

RECOGNITION: CORPORATE SOCIAL RESPONSIBILITY

# Recognizing good deeds provides its own rewards

*Rewarding employees for community involvement increases their engagement at work and makes the company look good*

BY ANDY MERCY  
AND ANDREW DAILEY

Embracing corporate social responsibility is not only good for a company's image, it's also good for its bottom line. That's because adopting corporate social responsibility can raise the

organization's profile in the community and boost employee loyalty and engagement.

The 2004 Cone Corporate Citizenship study of 1,033 employees in the United States showed that 87 per cent felt a strong sense of loyalty to their companies when they actively support social causes. There's no reason

to think the numbers would look any different in Canada.

However, there's more to the strategy than simply instituting a program and hoping employees get behind it. By identifying the issues and causes employees are already involved in, an organization can mould its strategy to encourage workers to invest themselves in the program and the company. A recognition program that rewards employees for their involvement in the community transforms that involvement into the foundation of a socially responsible strategy.

Driving corporate social responsibility through a well-conceived recognition program creates a virtuous loop that starts and ends with employee engagement. A company can use current employee community involvement to refine its corporate social responsibility strategy and align it more closely with employee concerns, key brand attributes and corporate values. When Benton Harbor, Mich.-based Whirlpool decided to donate appliances to Habitat for Humanity homes, it was partly in response to a widespread concern among employees about issues relating to homelessness and building stronger communities.

Once the corporate social responsibility strategy has been identified, the next step is to recognize employees for their activities. Employees generally

respond well to recognition, and a recognition program tied to corporate social responsibility goals can spur staff to participate more and help propel the strategy to new heights. And so the loop goes.

## Linking incentives to social responsibility

An important element to successfully linking a recognition program to corporate social responsibility is ensuring the rewards and incentives actually reinforce social responsibility. Some companies have launched "dollars-for-doers" recognition programs that allow employees to make grants on behalf of the company to non-profit organizations in lieu of an award for themselves.

Aligning the incentives and the overall strategy adds credibility. Some employees might feel uneasy about personally profiting from their charitable works, therefore traditional perks may not be appropriate.

San Francisco-based clothing retailer Gap Inc., which has worked hard to shed its sweatshop image and embrace social responsibility, created a "Founders' Award," which is given to an employee in honour of her volunteer activities. The award includes a financial donation of up to \$50,000 US to a non-profit organization made on the

See Page 9 / A BIG

## HOW IT'S DONE

### Combining recognition, charity

Employees appreciate companies that are socially responsible and actively support and allow employees to participate in charitable activities. Recognizing employees for their public service work shows the company values them and the community.

Bob Nelson, author of *1001 Ways to Reward Employees*, highlights the following examples of how companies give back to the community and reward employees for their contributions.

•SaskTel in Regina holds employee and community raffles, with proceeds going to the "Help Our Own People" fund for employees who need special medical attention. The fund raised \$23,000 in its first year.

•Atlantic Richfield Company in Los Angeles gives annual community service awards to employees who have made outstanding contributions in the community, plus the company matches on a two-for-one basis any employee or retiree donation to a social service organization or college.

•White Plains, N.Y.-based Westin Hotels presents the Thurston-Dupar Inspirational Award to employees who have not only excelled in their jobs but made important contributions in community service. A company-wide winner is then selected for a two-week, all expenses-paid vacation for two at a Westin hotel and \$1,000 US in cash.

•Stratham, N.H.-based Timberland's Passive Service Sabbatical Program pays an employee's salary for six months while she volunteers with a non-profit organization of her choice. Some employees have gone overseas and one went to work in an orphanage in Peru.

•Stamford, Conn.-based Xerox has a sabbatical program that allows several employees every year to take paid leaves to work for charitable organizations. Customer service engineer William Lankford spent 10 months building homes for Habitat for Humanity.

•San Francisco-based Levi Strauss Foundation makes a \$500 US donation to community organizations in which an employee actively participates for a year. If an employee serves on the board of a non-profit organization, the company will give that organization a grant of up to \$1,500 US depending on the organization's budget.

•Bloomington, Ill.-based State Farm Insurance has an incentive program through which it donates money to the Special Olympics based on agents attaining certain sales levels.

•At Sparks, Md.-based food company McCormick, employees are paid to work one Saturday each year, designated as Charity Day. Employees then donate their pay for the day at time and a half to a charity, which the company matches dollar for dollar.

**CRAWFORD CHONDON & PARTNERS LLP**  
Management, labour and employment lawyers

**The Employers' Choice**  
Human Resources Solutions  
Systems & Training

Crawford Chondon & Partners LLP, in conjunction with The Employers' Choice Inc., is pleased to announce its Second Annual Labour and Employment Law seminar.

## refreshr

The interactive practical solutions FORUM for Human Resources

**May 16, 2006**      **Mississauga Convention Centre**

Don't miss this opportunity to be updated on the latest labour and employment law developments. Our seminar will feature informative panel sessions and interactive workshops on a whole range of "hot" topics that matter to your workplace. Experienced lawyers and HR professionals will guide you through this full day seminar sharing their insights on several key areas including:

- ▶ Strategies for dealing with workplace violence and harassment;
- ▶ Expanding obligations to accommodate disabled employees;
- ▶ Using progressive discipline effectively;
- ▶ Privacy issues in the workplace;
- ▶ Expanding liability when dismissing employees and how to minimize the risks;
- ▶ Updates on health and safety, employment standards, mandatory retirement, workplace safety and insurance and MORE...

Both unionized and non-unionized employers are sure to benefit from this seminar.

For registration information visit:  
[www.theemployerschoice.com](http://www.theemployerschoice.com)  
or call (905) 874-9343 ext. 231

2 County Court Blvd, Suite 430      T: (905) 874-9343 F: (905) 874-1384  
Brampton, Ontario, L6W 3W8      Toll Free: 1-877-874-9343

[info@ccaemployerlaw.com](mailto:info@ccaemployerlaw.com)      [www.ccaemployerlaw.com](http://www.ccaemployerlaw.com)

**Gain CHRP Recertification Points**

## Employment Information Services

" EXPERIENCE THE KEYFACTS DIFFERENCE "


Keyfacts Canada is the country's leading provider of background information on prospective employees. We recognize that all clients, large or small, have different needs, and we pride ourselves on our ability to offer you customized background information solutions. Let our qualified and experienced staff quickly find the information you need, in the following areas and beyond:

- :: Employment references
- :: National criminal records
- :: Professional Accreditation
- :: Immigration Status
- :: Credit background
- :: Exit interviews
- :: Security clearances

## KEYFACTS

A Garda Company

Daniel Fallows, Manager, EIS  
[danfallows@keyfacts.com](mailto:danfallows@keyfacts.com)  
905.948.2770 | 1.800.353.2049  
[www.keyfacts.com](http://www.keyfacts.com)



**RECOGNITION: CORPORATE SOCIAL RESPONSIBILITY**

# A big return on a small investment

Continued from Page 8

winning employee's behalf. The winner also receives up to 80 hours of paid time off to work with the organization.

But even lesser amounts can have a significant impact. With a \$500 grant a company can increase employee satisfaction, drive employee participation in socially responsible activities, support a local non-profit organization, reinforce the company's brand and expand the company's goodwill in the community. There are few better ways for a company to achieve such a high return on investment.

Rewarding employees for serving on non-profit boards is another way to affect overall corporate social responsibility objectives. It recognizes the contribution of an individual in the community, builds her management skills and creates a halo effect around the activity that ultimately improves corporate standing in the community by association.

Corporate social responsibility should not be entirely driven from the top down. A top-down approach will feel too much like the proverbial stick, making employees feel like pawns in a game they have not initiated nor bought into. Other stakeholders, including consumers, shareholders and the media will hear this sentiment and the strategy will fall flat.

That's where recognition comes in. Rewards can help drive a bottom-up approach that recognizes employees for their ingenuity and sense of corporate responsibility.

*Andy Mercy is the founder and CEO of Sausalito, Calif.-based AngelPoints, a provider of volunteer management solutions. Andrew Dailey is the vice-president of marketing and business development for AngelPoints. Andy can be reached at [andy@angelpoints.com](mailto:andy@angelpoints.com) and Andrew can be reached at [adailey@angelpoints.com](mailto:adailey@angelpoints.com), (415) 381-4881 and [www.angelpoints.com](http://www.angelpoints.com).*

# Better to give than receive

Continued from Page 7

ees who donate time and money to the community with an annual "top volunteer" award. The winner receives a \$10,000 donation to her charity of choice and the three runners-up also get \$3,000 donated to their charities.

Mississauga, Ont.-based recognition firm Maritz Canada has been honouring its employees in a similar way for the past five years. The caregiving award goes to the Maritz employee who has made an extraordinary contribution to a social cause or the community. The employee receives \$1,000 to donate to the charity of her choice.

In the past two years JoAnne Pusateri, director of consulting incentive and loyalty strategy rewards at Maritz Canada, has seen a small percentage of clients begin to offer these kinds of recognition programs.

"It's a fairly new trend, but it's something that we're trying to promote more and more," she says. "Like anything, you need to have a few innovators out there and I would hope that over the next few years we're going to see this be more of a

common practice."

One of her clients, which traditionally honoured top salespeople with an all-expenses-paid trip, recently gave the honourees on a trip to Costa Rica the option of a trip to the spa, a round on the golf course or a day working on a Habitat for Humanity project.

"We had a high percentage of them choose the community

about how they go about implementing these new programs.

"Recognition programs are about aligning (employee) behaviours to the values of the organization," she says. "If the organization is one that has within its core value system community involvement or social responsibility, then it's very logical that they align their recognition program to those

**Sometimes recognition can be viewed as too indulgent, so offering employees the opportunity to spread the wealth makes them feel proud.**

involvement project," says Pusateri.

Many people want to give back to the community, but get bogged down in too many responsibilities at home, says Pusateri. So when the company organizes it for them and gives them the time to do it, many people jump at the chance.

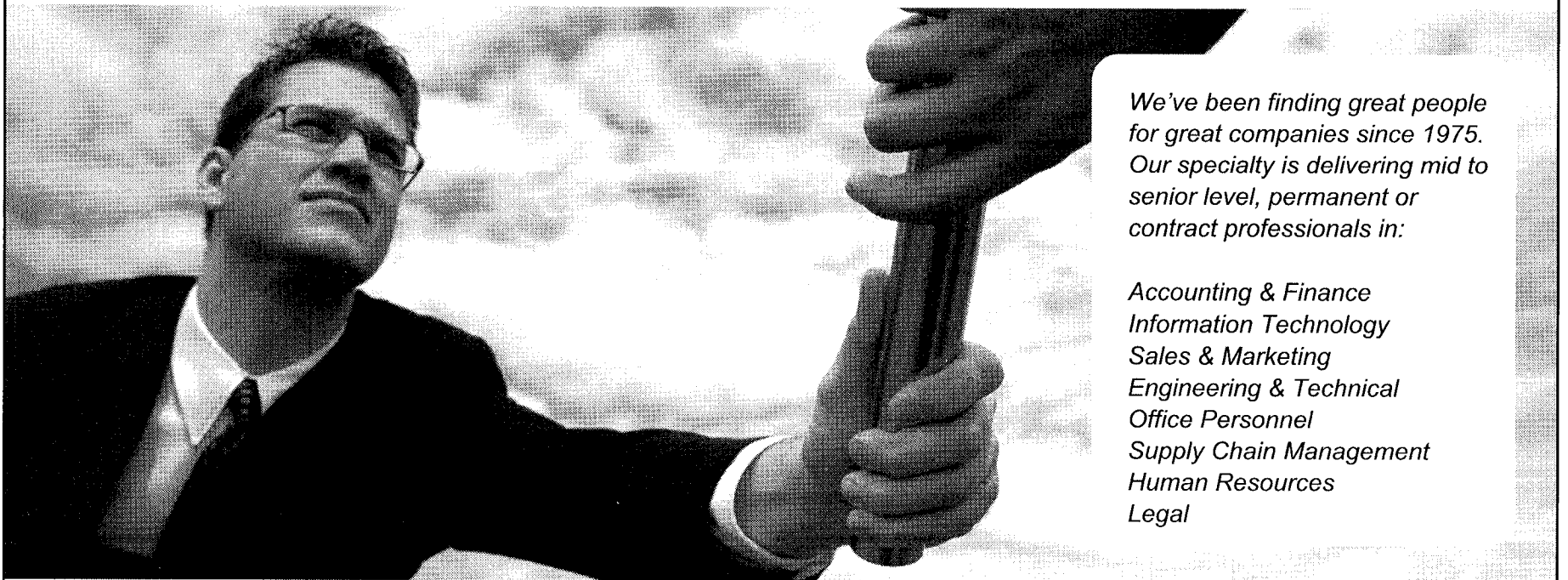
Sometimes recognition can be viewed as too indulgent, so offering employees the opportunity to spread the wealth makes them feel proud, she says. But companies have to be careful

values. When organizations don't have that as part of their standard value system, then often it's probably a little bit disconnected if it's offered up."

This is especially true if employees are already feeling undervalued and unappreciated. These employees are unlikely to appreciate a charitable donation in lieu of their usual monetary bonus. In this case, instead of feeling more engaged and valued, they will likely feel frustrated and resentful, says Pusateri.

We deliver

# Great Teams



*We've been finding great people for great companies since 1975. Our specialty is delivering mid to senior level, permanent or contract professionals in:*

- Accounting & Finance*
- Information Technology*
- Sales & Marketing*
- Engineering & Technical*
- Office Personnel*
- Supply Chain Management*
- Human Resources*
- Legal*

**DA**

**DAVID APLIN  
RECRUITING**

**aplin.com**

vancouver calgary edmonton winnipeg toronto mississauga ottawa montreal affiliate halifax