation.

Enaip trains and assists the business volunteers to work with the young people in four areas: to provide presentations of their own experiences to empower the students and demonstrate that, 'If you want to, you can make it!'; to develop business simulation exercises over three or four meetings so that students gain an insight into the working life of that volunteer's sector; to give support in studying subjects as English, maths, Italian; and to provide individual mentoring aimed at developing a long-term relationship with the young person so facilitating their development.

#### Impact

Community organisation and broker, Sodalitas has worked hard to facilitate a productive relationship between the non-profit organisation and companies. In the first year of the project 10 volunteers from Linklaters worked with six classes of 15-20 students, delivering 15 seminars in total. UBS have joined in the second year, providing 18 volunteers. Sodalitas monitors the project, giving companies feedback and enabling them to improve the programme. A public event is planned for the end of 2008 to demonstrate the results of the programme.

From September to April 09 UBS will provide 18 volunteers to support students twice a week for 2-3 hours in Maths, Italian and English. UBS volunteers will work with a classroom of 20 young people, some of them immigrants, many of them disadvantaged and suffering from social and familial problems. The support given by UBS volunteers should help those students in increase their self-esteem and their basic skills and social competencies

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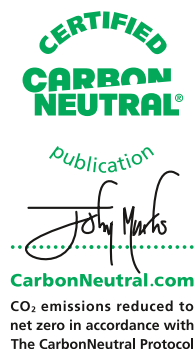
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