

## MORE THAN CV POINTS?

## The Benefits of Employee Volunteering for Business and Individuals

Edited by James Lloyd

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#### **INTRODUCTION**

## By Ian Mulheirn, Director, Social Market Foundation

Employee volunteering schemes have become increasingly widespread in recent years. However, in their volunteering policies, employers often fail to differentiate between different kinds of activities, conflating schemes that offer one day teambuilding exercises with those that involve accredited training and longer term career development. Such confusion persists despite the potential of skills-based volunteering to furnish both soft and hard-skills, for example, self-confidence, team-working and project management.

In the wake of the worst recession experienced in decades, and with many organisations still struggling to fund training and development for staff, there has never been a better time to explore and recognise the potential of skills-based employee volunteering schemes.

For these reasons, the Social Market Foundation is delighted to be publishing this edited collection by leading experts on this topic, which has been made possible by the support of The Scout Association.

The Rt Hon Tessa Jowell MP, Minister for the Cabinet Office, kicks-off the collection with *Getting employee volunteering right*, by highlighting the sheer size of the UK's volunteer workforce, but also the potential barriers to employee volunteering schemes. She argues that the Government can lead by example, as well as providing practical support, such as the Government's £2 million pilot fund, Access to Volunteering, which aims to reduce the barriers to disabled people's volunteering.

The potential role of government is also explored in *Scouting for Skills* by Wayne Bulpitt, UK Chief Commissioner for Scouting at The Scout Association. Drawing on the experience of The Scout Association as both a large voluntary organisation and a provider of accredited training, Wayne puts forward some proposals for how businesses could be made better aware of the benefits of employee volunteering.

It is then the turn of two of the UK's leading employers to give their perspective on the benefits of employee volunteering. Roisin Murphy of KPMG looks at how skillsbased employee volunteering can be embedded in an employer's training and development programme in *Promoting Skills-based Volunteering*. Helen Simpson of BT sets out how and why her organisation has recently rolled out a volunteering programme in *Skills-based Employee Volunteering*.

Looking from the other side of the fence, two key organisations with an interest in employee volunteering then provide some ideas to answer the question: *What can be done to promote employee volunteering as a form of skills training?* Edie Fassnidge of Volunteering England argues for the need to clarify the business case, and to firm up the evidence base on the benefits for employers' learning and development programmes. Hannah Jameson of IPA explores the potential for 'skills toolkits', and the role of flexible working.

Looking at the wider economic picture, Bob Windmill, UK Research Manager for the Alliance of Sector Skills Councils argues policymakers need to find a way of recognising the value of volunteers to the economy and to implement concrete measures to support a culture of volunteering support in the business community.

In *Employee volunteering and the UK skills strategy*, John Hayes MP, Shadow Minister for Lifelong Learning, Further and Higher Education, picks up on this theme, arguing for the crucial role of providing pre-apprenticeship training for so-called "NEETs" as a first step on the ladder to gaining practical skills. The voluntary sector is identified as a potentially key provider of opportunities to gain practical workplace skills.

#### GETTING EMPLOYEE VOLUNTEERING RIGHT

## By Rt Hon Tessa Jowell MP, Cabinet Minister for the Cabinet Office, the Olympics and London and Paymaster General

This text is drawn from a speech given by Tessa Jowell MP to the Social Market Foundation on February 22nd 2010, at an event entitled "Getting Employee Volunteering Right".

#### A NEW CONTEXT

Following the banking crisis, as the country begins to move out of the downturn, the relationship between the private and the voluntary sectors has changed.

In the past, collaboration between the sectors was seen as a one-way street, with the voluntary sector cast as grateful beneficiaries of private sector standards of efficiency. But now private companies are increasingly recognising that their profits depend on re-building the trust of the consumer.

Consumers want to be reassured that the short-term interests of the company are not given greater priority than the service provided. In fact, 75% of the public now believe that it is either very important or absolutely essential for companies to act in a socially responsible way. More and more, firms are recognising the true value of importing the principles and values that are fundamental to the voluntary and community sector.

And this is a strong sector. We know that, in this country, we can count on a tremendous number of volunteers. Around three quarters of us volunteer at some point each year, with half of us volunteering at least once a month. This is an extraordinary reflection of our society and something that's too often taken as a given rather than celebrated.

The value of the sector becomes even clearer when we consider that the economic contribution made by volunteers amounts to more than £27 billion. Scouting

provides a perfect example. Adults working in scouting contribute in excess of 364 million hours of voluntary work each year to allow young people to take part in a huge range of activities in their local communities. In fact, the total number of volunteers working for Scouting in this country is larger than the workforces of McDonalds and the BBC combined.

But, despite this, there are still thousands of young people on the Scout Movement's waiting list. So, if we are serious about getting employee volunteering right, we need to look in particular at the barriers faced by those who are willing and eager to volunteer.

#### BARRIERS TO EMPLOYEE VOLUNTEERING

The National Survey of Volunteering and Charitable Giving highlights some of the main factors.

First, time. More often than not it is a lack of time rather than lack of enthusiasm that is behind the volunteer shortage. In fact, more than 80% of employees indicated that they would be keen to get involved in a staff volunteering scheme if their employer allowed them the time to do it.

Secondly, choice. The ability to choose the specific activity is one of the most commonly cited factors that would encourage employees to volunteer.

Thirdly, company size. With smaller staff teams, the absence of an employee is often felt more keenly by small and medium sized companies than by larger firms.

As a result, SMEs are currently much less likely to have an employer supported volunteer scheme in place, and are therefore less able to benefit from the business benefits that follow from this reciprocity.

The final point is access. Disabled people are now around 10% less likely to volunteer than the rest of the population, highlighting the fact that the additional support or equipment that disabled volunteers require is too often lacking.

In central government, we have taken action to support volunteering and help overcome these barriers, including specific action in response to the recession. Last summer we launched the National Talent Bank, which aims to match employers and employees with opportunities to serve their communities. It is a programme that is focused on those who have found themselves underemployed as a result of the downturn. It targets employers who've elected to release employees for a fixed period or to reduce the working week, as well as those who've deferred the start dates for new recruits or retained staff whose posts have been made redundant. Already companies such as BT have signed up to the scheme, and more are likely to follow in the months ahead.

At the end of last year we also published "A Guide to giving for Business", which sets out the incentives for private-sector giving, including advice and recommendations on offering time to employees to take up volunteering opportunities.

Meanwhile, an enormous range of opportunities are on offer at the National Volunteering Database. Visitors to *do-it.org.uk* – which is supported by Cabinet Office funding – can currently choose from nearly 1 million opportunities. With the Government's £2 million pilot fund, *Access to Volunteering*, we are looking to reduce barriers to disabled people volunteering.

#### LEADING THE WAY

But as well as programmes such as these, we are also looking to lead by example as champions of employee volunteering. The recommendations that were published last year by Baroness Neuberger, as the Prime Minister's volunteering champion, are now being implemented across government. All departments now have policies in place to encourage their employees to volunteer, including offering staff at least one day's paid leave. The Cabinet Office offers five days paid leave per year to take up volunteering opportunities.

Meanwhile, a number of departments have employee volunteering programmes that, crucially, are linked to staff development and the organisation's objectives.

Almost any well structured volunteering opportunity would enhance the employee and thereby the department.

#### A COMPELLING BUSINESS CASE

Leading by example is important. In order to be true champions of employee volunteering, the Government needs to convince employers that there is a compelling business case. So the evidence shows that corporate volunteers bring newfound skills, confidence, and enthusiasm back into the workplace, and that, as a result, staff become more motivated, more likely to stay in their jobs, and less likely to take sick leave. Surveys have shown that volunteers report increases in leadership, communication, and teamwork skills of between 65 and 80%.

It is this kind of impact that led IBM to describe their programme as "a powerful way of increasing the skills and enthusiasm of our employees". Centrica found their 'Cardiff Cares' scheme boosted the numbers of staff reporting job satisfaction, significantly reduced absenteeism, and improved employee retention to almost 100% amongst participants.

It is the investment in the personal and professional development of staff that also represents real value for money, significantly reducing training costs.

The reputational and brand benefits are also substantial. An impressive record on volunteering allows a company to stand out from the rest and helps to generate greater customer loyalty.

Recruitment also benefits from an enhanced public image and good relations with the community. Polls show that 9 out of 10 prospective employees agree that a company that is active in the community is likely to be a good employer, and that's especially true amongst new, young graduates.

#### CONCLUSION

So, a successful employee volunteering scheme delivers three types of benefits at the same time: benefits for the community; for the individual; and for participating

businesses. Everyone knows about the value of volunteering and we must publicise people's stories, celebrating how it changed them and the impact it had on the organisation. We must also keep an eye on the barriers that employees face, to ensure that volunteering opportunities are open to all.

Employers need to promote volunteering opportunities to their staff in an enabling way. There is a question about whether volunteering should feature in performance appraisals. Volunteering gives the individual experience in an environment they are not familiar with, and communities benefit from high-level skills that are irreplaceable value in kind. Volunteering is a real trade of human capital. We must never forget the reciprocity of volunteering.

### SCOUTING FOR SKILLS

## By Wayne Bulpitt, UK Chief Commissioner for Scouting, The Scout Association

#### INTRODUCTION

Scouting has offered young people adventure, fun and the chance to learn about themselves and the world around them for over a century. The benefits this brings to the youngsters themselves and to wider society have long been recognised. But the positive impact on our economy, as adult volunteers put the skills and experience they have gained through Scouting into practice in their full-time jobs, is often overlooked. As we consider how as a society we can meet the shortfall in volunteers, it is time we gave these benefits greater thought and emphasis.

This difficulty in recruiting and retaining volunteers is shared by organisations of all sizes and interests across the UK. We now have 35,000 young people on our waiting lists because we lack enough adults to run local Scout Groups. Our own experience, however, suggests it is not lack of enthusiasm but a lack of time that is behind this shortage.

The challenge for voluntary organisation is how to ease these pressures – and encouraging employers to allow staff time off is key. Here we need a change of approach. For the best way to overcome resistance is not through appeals to altruism but by presenting a hard-headed business case. We need to demonstrate that volunteering will help employees perform better at their jobs through the training they receive and the new skills they learn. With an estimated quarter of employers providing no training to their staff,<sup>1</sup> working with the voluntary sector can help fill the gap and equip the UK's workforce for the challenges of the modern economy.

1 Learning and Training at Work Survey (2000)

#### ADULT LEADERS AND SCOUTING

The Scout Association has been a training organisation for over 100 years. We have relied right from the beginning in 1907 on volunteers to provide high quality developmental youth work. We now have 100,000 adult volunteers working with nearly 500,000 young people week in, week out. Providing Scouting to our consistently high standards simply could not be done without giving them skills whether in project and people management, logistics, first aid or budgeting. Scouting's quality depends on its volunteers, and our volunteers depend on Scouting to teach them the skills they need. It is why we were very proud in 2009 to be recognized with a National Training Award from UK Skills.

The training our volunteers receive is one of the reasons they enjoy scouting. Indeed, recent research shows one in five volunteer specifically to develop strengths and skills. Asked whether the skills and experiences they gained through Scouting have been of relevance to working or personal lives, 93% of volunteers answer positively.<sup>2</sup> More than two out of three see a direct correlation between their volunteer experience within Scouting and gaining employment or career development.<sup>3</sup> These figures are confirmed by a TimeBank survey which found nine out of ten volunteers believe the new skills learnt had helped them get their first job, increase their salary or gain promotion.<sup>4</sup>

"Project Management – when 80+ Cubs are due to arrive for a weekend camp you cannot say 'sorry we are running a bit behind, can you come back next week". Time-critical projects is what Scouting is all about... Learning how to remain charming, polite and helpful for 12 hours a day at the World Scout Jamboree 2007 has stood me in good stead during a bad day at the office! Last September I project managed an office move of 55 people. There were several comments that my Scouting skills were showing - it was a compliment."

3 Ibid.

<sup>2</sup> The Scouts Keeping Britain's Workforce Ready For Action: Supporting Scouting During The Credit Crunch

<sup>4</sup> Informing The Scout Association's key messages and audience targeting with existing research, collation of existing and external research on the motivations and barriers to volunteering, Desk research report for The Scout Association, Rebecca Molyneux and Patrick Brennan, December 2009

Importantly, employers agree on this positive impact on careers of volunteering. A survey for Reed Executive<sup>5</sup> showed that 73% of Britain's biggest employers preferred a candidate with volunteering experience, while 94% recognised that volunteering can add to personal skill-sets. Even more impressive was that 58% of employers said that voluntary work experience can actually be more valuable than experience gained in paid employment.

#### SO WHAT'S THE PROBLEM?

Given this evidence, you might think employers would be strongly encouraging their staff to take up volunteering opportunities. The experience of our volunteers is very different. Just 53% said that their employer had responded positively to their involvement in the Scouts.<sup>6</sup> Securing time off was seen as the biggest problem.

Lack of time is also the reason most people give for not volunteering. CSV Make a Difference Day research from 2005 found two out of three people said pressure of time was the prime reason for their lack of involvement. This reflects increased difficulties in balancing work, social and family responsibilities.

There are, of course, plenty of examples of far-sighted employers. Aviva, the insurance company, allows all employees twenty one hours volunteering leave a year, plus additional reasonable paid leave for leaders in specially recognised youth organisations including Scouting. PricewaterhouseCoopers LLP (PwC), Sainsbury's and British Telecom are among companies which support local activities with donations up to £5000 to organisations where employees regularly volunteer.

But in many cases, whether volunteering is supported depends more on the attitudes of local managers than any system-wide policy. This is an issue both in the public and private sector. The Home Office, for example, provides paid special leave to encourage employees to volunteer as part of their Community Cohesion initiative. But such support has not been extended across all of the

<sup>5</sup> Op. cit.

<sup>6</sup> The Scouts Keeping Britain's Workforce Ready For Action: Supporting Scouting During The Credit Crunch

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civil service. As Baroness Neuberger commented in her review of volunteering, 'certain Government departments are currently not persuaded of the merits of employee volunteering'.<sup>7</sup> Indeed, financial restraints have already seen this provision within the Home Office reduced to three days leave. And even among those organisations who do most to support volunteering, this is usually seen as part of their social responsibility programmes rather than central to their business as a human resources strategy.

These examples also highlight how support for volunteering is often restricted to the largest employers. Many smaller businesses see such support as an unaffordable extra rather than a benefit to their businesses. This is ironic as it is smaller organisations who are less likely to have the resources to invest in training so have most to gain from their staff improving their skills through volunteering.

These problems are leading local Scout Groups to take innovative approaches to sell the benefits of volunteering to business. In Bromley and Bexley, for example, they are working with the local Chamber of Commerce to promote Scouting as a form of training. But without the commitment of employers to supporting volunteering and a positive public policy environment, it is often only the persistent employee who manages to balance work and civic interests.

#### SO WHAT COULD BE DONE?

Addressing these challenges is firstly a matter of awareness. One survey found 94.4% of respondents didn't realise that Scouts provided training.<sup>8</sup> This lack of knowledge of the skills training on offer is typical. Identifying where volunteering offers comparable learning experiences to training courses would help employers see the business benefits of giving staff time off. One way this could be achieved is if Government support currently available for skills training in higher and further education was extended to taster sessions within the voluntary sector. So too

<sup>7</sup> Employer-supported volunteering in the civil service, A review by Baroness Neuberger, the Prime Minister's Volunteering Champion, July 2009

<sup>8</sup> Scouts - Volunteering in the Civil Service- Emerging Talent Group Project - 2008/2009

would encouraging larger employers to share their experience of the benefits they gain through promoting volunteering with other businesses.

Greater clarity on the specific benefits would also help gain employer support for volunteering as a training activity. Accreditation will help re-assure employers about the skills that will be learnt. Schemes including Investors In Volunteering already exist to highlight and spread good practice by employers. These could be extended to identify particular skills learnt through specific volunteering roles to help employers understand how they compare with existing training workshops or programmes. Such a scheme, however, would also need to recognise the longer period that skills are developed through volunteering and the greater emphasis placed on learning through practical experience, rather than in a single seminar.

There is no doubt, of course, that introducing statutory paid leave for volunteering would transform participation rates. But we understand that many employers would find this a step too far, especially in the current economic climate. This helps explain why tentative proposals for a right to time-off for statutory voluntary roles have been recently put on the back-burner.

But there could be less resistance if a right to time off was linked much more directly to training. By placing the emphasis on the specific skills and experience to be gained, employers would understand better the value to them of allowing staff time off. The new UK Commission for Employment and Skills could have a valuable role in giving employers confidence that the training offered by voluntary organisations such as The Scout Association is accredited, valuable and transferable to the workplace.

The shortfall in volunteers could also be tackled, along with a boost in skills, by extending existing schemes to help new graduates gain experience. We could build on the paid internships and secondments already offered by many charitable organisations to recent graduates. Thought could also be given to extending to volunteering the payment holidays on student loans enjoyed by teachers in particular subjects

#### CONCLUSION

There is no simple single solution to the difficulties of volunteer recruitment. Volunteering organisations ourselves have to be more understanding of the pressures on employees and employers. Scouting is exploring how we can offer more opportunities to volunteer for shorter periods and to arrange training flexibly to help balance family and work commitments.

But helping employers and Government better recognise the role that volunteering can play in improving skills is essential. By lifting one of the main barriers preventing the growth not only of Scouting but countless voluntary organisations across Britain, we will not only improve the health of our society but also the strength of our national economy.

#### PROMOTING SKILLS-BASED VOLUNTEERING

## By Roisin Murphy, European Integration Manager, Corporate Social Responsibility, KPMG Europe LLP

#### THE TIME IS NOW...

Never has there been a more opportune time to re-shape and more explicitly link employee volunteering with skills development. With the credit crisis and organisations under budgetary pressures to reduce costs and maximise impacts, training that may once have been a 'nice to have' or considered nonessential is being reviewed. Coupled with this is the evolution of Corporate Social Responsibility (CSR) and embedding CSR in an organisation. While some may view the credit crisis as a hindrance to volunteering, it may indeed, in the long-term, have far more positive benefits for our local communities than previously anticipated. This is because forward-looking organisations are focusing more attention on how to leverage volunteering to maximise the benefit to both the local community and the organisation itself. All things being equal, the volunteering opportunities that produce a positive local community benefit as well as developing employees skills and core competencies is a formula that should produce even greater benefits for communities than ever before. In an ideal world organisations will stop encouraging people with specialist skills to provide generic volunteering.

#### **KPMG EUROPE LLP**

KPMG Europe LLP member firms provide audit, tax and advisory services to help national and international companies and organisations negotiate risks and thrive in the varied environments in which they do business. KPMG Europe LLP (ELLP) is comprised in 14 countries and employs more than 33,000 people. Last year KPMG Europe LLP people contributed 59,000 hours of volunteering and pro bono work in their local communities. Over €15 million was donated to the causes we support in cash or in kind. There is a strong culture of volunteering within the firm's ethos and a commitment to positively contribute to those communities. This continues to grow as the integration of CSR across ELLP member firms becomes further embedded.

At KPMG\* we want to inspire, challenge and empower our people to make a positive contribution to local communities where we live and work. The CSR integration approach at KPMG is committed to first understanding the local social and environmental needs. Where there are similar needs and KPMG's specialist skills can be leveraged to help alleviate challenges, KPMG sets up programmes for cross-border collaboration within countries so that these skills and experience can be applied. This is hugely advantageous. CSR teams across ELLP are working closely together to share best practice and knowledge to maximise benefits for the business and the local community.

### PROVIDING AN INFRASTRUCTURE TO EMBED CSR AND MAXIMISE PARTICIPATION

CSR is not about winning awards, it's about doing the right thing. Businesses that provide a solid infrastructure for everyone to volunteer will be better able to maximise the contributions of their volunteering programmes. If there is no formal mechanism in which people can volunteer, participation cannot reach its full potential. The platform enabling everyone to get involved requires leadership support, time and resource. This is something that exists within KPMG Europe LLP. Each member firm has a dedicated CSR Partner sponsor, CSR resources and budget. A volunteering policy formally empowers our people to volunteer during business hours. We are committed to measuring, and working to improve our impacts. We communicate to our people about how they can get involved. We are well underway in our three year plan to establish dedicated CSR Forums in every KPMG office, ensuring the approach is not just at a national level, but also at the local office level. We have more than 120 established community programmes in 14 countries and we are working together to share knowledge and experiences to further innovate our programmes.

### MAXIMISING LOCAL COMMUNITY BENEFIT BY LEVERAGING CORE COMPETENCIES AND SPECIALIST SKILLS

When organisations use their skills to support the local community, it is helpful to be mindful of the difference between 'core competencies' and 'specialist skills'. Both are equally important, however, their application will have varying degrees of positive social impact. In a professional services firm, volunteering programmes that target core competencies, such as building relationships or developing people, are far simpler to implement at scale than specialist skillsbased volunteering programmes. Where there is common specialist skill and competency frameworks there is an enormous advantage to share volunteering programmes that utilise expertise across borders.

Furthermore, if more corporate volunteering programmes were designed in such a way that there were mutual benefits to both the organisation and to the NGO, there will be a greater incentive for an organisation to provide their specialist skills to the NGO on a pro bono basis. Ideally organisations would have an ethical responsibility to deploy volunteering skill-based programmes in the right way. For example, if doctors spent 59,000 hours building houses or 59,000 hours providing potentially life saving medicines to people, it is clear the latter would have the greatest community benefit. This principle of maximising impact needs to be applied to every company's CSR programmes, but of course it is far easier said than done. It is much easier to apply this to medicine when the need for it is so obvious. For other organisations, it is not always so straight forward. So it is important for organisations to work closely with NGOs.

## WORKING CLOSELY WITH NGOS TO HELP ARTICULATE HOW SKILLS CAN BE MAXIMISED

Organisations need to continually work closely with NGOs to deepen their understanding of the needs of the particular NGO and then map what specialist skills volunteers have within the organisation that can add the most value to that NGO. Professional services firms' employees have a vast and complex set of skills and it is often very difficult to articulate to NGOs all the skills available. Just as we provide tailored service offering to our clients based on their needs, our skilled-based volunteering programmes also requires programmes to support an identified need.

Examples where specific tailoring has taken place at KPMG include:

• In the UK more than 20 people volunteered to undertake environmental reviews for hospices, helping to reduce Co2 emissions and reduce costs.

This was an innovative way to combine professional skills as well as develop employee skills, reduce their carbon footprint and save money. Already more than 30 hospices surveyed have identified more than £120,000 and 500 tonnes of Co2 of energy savings.

- The UK Tax team set up a dedicated VAT support service helpline for hospices.
- In Germany since 2006 'social marketplaces' have helped businesses and nonprofit organisations build invaluable links with each other by trading services, skills and knowledge. There have been around 50 markets in Germany since inception and KPMG has been involved in around half of these, with about 3,500 cooperation agreements signed between businesses and organisations.

This type of specialist and collaborative volunteering proves even more challenging when there are en-masse numbers of volunteers available to help. One way to improve this process is by embedding CSR in Human Resources.

#### EMBEDDING VOLUNTEERING IN HUMAN RESOURCES

If an employee is perusing a list of learning and development (L&D) opportunities because they have identified specific areas that they wish to improve to better serve their clients, and there are options to develop these skills while helping the community – this would surely be the most appealing opportunity? Of course L&D opportunities will not always be able to be linked to CSR, but all things being equal – if there are development opportunities that benefit the local community, it is expected that the individual would chose this option, particularly if an organisation encourages its employees to do so. When CSR is fully embedded in skills development offerings, an organisation will be able to map L&D time allocation that also captures community investment. The time provided for L&D and for CSR will be not in competition, but it will be inextricably linked.

In addition, if L&D and volunteering are inter-linked, the contributions of volunteering activities can also be recorded in the formal performance management systems. This is because it is the framework businesses use to recognise and measure the development and the skills of their people. If by helping the community they are also improving their skills, then CSR will be recorded in performance management.

Furthermore, the more tailored skills-based volunteering programmes that are designed, the greater the chances of people in organisations being encouraged to participate in volunteering.

## MAXIMISING VOLUNTEERING BY TAILORING THE PROGRAMME OPPORTUNITY

When a volunteering programme is designed it can be helpful to bring in Business Development experts to challenge the benefit of each programme. By the nature of their role, they are always seeking to maximise the opportunity and the benefits. It is key that they put themselves in their clients' shoes to fully understand how best the firm can help. This same principle can be applied when a CSR team and NGO design a volunteering programme. They can challenge and ask questions such as: are there any other experts that would be able to provide complementary services in this programme?; is there a way to share skills transfer between the organisation and the NGO?; does this add the most value to the NGO, can we do more?; does this provide maximium mutal benefit?. An external perspective will help to maximise the volunteer offer.

Lastly, one of the most important aspects for any CSR programme is communication. All volunteering programme should have a communication plan. In addition, every CSR function should have an overarching communication plan setting out what they want to achieve. This is essential so that volunteering opportunities can be easily accessed by employees in an organisation. Communicating the impact that a volunteering programme has helps encourage others to participate. It is necessary that the impact plan must be developed in conjunction with the communication plan. This also helps celebrate successes and find new ways to innovate and improve.

#### WHAT'S NEXT...

CSR in business is changing; it's growing, developing and becoming more sophisticated. At KPMG we know we still have more we can do and areas to develop, but we are working hard to develop and to continue to leverage the benefits of our employees' skills and experience for the benefit of our local communities. There may be more questions than answers at the moment, but this is a journey and to choose the right path, we need to ask the right questions and keep challenging ourselves to do better. We are committed to our communities, it is part of KPMG Europe LLPs core values, and we are committed to maximising the positive social impacts we can make. Partly this requires organisations providing more volunteering opportunities for people that leverage their individual skills and competencies. The other part is encouraging a conscious commitment by individuals to maximise their volunteering impacts wherever possible by using their specialist skills and expertise.

#### Golden rules for skills-based volunteering

- 1. The economic climate is an ideal opportunity. Seize it.
- 2. Use an internal CSR framework to maximise impact.
- **3.** The benefits of specialist skill-based volunteering are greater than generic opportunities.
- 4. Organisations and NGO's need to work together.
- 5. HR + CSR = much more than PR
- 6. To manage volunteering impacts, you must first measure them
- 7. Communication plans are critical

\*KPMG in all instances in this article refers to the member firms in KPMG Europe LLP

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#### SKILLS-BASED EMPLOYEE VOLUNTEERING

## By Helen Simpson, Director, Volunteering, BT Group

At BT, our volunteering programme aims to motivate our people and unlock their talent through quality charitable partnerships and volunteering opportunities. The skills shared, developed and transferred through volunteering help communities to grow. They also make BT a better, stronger and more relevant business. The increased engagement from volunteering is leading to greater pride in BT, enhancing productivity and bringing us closer to our customers. The purpose of this paper is to share a little of why BT has felt this was an important activity to develop right at the heart of our business, and why we have chosen to take a skills-based approach to volunteering.

With a long history of employee volunteering, BT had particularly worked with schools to help children develop their communication skills. However, during the autumn of 2008 in a period of considerable change for the operational business, a review concluded that there was a significant opportunity to develop a much larger volunteering programme, to support a wider range of charities and to help unlock the talent of BT's people through volunteering. In December 2009 the Committee for Responsible and Sustainable Business (a BT Board Committee, chaired by BT's Chairman, Sir Mike Rake) enthusiastically agreed to set up the new Volunteering Programme. Since the programme launched in April 2009 BT people have contributed more than 20,000 days of work time to their local communities and a wide range of charities.

Each employee is given a minimum of three days during work time to volunteer for a charity or organisation they are passionate about. Within the Programme we offer a range of different volunteering activities, and plan to develop more. An increasing percentage are skills-based, enhancing the contribution we can make to our partner charities as well as helping BT people to practice existing skills in a different context, learn new skills and grow in confidence and motivation. Over the past year we have developed a range of different ways in which our people can choose to volunteer.

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Like many organisations we encourage teams to take on a challenge together, perhaps doing something practical together. During November 2009, with 1000 days to go to the start of London 2012, more than 1000 BT people went and made a difference working to clear canal tow paths, prepare allotment sites and improve community facilities in the host communities. These events can often start a volunteering journey for people who have never volunteered before.

Research revealed that about a third of BT people did already volunteer with a range of community and charitable causes ranging from school governors to sports coaches, children's groups, health causes and national charities. BT wants to stand next to our people and help them to support the causes they care about. People can now nominate these charities into the programme, and after some due diligence, use their volunteering days to support these causes and define volunteering opportunities which colleagues can sign up to help with too. We plan to develop these communities of interest further.

We are keen that the Volunteering Programme will grow at the heart of our business, so we are also developing several large company sponsored programmes, for example, one of which aims to support the transition of young people from education into work, using BT employees career stories to open up the world of work to young people whilst developing coaching and mentoring skills which also benefit the business.

Our discussions with both government and charity partners during 2009 revealed significant concerns about skills gaps for some charities. As our business flexed and changed in response to the economic situation and to changing customer needs, we responded to these circumstances by developing a secondment programme for some BT people to be seconded into BT partner charities. This has enabled skills transfer, the acceleration of business plans, and the development of new approaches for the charities. The BT secondees receive real insight into using their existing skills in a new context, and learn different approaches to problem solving, often returning re-energised with a new confidence and pride in BT.

In addition, we are now developing volunteering projects aimed at supporting particular groups of people. A recent launch of this year's talent pool for one part of our business saw 170 rising stars spend a day either learning to coach children in football or providing consultancy to six of our partner charities. The feedback from both the individuals and the charities has exceeded our expectations, and both are now keen to explore further more recurring volunteering. And BT's future directors will be people who have insight into the difficult world of the charities beneficiaries and have learnt that it is very energising to make a difference.

Many charities are struggling to find trustees and senior leaders with the right skills to ensure their governance is appropriate for the challenging times they face. Many also have diversity issues with the majority of trustees being over 60, male, white and from certain economic groups. By working with charities and with some of the search firms we are now running an invitation only programme which is matching charities needs for new trustees with some of the most senior people in our business with great results both ways.

Our people networks are also keen to get involved, with the Women's Network, the Ethnic Minority Network and the Christian Network all exploring developing volunteering projects with their specific focus.

At the corporate level, our work this year with partners has confirmed our own sense that companies need to move to look beyond the purely economic context for business to the triple context, understanding that the natural environment and the social and political context for business are as important as the economic. Businesses that will excel and flourish in this new and broader context are those whose people understand that wider operating environment and have the skills and motivation to engage effectively in it. By embracing a wider and more diverse view of the operating context and encouraging people at all levels of the business to be active in that wider world we believe that we are becoming a better and stronger business.

At the individual level, feedback from volunteers tells us that they get passionate about volunteering, that they are proud to make a difference with BT's support and

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often learn new skills or practice existing skills in new ways through volunteering. Our internal research gave volunteers a free choice to define if and which skills they developed whilst volunteering – and all of their answers were skills of direct relevance to our core business. Research suggests that only 20% of formal learning is retained, whilst insights learnt in action whilst volunteering may be far higher. We have also begun to understand how to use volunteering to help people change career direction, prepare for next moves, or to be re-energised to stick at existing stressful roles.

We have chosen to lead volunteering from the Human Resources team, as a part of our people agenda, and this is working well. As the Volunteering Programme reaches its first birthday, we are proud to see our people making a real contribution to great causes they care about, whilst also gaining continuous professional development and greater employee engagement. For our charity partners the transition from expecting corporate cash donations to the effort involved in defining what skills gaps we could help with has been one we have both had to invest in. For the charities willing to come on that journey with us, it is proving mutually beneficial.

A wider development is also occurring as the third sector moves to a greater willingness to partner effectively with corporates. For the first time in a decade I see a window of opportunity for the third, private and public sectors to work together in a new way, which could benefit us all. As the volunteering movement looks to the next stage of its development groups such a Volunteering England are seeking to increase cross sector co-operation. At the recent Volunteering England 'Volunteering Hustings', Third Sector Minister, Angela Smith, and shadow ministers Nick Hurd and Jenny Willott, saw volunteering as important post election and saw the increasing involvement of the private sector in a skills-based approach as critical to that development. As the movement works together to achieve that we hope to see growth in four fundamental principles, Choice – volunteering must be a choice freely made, diversity – open to all, of mutual benefit to both organisations and the contribution of the volunteers must be recognised.

So, in volunteering we have found a genuine win-win. In taking a skill based approach we have increased the contribution BT people are able to make with our

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charity partners, helping them to accelerate their priorities by using the skills of our people. Our people tell us that they feel very positive about the role volunteering plays in their skills development, and what company would not want to make a contribution to charities whilst improving employee engagement.

## WHAT CAN BE DONE TO PROMOTE EMPLOYEE VOLUNTEERING AS A FORM OF SKILLS TRAINING?

## By Edie Fassnidge, NSS Senior Operations Manager, Volunteering England

At a time of increased pressure on training and development budgets, employers have a greater need than ever for a highly skilled workforce. Employer Supported Volunteering (ESV) can play an important role in meeting this need.

The 2007/08 Citizenship Survey found that one quarter (25 per cent) of employees worked for an employer that had some sort of volunteering scheme. Over two-fifths of those had taken part in volunteering through their employer's scheme at least once in the last twelve months, with 15 per cent having done so at least once a month. The size of the employer does make a difference: an earlier survey (the 2007 'Helping Out' survey), found that larger companies (over 250 staff) are more likely to have an ESV scheme available than medium-sized enterprises (more than 50 but less than 250 staff) or a small companies (50 staff or less).

Before looking at what can be done to promote Employer Supported Volunteering, there are a few important points to consider regarding its role in relation to skills training. Firstly, it is important to draw some distinction between training and volunteering. Training is often a compulsory activity, but by definition volunteering is an activity that should be entered into voluntarily. Training is usually a structured activity which can be planned, measured and monitored to ensure that it meets key objectives. There is an argument that volunteering can also do this, and indeed some activities where specific training is required lend themselves well to this, for example mentoring. However, volunteering as an experience should be celebrated and there is a danger of this being diluted if tied too close to training, ticking boxes and meeting certain criteria. Furthermore, if volunteering is tied too closely to training, it is likely that the responsibility for ensuring training aims and objectives are met would lie at least in part with the voluntary or community organisation overseeing the volunteering activity, which is problematic in terms of roles and responsibilities. Finally, if the maximum benefit is to be gained by the volunteer involving organisation, the employer supported volunteers engaged in supporting them must be equipped with the skills to deliver and add value, rather than using volunteering opportunities simply for training purposes.

This paper will thus consider the broad concept of skills *development* and will look to encompass the variety of competencies developed through Employer Supported Volunteering. There is still much to be done to promote ESV and four possible avenues are outlined below.

Firstly, **clarifying the business case** for ESV in terms of employee skills development is key. Whether managed in-house or outsourced to a specialist ESV broker, the time taken to plan and manage effective ESV schemes and activity including sourcing suitable volunteering opportunities, liaising with volunteer-involving organisations to coordinate the activity and briefing volunteers is substantial and needs funding somehow. ESV should not be seen as a no-cost alternative to formal skills training, although it might prove to be a cost effective option.

In showing it to be cost effective, it is important to identify the diversity and variety of skills-based ESV activities and look at how these relate to skills development. Participation in Employer Supported Volunteering offers opportunities for the development of a wealth of both soft and hard skills. Established team challenge activities such as environmental and DIY projects offer potential for the development and improvement of teamwork, communication and problem solving skills, while in a shift towards skills-based volunteering employers are increasingly tying ESV in more closely with personal and professional development. For example, as part of their ESV strategy the Home Office includes volunteering in the Personal Development Plan of the staff appraisal system. Home Office employees are encouraged to think about the kind of role they'd like to do and

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what benefits they might be able to bring back into the workplace. Furthermore, in the 2009 report 'Employer-supported volunteering in the civil service', Baroness Neuberger recommended that within the civil service, volunteering should be encouraged as part of employees personal development plans, and approached in the same way as training courses in terms of skills development potential. It is suggested that where volunteering is formally linked to personal and professional development, all employees are given equal access and provision to take up volunteering opportunities including paid time off.

In line with the shift towards skills-based volunteering, Volunteering England is leading a new network of skills-based ESV brokerage services – The Time & Talents Network – where local brokers match the skills and expertise of employees with the needs of the community. Time & Talents for Westminster, an ESV brokerage service based at Volunteer Centre Westminster, is providing mentoring support to three new schemes in Darlington, Exeter and Oxfordshire.

Skills-based activities such as volunteering as a trusteee or school governer, planning and delivering a skills-sharing workshop and mentoring offer clear and identifiable opportunities to learn and develop in a different arena. In the Department for Transport, Employer Supported Volunteering sits within the Learning and Development team. In a project organised by Time & Talents for Westminster, staff recently volunteered as employability mentors. Employees reported that the experience improved leadership skills, programme and project management, people management, strategic thinking and communications and marketing skills. Pro-bono activities in which volunteers engage their day to day professional skills such as project and business management, law and accountancy offer yet more defined opportunities of linking Employer Supported Volunteering with skills development in new or unfamiliar environments.

Secondly, it is important to **highlight the variety of parties who benefit** from skills development and transfer through ESV activities. From the perspective of an employer, employees develop through participating in the activity and then share the skills with colleagues when they return to the workplace. In volunteer-involving

organisations, employees, other volunteers and/or service users learn as employee volunteers share their knowledge and skills. ESV also plays an important role in demystifying and bringing different sectors together. Staff from Barclays recenty took part in a storytelling workshop at a Primary School in London. Volunteers reported that the experience improved leadership in an unfamiliar context, people skills and broadened awareness. The Deputy Headteacher commented that the experience benefited the pupils involved by raising creativity and confidence and improving listening and speaking abilities.

Thirdly, a method of promoting ESV is to **formalise and embed it in the workplace** and working culture, ensuring it is equally accessible to all, through the development and adoption of ESV policies and strategies. Policies may include paid or matched time off to volunteer, promotion of volunteering opportunities and support and buy-in from senior level staff. Employers take various approaches to volunteering leave; some leave it to the manager's discretion, while others have formal volunteering leave policies. Barclays, for example, allow two days leave, while the Home Office allows up to five days. Recognising and formalising ESV in the workplace serves to reinforce the notion that by releasing staff to volunteer employers are gaining an up-skilled workforce, as well as contributing to the community they operate in, rather than losing out.

Finally, further research and evidencing of the potential for learning and development through ESV activity is a worthwhile avenue to explore. Promoting case studies and real life examples can be a poweful vehicle for highlighting the benefits of ESV. Evaluation of ESV activities and employee's experiences to demonstrate their impact is also important, and quantitative and qualitative feedback can act as strong evidence. In the USA, Deloitte carried out work relating specifically to young workers aged 18 to 26. Of those surveyed 76 per cent said that volunteering helps to hone their leadership skills, and 75 per cent said volunteering lets them develop skills they can use at work (Deloitte, 2007). There are difficulties, however in gaining high response rates when feedback is sought from employee volunteers, and some do not want to publicise their volunteering experiences because they see them as personal.

It is also worthwhile noting that there is much more to gain from engaging in ESV than skills development. Businesses are recognising that supporting their staff to volunteer is a cost-effective way to meet their corporate social responsibility objectives. Other benefits include improved staff motivation and morale, enhanced profile and reputation, positive impact on recruitment and retention and relationship building with the local community.

To conclude, Employer Supported Volunteering can be promoted as an excellent way of developing employee skills as part of a wider training agenda. ESV offers opportunities for both professional and personal development while also giving back to the community. In order to meet its potential, however, it needs to be well thought-through, well supported and organised.

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## WHAT CAN BE DONE TO PROMOTE VOLUNTEERING AS A FORM OF SKILLS DEVELOPMENT?

## By Hannah Jameson, Research Manager, IPA

Volunteering would seem to be a win-win for employers and employees. Employers get opportunities for their staff to expand their skills and demonstrate their corporate social values while employees gain satisfying and meaningful experiences that widen their horizons. So why are only one out of every four workplaces running employee volunteering schemes, and 71 per cent of employees with access to a scheme still not volunteering?

It suggests either considerable apathy or substantial barriers to regular volunteering among the working population. The apathy option is hard to stand up; according to a Cabinet Office survey half of all employees in workplaces without volunteering schemes would like to see one in place.<sup>9</sup> The barriers to regular volunteering need further investigation.

The IPA exists to increase the participation of employees in their place of work. Day in, day out, we deal with one of the largest volunteer groups in Britain: workplace representatives. For that reason, this essay will focus on employer supported, or workplace, volunteering. But we are also interested in the quality of peoples' working lives and the contribution of the workplace as an institution to wider society. How we work, what we do and what we learn at work matters for individuals, the economy and our community. Volunteering is an important part of that picture.

#### WHY PROMOTE VOLUNTEERING?

There is a tendency, particularly during a recession, to focus on economic value. Volunteering, for example, can provide employers with low cost skills training for their workforce. Ironically, following a considerable public questioning of the place

<sup>9</sup> L. Low, S. Butt, A Ellis Paine, J Davis Smith, Helping out: A national survey of volunteering and charitable giving, (London: NatCen/ IVR, 2007)

and value of markets in relation to society, now may be the time to make the case for volunteering in terms of its individual and social benefits. The corporate culture that emerges in the next few years is likely to be quite different to that which we saw before 2007 and the public will expect greater demonstration of the value of UK business.

That said, employers do stand to gain from providing opportunities for their workforce to volunteer. Managers in businesses large and small are desperately looking for ways to engage their employees at work and keep them contributing to the success of the enterprise. The recession has taken its toll; a recent CIPD survey showed that job satisfaction is at an all time low.<sup>10</sup> Disengagement often leads to a downwards performance spiral, where continued low performance discourages employees from giving their all, further damaging the organisation's chances of recovery.

The recent MacLeod Review gathered convincing evidence on engagement and found four enabling factors: providing a clear strategic narrative; engaging managers; employee voice; and integrity. When these factors are present, employees are more prepared to give the best of themselves to their work and organisation, potentially translating into performance and productivity gains. It is therefore unsurprising that many firms are already making links between employer supported volunteering and engagement. O2, the telecommunications company, for example, uses a series of commitments to its employees designed to create the best possible employee experience. One of these promises is to make employees feel they are part of something special. They achieve this by encouraging people to volunteer, and awarding employees time off to contribute to their chosen charities.

In the post recession business environment, employees are likely to be far more sceptical of their employers' corporate social responsibility policies, particularly in financial services. This hits the fourth engagement enabler: integrity. Employees

<sup>10</sup> Employee Outlook: Emerging from the recession?, (London: CIPD, 2010)

who see a disconnect between, for example, their company's stated commitment to sustainability, and their risk management practices, are likely to view communications with some cynicism and eventually become less responsive and engaged. Volunteering can be a way for companies to show that the values they espouse are more than just vague ideals, and in fact inform day to day practice. The company is prepared to put its money, or at least its valuable resources, where its mouth is.

If the employers stand to gain in terms of their workforces' commitment and engagement, then employees too can benefit from volunteering. Each day, we come across people who have been transformed by volunteering opportunities in the workplace: older workers who are able to use their experience and confidence to represent colleagues and advise them on their careers and development; younger workers who are able to gain new skills, knowledge and respect through their role as learning, equality or environment representatives. Yes, occasionally people will take on volunteering opportunities to widen their skills in order to progress in their career; a nurse wanting to move into a management position becoming a foundation trust governor to get a feel for strategic decision making, for example. But in most of these cases, it is the sense of satisfaction people get from being able to fulfil their capabilities that keeps them volunteering.

There is one final reason volunteering is worth promoting, and that is because of the benefit it brings to communities and civil society. We can think of it in terms of the social capital created through volunteering, or simply the man hours generated which allow voluntary and community groups to survive. But the skills acquired through volunteering in and through work can be just as important. The most striking example is the trade union movement, which has long supplied society with people equipped for political representation, community leadership, organisation, and advocacy. The meeting procedures, public speaking, organisation and minute taking learnt in the trade union have been taken into all manner of civil society institutions, from friendly societies to parish councils, to parliament. Indeed, until recently the trade unions and the training they provided was one of the few means for working people to enter parliament and public life. It is a reminder that the workplace has long been a site of learning, to the benefit of society as much as the individual.

#### SO WHAT ARE THE BARRIERS?

In the short-term, the circumstances for volunteering appear to be good. Businesses are being forced to find creative ways to retain and engage employees in the absence of annual increases or bonuses. Younger employees entering the workforce are concerned about corporate social responsibility and like the idea of employer supported volunteering.

Yet over the longer term, we have seen a number of changes in the way we work which have made regular volunteering more difficult. Labour market participation for women has increased dramatically over the last fifteen years, creating competing priorities for women's time. Although there has not been any great change in the numbers of people on temporary and permanent contracts in the UK, the feeling of constant change in the workplace as companies react and adapt to changing markets can make it difficult for employees to feel able to make a lasting and regular commitment to volunteering. This could help explain why those of working age are more likely to volunteer occasionally rather than regularly. Research shows that the factor most likely to encourage people to take part in an employee supported volunteering scheme is paid time off, suggesting that time constraints are significant.<sup>11</sup>

If time is a barrier for employees, then management capabilities can be a real obstacle for employers. From the rhetoric of big companies and skills agencies, it could be assumed that employers were crying out for a higher skilled workforce. Improving skills, so the argument goes, can improve productivity and innovation, which translates into greater profitability. But for a lot of employers improving the skills of the workforce can create demands they are not equipped to deal with. Workers undertaking skills development will need their job redesigned to utilise

<sup>11</sup> Paid time off would encourage 52 per cent of people 'a lot' to take part in employer supported volunteering. Institute for Volunteering Research, Caring companies: Engagement in employer-supported volunteering, (London: IVR, 2007)

those skills, they may expect a better reward package and progression within the organisation. All this requires considerable management time and skills that some organisations struggle to find. If newly acquired skills are not used, employees can become bored and disengaged with consequences for their performance and health;<sup>12</sup> employers on the other hand will not see the return on investment.

Time away from core functions to undertake volunteering will still seem counter-intuitive to many managers. Making the argument for investing in the engagement and development of the workforce can be difficult, particularly during a recession. For employees uncertain of their job security or performance measures, volunteering during work time might seem like a risk too far. A lack of awareness of the role volunteering can play in creating a satisfied and committed workforce could be a barrier to further expansion of employer schemes.

#### WHAT CAN BE DONE?

Volunteering brings sufficient benefits to the individual, employer and society to justify action to encourage greater participation. There are three ways that this could be done.

Firstly, better support for managers to manage effectively and flexibly. Skills strategy over the last decade has focused on improving basic level skills, and understandably so. But evidence suggests that there is a considerable gap in training for managers; UK organisations spend less per year on management training than most of our competitors including US, Germany, Denmark, Norway, France and Spain.<sup>13</sup> Our skills policy in recent years has understandably been focused on improving basic skills, but people management is an incredibly demanding role, essential for turning our investment in basic skills in improved productivity. More skilled managers would be able to organise work and design jobs to fully utilise their workforces' skills and capabilities. Skills would better translate into productivity, hopefully strengthening the skills demand.

<sup>12</sup> M. Marmot & R. Wilkinson, The social determinants of health: The solid facts, (Copenhagen: WHO, 2003), p. 18

<sup>13</sup> UKCES, Ambition 2020: World Class Skills and Jobs for the UK (London: UKCES, 2009), p. 136

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We have to acknowledge that time is another barrier for employees, and not just the number of hours they have available, but the control they have to organise their time. Extending the option for flexible working to all employees could improve the quality of working life for many and make it easier to volunteer regularly. At the moment, flexible working is primarily seen as a means of enabling those with caring responsibilities to continue in paid employment. But as the Equality and Human Rights Commission has recently argued, allowing all to work flexibly has benefits for business as well as helping people to have more sustainable working lives. However, managing flexible working demands a different range of skills from managers, and again, further training and support is needed.

Secondly, the benefit of volunteering to an employee's skills could be better appreciated by employers and employees if the new skills acquired were recorded in a way that employers could understand and use. This could benefit both the voluntary organisation and their volunteers, by properly accounting and valuing the skills required for their work. A simple skills toolkit, developed perhaps by the Institute for Volunteering Research with employers' bodies, would enable volunteers and voluntary organisations to identify and grade the skills developed and used by volunteers, and pass on that information to their employers. Employers could then see the range of skills present in their workforce that may not be being used by the business. Capacity in voluntary organisations to manage volunteers is limited and already under pressure as a result of the recession, so the emphasis must be on something which is quick and easy to use.<sup>14</sup>

Thirdly, government, central and local, can play a role in changing attitudes towards employer supported volunteering. As an employer, government is able to offer cultural leadership in employment practices. Already, some central government departments are leaders in their field, offering employees paid time off to volunteer. But good practice could be more widespread, and extended through local government and non-departmental public bodies. Central government is

<sup>14</sup> Volunteer England, Volunteering in the recession: Outline report for the Recession Summit, (London: VE, 2010)

already committed to improving the engagement of its workforce, and could align its volunteering programmes with its engagement strategy.

#### CONCLUSION

Workplace based volunteering is nothing new, and the value of volunteering to the individual, company and society is well established. But changing patterns of work are making it difficult for many people of working age to volunteer regularly. By extending flexible ways of working, improving skills to manage a more flexible workforce, demonstrating the skills used for volunteering to employers, and using government's role to raise the profile of employer supported volunteering, more people will be able to participate.

# A BRIDGE TO PROSPERITY?

# By Bob Windmill, UK Research Manager, Alliance of Sector Skills Councils

The Alliance of Sector Skills Councils is the umbrella body for the 25 Sector Skills Councils which between them represent around 90% of the UK workforce, and are the employers' voice on skills issues. This is at a time when skills issues are high on the political agenda due to the recession.

#### SSC EVIDENCE

There is evidence that this recession is different to previous ones in that employers are working very hard to keep their skilled staff with short time working and negotiated pay freezes and reductions being preferred to making staff redundant.

In their recent Sector Skills Assessment reports, SSCs individually and collectively identified this trend in all four home nations. The general finding was that employers saw the increased use of technology as the key way of bringing about the improvements in business they need to survive the recession and thrive in the upturn.

This was reinforced by the fact that in spite of the raft of recent redundancies and consequent high levels of unemployment employers were citing an increased level of Skills Shortage Vacancies. This finding was also echoed in the recent Alliance Skills Monitor which gathers opinions from a range of SSC employers through a web survey. Both evidence sources cited the growing need for technical staff at Level 3 and, increasingly, at Level 4. These levels equate to HND/Foundation Degree and full degrees respectively.

Skills Shortage Vacancies arise when an employer cannot get the staff with the skills they need to operate this business in the manner they want to. Typically an employer in this situation has to either forego taking on business or to overwork existing staff.

### SOCIAL INCLUSION

The inference is that employers are releasing their least proficient staff and are being demanding in terms of the new staff that they take on. The consequence is that those who arguably need jobs the most, the inexperienced and the low skilled, are those least likely to get them. This situation is undoubtedly damaging for both the individual and society as a whole.

The key issue is that any individual caught in such a situation will be disadvantaged when the upturn arrives by virtue of having relatively dated qualifications and work experience when they are competing for emerging jobs. This potential result is tranches of individuals whose career prospects will be permanently damaged.

In addition to being morally wrong such an event represents a waste of talent that could be used to drive the UK economy out of recession providing it can be up-skilled to meet the needs of employers. With the current pressure on university places and the cost of obtaining a degree through the conventional GCSE/A Level/ University route it is clearly arguable that a market failure has occurred and that new up-skilling routes are needed.

# WAYS FORWARD

Apprenticeships offer such a route. Historically Apprenticeships have been seen as inferior to academic qualifications with parents particularly steering their children to university. Employers noted this in the latest Skills Monitor bemoaning the fact that "the bright young A–B people that we need [as Apprentices] are being steered to university leaving us with the C/Ds".

However SSCs are increasingly seeing employers positioning Apprenticeships as an entry route to a significant working career. Both Rolls Royce and BAE regard their Apprentices as their 'senior managers of the future' citing their technical expertise, attitude to work and team working as being superior to that of young graduates. They back this up by offering their Apprentices structured career progression through foundation degrees up to full degree and masters levels.

#### A MARKET FAILURE?

The challenge for the policy makers is to ensure that those who can potentially benefit from an Apprenticeship have the means of obtaining the necessary underpinning GCSEs. It would appear that five GCSEs (including English and Maths) is not an insurmountable barrier but the evidence from employers contradicts this.

From the employer perspective, with their focus on the use of technology to improve business performance this equates to a market failure and they are looking to the policy makers to address the situation.

#### VOLUNTEERING

The UK has an active workforce of some 30 million made up of full time and part time workers. These workers provide us with many of the goods and services that we all need or want in our daily lives. However alongside this workforce is another, nearly invisible, one. This workforce is the nine million volunteers that either undertake a range of roles and tasks for no financial reward or who are paid to lead and manage such volunteers. This workforce is often described as the Third Sector.

The 'third sector' encompasses voluntary and community organisations, charities, social enterprises, cooperatives and mutuals both large and small and makes a vital contribution to the economy in many ways.

# THIRD SECTOR SKILLS

Like the mainstream workforce a key issue is to ensure that the Third Sector workforce has the skills it needs to operate effectively. This applies to both the volunteers themselves and those managing the volunteers.

The Alliance has a Third Sector Forum in which Alliance and SSC representatives aim to work with Third Sector organisations to ensure that they have ready access to the skills support they need to survive and thrive.

This forum has a UK wide remit and works to address priority areas of LMI, qualification strategies relevant to third sector employers and better

communication and engagement of third sector employers. Members include SSCs and councils for voluntary action across the UK; Northern Ireland (NICVA) England (NVCO) Scotland (SCVO) and Wales (WCVA) and other stakeholders.

In England the Alliance Third Sector Forum works with Skills – Third Sector. This body was created in September 2009 and its aim is to make it easier for people in charities and social enterprises to have the right skills to make a difference to people and their communities.

Alongside this the TUC and Volunteering England have signed a Volunteers' Charter to strengthen ties between paid staff and volunteers. The Charter sets out a series of principles for employers to follow to encourage a good working relationship between volunteers, employers and paid staff.

#### **BENEFITS OF VOLUNTEERING**

The benefits of volunteering to the volunteer are increasingly well recognised – the opportunity to gain experience and develop skills that otherwise wouldn't be available – the benefits to employers are not always as clear.

The evidence from SSCs is that employee-volunteering schemes are good mechanism for employee skills development. However it is important that employers are clear about the business benefits of their staff volunteering. Research shows that volunteering schemes can increase employee satisfaction, reduces sickness levels and improve skills such as team work, communication, and coaching and mentoring. However potential barriers include access to time off from work due to impact on business. Arguably this is more difficult for SMEs but is a key issue for all employers in time of recession.

# POLICY SUPPORT FOR VOLUNTEERING

A key issue for policy makers is to find a way of recognising the value of volunteers to the economy and to implement concrete measures to support a culture of volunteering support in the business community. Whether by means of tax incentives, NI relief or direct support such measures remove one of the key barriers to increasing the volunteer workforce.

# SOLVING TWO PROBLEMS

In this piece two issues have been discussed: the need to up-skill the increasing number of low skilled and inexperienced unemployed and the challenge of developing the volunteer workforce. It does not seem beyond the bounds of reason that the two could be beneficially melded. A policy driven move from 'dole to doing' would benefit all parties and have great potential break the cycle of worklessness begetting worklessness.

# EMPLOYEE VOLUNTEERING AND THE UK SKILLS STRATEGY

# By John Hayes MP, Shadow Minister for Lifelong Learning, Further and Higher Education

This text is drawn from a speech given by John Hayes MP to the Social Market Foundation on January 19th 2010, at an event entitled "Employee Volunteering and the UK Skills Strategy".

Far too many people are denied the opportunity they should have to train, and to gain the skills they need to succeed. In Britain, we know there are fewer workers with intermediate and higher level skills than in our key competitors like France and Germany. Indeed by almost any measure, we are struggling, be it in respect of core skills or soft skills, intermediate or higher level skills.

Simultaneously we have a growing number of people who are not in education, employment and training, and interestingly, that number has grown throughout a period of economic prosperity. The number of NEETs has risen steadily over a decade, and that figure is now around 1 million.

A million is enough, but when you further consider that those young people are concentrated geographically, and in certain sections of the community, then the problem is still more profound.

Governments have a responsibility to make a difference, and can make a difference in changing people's lives for the better. Government can and should play a part in building a stronger and more broadly based economy closing the skills gap, providing opportunities to those people that are disengaged, and refashioning and recalibrating the economy to make it more fit for the future.

To do so we must be clear about our commitment to practical learning. For it is in vocational skills that Britain principally lags behind.

We need to build a pathway for practical learning that is equivalent to the academic pathway, and that is as transparent and accessible. Compared to the GCSEs and A' Levels, degrees and further degrees route, which most people understand the progression of, the same level of transparency and accessibility does not exist for practical skills.

Just 28% of school leavers enrol in apprenticeships, compared to two-thirds in Germany. And one of the reasons for that, as the House of Lords Select Committee on Economic Affairs pointed out in 2007, is that many people are not equipped with the core skills they need to get an apprenticeship.

The reason that I am so committed to apprenticeships and the pre-apprenticeship route for skilling Britain, and the reason I believe this ties in closely with how we intend to deal with the growing number of NEETs, is because with apprenticeships, we can be clear about the competencies provided, we know how long they take, we know how much they cost, and we know that both employers, and potential learners, respect them and understand them.

And that is why we need to look at a whole range of opportunities for preapprenticeship training. It may well be, for example, that much of that training should be in the form of bite-sized, highly accessible non-accredited learning. Because to re-engage people in training and learning, who have been failed by the system the first time around, we know from academic studies and the evidence of those organisations that specialise in working with NEETs, is not easy. So building confidence and a thirst to learn is often the first step in reengagement. And that is where all kinds of community groups, voluntary organisations, charitable organisations have a role. We want to invest very heavily in those kind of highly accessible opportunities for people provided on a voluntary basis. And we want to engage voluntary sector organisations, that have good experience in that kind of social, economic engagement, to play a powerful part in pre-apprenticeship training.

Part of the business of engaging people in workplace-orientated, real job-related training, mentored closely by people already in the world of work, is to provide

a pathway. One of the problems with informal engagement, is that it may work initially in exciting people about the potential of gaining additional competencies, but we must consider how we make progression work. Partly it is about the fit between types of training, and types of qualifications.

The other challenge in respect of this type of voluntary sector engagement with the skills agenda, is to de-bureacratise the system. We need to remove some of the barriers to engagement. One of the reasons SMEs complain they are reluctant to engage in apprenticeships, is not because they would not deliver some value in terms of skills that they would embed in the workforce, but because there are too many barriers to engagement.

If you are serious about dealing with the NEETs problem, you have to be serious about voluntary organisations, and that means volunteers, because the NEETs problem will be solved by a mix of organisations. Volunteering and voluntary organisations will play an important part in the implementation of policy to seriously address the problem of young people that are socially and economically disengaged.

In a difficult economic climate, there has never been a better time to explore the potential of employee volunteering schemes to furnish the UK workforce with both soft and hardskills. Although employee volunteering schemes have become increasingly widespread in recent years, employers often fail to differentiate between different kinds of volunteering schemes, conflating those that offer one day team-building exercises with those that involve accredited training and longer term career development. The result is that both employees and employees often fail to see the full potential benefits that workplace volunteering can bring.

In this edited collection, a group of expert authors from across the private and charitable sectors offer their thoughts on the role of government in this agenda, and the actions needed from individual employers.





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