

Employee Volunteering and Social Capital: Contributions to Corporate Social Responsibility

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As employee volunteering (EV) is increasingly regarded as a means of improving companies' community and employee relations, we investigate the contribution of EV to corporate social responsibility, specifically whether and how it contributes to social capital. We investigate the dynamics of EV in three UK companies. We explore the social relations and resources which underpin social capital creation; the roles of opportunity, motivation and ability in bringing the actors together and enhancing their capacity for cooperation; and the ways in which alternative EV modes inform the different dimensions of social capital – networks, trust and norms of cooperation. Our paper contributes to our understanding of EV and the factors that enable it to create social capital. Finally we assess the contribution of EV to the overall corporate social responsibility agenda of companies.

Introduction

Corporate social responsibility (CSR) has become an integral, albeit controversial, part of business practice over the last decade (Economist, 2005). Although CSR practices are relatively long-standing in the USA, the UK can be regarded as indicative of a more active model of policymaking for CSR (Moon, 2004; Vogel, 2005). A crucial and long-standing element in CSR is community involvement whereby corporations act as 'citizens' to give back to their communities and live up to being responsible members of their (mostly local) communities (Logsdon and Wood, 2002). Employee volunteering (EV) is an increasingly salient feature of companies' community involvement programmes.

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This paper investigates the contribution of EV to CSR, specifically through its role in building social capital.

EV¹ is a fast growing tool for community involvement in the UK (Peterson, 2004; Tuffrey, 2003). Networks like the Employees in the Community Network (EitCN) and the Business in the Community (BITC) Care Programme have been formed to promote business–community partnerships and to share best practices in EV. EV consists of ongoing and coordinated business support for staff involvement in the local community. EV programmes are either employer-initiated or employee-led (Lukka, 2000).

The bulk of EV research so far has been practitioner-oriented and linked to human resource development strategy (Logan, 2002;

¹Alternative names: corporate volunteerism, employee community involvement.

Tuffrey, 1995, 2003) and to community involvement and reputation building strategies (Quirk, 1998; Thomas and Christoffer, 1999; Tuffrey, 1998). Attention has also been given to management volunteer recruitment practices (Halley and Tuffrey, 1999; Peterson, 2004). There are a number of reasons which employees and corporations give for becoming involved in EV, such as 'doing good', 'cooperating with others', 'trusting' or 'networking'. Although these resonate with Putnam's (1995) account of social capital, the role of EV in generating social capital is largely unexplored. Our paper therefore examines how social capital is created and maintained in EV schemes by adapting a model of social capital from the management field (Adler and Kwon, 2002) and unpacking its different dimensions identified by leading contributors to the literature, Elinor Ostrom (Ostrom and Ahn, 2003) and Robert Putnam (1993, 1995).

The paper is organized as follows. We briefly discuss the conceptual literature on social capital and our research methodology respectively in the next two sections. In the following section we first analyse social relationships in EV depicting the patterns of interconnection between actors and sources of social capital; second, we argue that the configuration of EV stimulates different dimensions of social capital such as social networks, trust and norms of cooperation; and third, we outline the claimed benefits of social capital. In the fifth section we assess the potential of EV to contribute to the creation of social capital, and in the final section we reflect on the contribution of our findings to the broader CSR agenda.

The concept of social capital

The concept of social capital draws on a long tradition of research about the capacity for cooperation in societies. A common early reference point is de Tocqueville's observation of Americans' propensity for civic association and public-spiritedness (Putnam, 1995). In 1916 Hanifan, while exploring the role of community participation in enhancing school performance, defined social capital as 'those intangible assets [that] count most in the daily lives of people: namely goodwill, fellowship, sympathy and social intercourse among the individuals and families

who make up a social unit . . . and which may bear a social potentiality sufficient to the substantial improvement of living conditions in the whole community' (cited in Woolcock and Narayan, 2000, pp. 228–229). While other scholars had subsequently referred to social capital, Putnam, Leonardi and Nanetti's (1993) analysis of civic participation and democratic institutional performance in Italy popularized the concept among scholars. Putnam argued that social capital is accumulated in actual human relationships and therefore relates to interactions within and between groups that lead to the establishment of social norms and networks which, in turn, facilitate cooperation and collective action (Putnam, 1993, 1995). These relationships may be developed consciously or emerge as a by-product of other social activities (Coleman, 1988).

As a result of the multidisciplinary nature of the concept, social capital is interpreted and defined differently depending on the discipline of the user (Ostrom and Ahn, 2003). It has proliferated in management literature, including in knowledge transfer (Newell, Tansley and Huang, 2004), community development and CSR (Habisch and Moon, 2006), entrepreneurship and small business start-ups (Spence and Schmidpeter, 2003), general organizational behaviour (Mele, 2003) and intra-organizational relations (Edelman *et al.*, 2004).

We adopt Adler and Kwon's (2002, p. 23) definition of social capital as 'the goodwill available to individuals or groups. Its source lies in the structure and content of the actors' relations. Its effects flow from the information, influence and solidarity it makes available to the actor.' As we are interested in a detailed understanding of the operation of social capital, we supplement Adler and Kwon's (2002) model with Putnam's (1995) and Ostrom and Ahn's (2003) 'dimensions' of social capital: networks, trust and norms. Thus, we are able to obtain a clear understanding of how and why EV contributes to social capital by distinguishing its architecture (networks), currency (trust) and parameters (norms).

Figure 1 presents the modified Adler and Kwon (2002) model of social capital. Our analysis of EV follows the logic of this model by identifying the sources of social capital (opportunity, motivation and ability), the dimen-

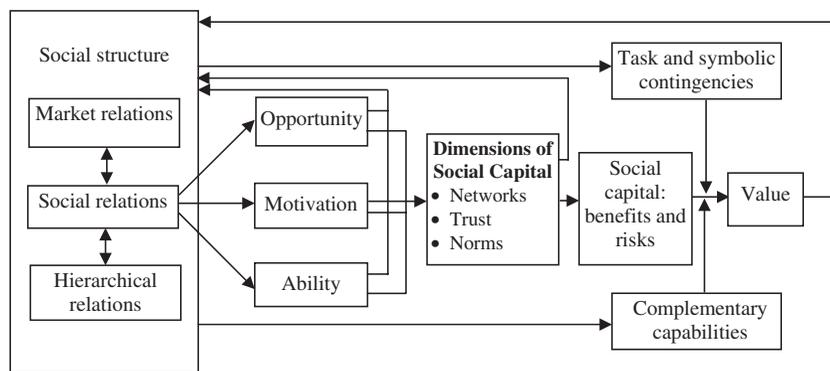


Figure 1. A conceptual model of social capital

Source: Based on Adler and Kwon (2002, p. 23) and supplemented by Putnam (1995) and Ostrom and Ahn (2003).

sions of social capital (networks, trust and norms), social capital benefits and risks, the value created in EV relations, and the feedback loops to the social structure.²

Our research follows Adler and Kwon (2002) by investigating the actors' relations in their social structure and the sources of social capital which reside there, specifically 'opportunity', 'motivation' and 'ability'. They argue that actors' social interactions create *opportunities* to act together and for social capital transaction. *Motivation* has to do with why 'donors' help 'recipients' in the absence of immediate or certain returns. *Ability* refers to the competencies and resources at the nodes of the social structure. We explore the role of these three sources of social capital in our evaluation of EV.

We also examine the specific dimensions of social capital, networks, trust and norms (Ostrom and Ahn, 2003; Putnam, 1995), generated in the different types of EV schemes. *Networks* are interactions, formal and informal, that connect groups of people. An actor's network of social ties creates opportunities for social capital transaction as people act together and lever each other's resources. An individual can belong to multiple networks, each of which has its own dynamics. Actors have varied levels of mutual obligation or expectation towards others within or outside the grouping. The quality of direct and

indirect ties in a network can affect the creation of social capital (Granovetter, 1973).

Trust is described as the 'fabric' (Caldwell and Clapham, 2003) or the 'bond' of society (Mele, 2003). Barber (1983, pp. 164–165) defines trust as 'socially learned and socially confirmed expectations that people have of each other, of organisations and institutions in which they live, and of the natural and moral social orders that set the fundamental understandings for their lives'. The act of trusting is based on actors' experiences in a transaction, their perceptions of the 'other' and the associated expectation that the other will reciprocate.

Norms of cooperation define what actions are considered acceptable or unacceptable according to shared understandings, informal rules and conventions that make reciprocal exchanges meaningful (Productivity Commission, 2003). Reciprocity is the 'touchstone' of social capital broadly understood as a sense of fair play towards generalized others (Putnam, 1993).

While Adler and Kwon (2002) see the generation of social capital more as a linear process feeding directly into social relations, we argue that the intermediary stages of social capital creation, in particular networks, trust and norms, have discrete effects on the emergent social relations. Second, and relatedly, we identify feedback loops between each stage as essential to the maintenance and development of social capital.

In sum, we adopt the concept of social capital to evaluate EV precisely because it focuses on how goodwill among actors informs their

²We do not explicitly address Adler and Kwon's concerns with 'task and symbolic contingencies' and 'complementary capabilities'.

capacity to cooperate. This is propitious because companies frequently justify their EV, and CSR in general, with reference to their reputation for trustworthiness. We examine the social relations of the different actors and the sources of social capital in the form of opportunity, motivation and ability; the nature of the social capital in terms of the dimensions of networks, trust and norms; and the benefits of the social capital. We finally assess the contribution of EV to social capital creation and to CSR.

Methodology

As our enquiry is into how cooperation in EV is achieved and how it informs social capital creation, we focus on people's descriptions of their EV interactions with others. We interviewed actors in EV programmes within the selected companies (employees, community relations staff) and outside the companies (community organizations and EV brokers – usually charities).

The case study research strategy was adopted in which we aimed for analytical rather than statistical generalization (Patton, 2002). A purposeful sampling technique was used to select companies according to their geographic proximity and their having a community relations department and EV programme. We selected three UK multinationals in different sectors (Table 1).

The bulk of Company A's EV centred on education with each of its six divisions 'adopting' a Nottinghamshire school. EV is part of the CSR policy and is administered by the community affairs team which reports to the head of corporate communications. Company A prefers working with few partners who engage in multiple EV schemes. Employees are allowed eight hours of a normal working day in a year and the company matches employees' own volunteering time with additional work time for volunteering. It has a volunteering award scheme.

Company B's EV programme originated in a graduate trainee scheme and is now integral to its CSR. A 'global community framework' allows for flexibility and creativity in its operation across countries. The EV is the responsibility of the community relations team located within the human resources group. Company B prefers a small number of long-term community relationships but also has some short- and medium-term relationships.

Company C has a dedicated community involvement office to coordinate regional EV activities. These are the responsibility of a community relations team within the marketing and communication department. Employees are entitled to at least two EV days per year. In 2003 1400 employees volunteered in the East Midlands alone. An award scheme recognizes extraordinary individual and team community contribu-

Table 1. Summary of companies, their community involvement and EV schemes

	Company A	Company B	Company C
Type	Service: Information solutions	Manufacturing: High technology engineering	Service: Financial
Employees in UK ^a	3380	21,000	61,093
Main forms of community involvement	Sponsorship and partnerships EV Donations (in kind)	Sponsorship and partnerships EV Donations (in kind and funding)	Sponsorship and partnerships EV Donations (fundraising and in kind)
Community issues addressed	Education Environment Information technology	Education Environment Arts and culture Regeneration	Education Environment Arts Disability Social inclusion
Types of EV schemes	Mentoring and e-mentoring Individual volunteering Team challenges	Individual volunteering Team challenges and assignments Secondments Mentoring and e-mentoring	Individual volunteering Team challenges Secondments

^aProportion of total number of volunteers in the East Midlands region was not disclosed except in Company C.

tions. The company prefers short-term projects with numerous partners.

The community beneficiaries interviewed included community schools and charitable organizations, particularly care centres or homes (for the aged, people with disabilities or terminally ill people), youth empowerment projects, and research centres (e.g. cancer research). The brokerage firms interviewed are also charities linking corporations and community organizations. They design volunteering opportunities, match employees to them, and manage and coordinate volunteering challenges.

We adopted a layered approach enabling us to study each type of EV scheme as an independent case (Patton, 2002). We investigated all types of actors involved in each EV scheme using multiple data collection methods including in-depth interviews, document analysis and participant observation. Forty-eight interviews were conducted in May and June 2004 (Table 2, part (a)). The majority of the volunteers interviewed were involved in multiple EV schemes (Table 2, part (b)), e.g.

I started doing volunteering 3 1/2 years ago in the company [...]. I am involved in three types of volunteering. Mentoring with the right to read programme that is 1 hour every week. I do Young Enterprise – an annual event running for six weeks and it's one full day each week – and with [Charity 6A] wildlife day, it is a one day [annual team] event. (Volunteer 4A)

Interviews ranged from 35 minutes to 2 hours 20 minutes (on average 55 minutes). Questions were semi-structured and framed around how coop-

eration is achieved in EV – how actors got involved with each other; why and how often employees volunteered; why and how often companies partnered the community; how long the actors had been in the relationship; what made volunteering challenges possible; and the perceived benefits. Interviews were taped and respondents subsequently verified and, as appropriate, amended or supplemented transcriptions. A cross-case analysis process involving writing across themes shaped the data analysis (Spiggle, 1994).

Research findings

We present the findings following the logic of our model. We demonstrate how social relationships are formed – the antecedents of social capital, the operation of the sources of social capital and the respective dimensions of social capital generated by the EV schemes. We show how the different EV schemes influence actors' interactions and thus how social capital is generated and transacted. Figure 2 highlights the key elements of the social capital framework (derived from Figure 1) to which our findings are directed. The findings are presented in three parts: (i) the actors' social relations and opportunities, motivation and abilities which lead to the creation of social capital; (ii) how different EV schemes generate specific combinations of the social capital dimensions; and (iii) EV claimed benefits and perceived risks.

Table 2. Interviewees by company and function and by EV scheme type

Interviewees	Company A	Company B	Company C	Other	Total
(a) Interviewees by company and function					
Community affairs team	1	1	1	–	3
Brokers	1	3	–	–	4
Community beneficiaries	5	4	5	–	14
Volunteers	9	8	8	–	25
Other	–	–	–	2	2
Total	16	16	14	2	48
(b) Volunteers interviewed by company and EV scheme type					
Team challenge (one-off)	9	5	8	–	22
Team challenge (long term)	9	6	8	–	23
Mentoring (face-to-face)	7	7	3	–	17
E-mentoring	3	5	1	–	9
Individual role volunteering	5	4	6	–	15

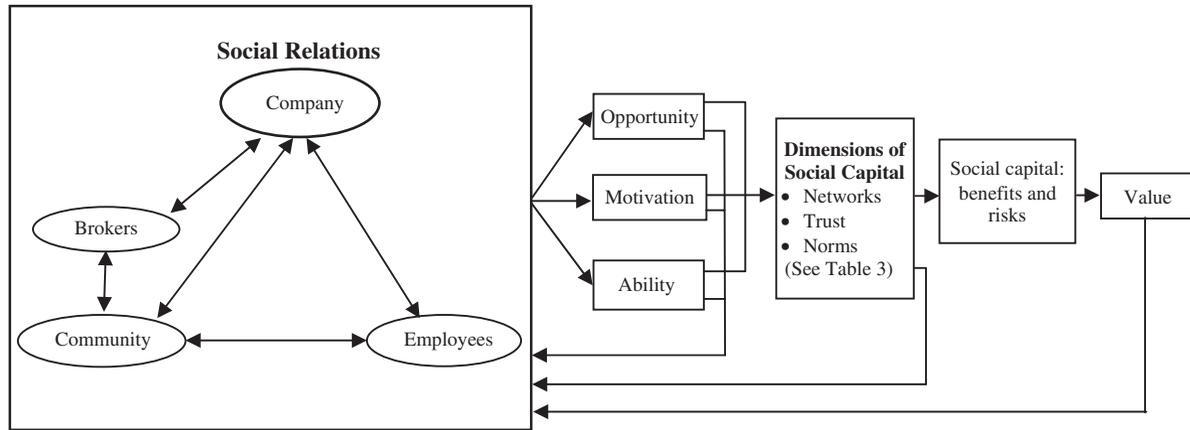


Figure 2. Social relations in EV as a source of social capital

Social relations and the sources of social capital

Figure 2 highlights the social relations of the actors involved in EV schemes (which may also involve some market and hierarchical relations). Through these relations cooperation was achieved in such endeavours as creating a school environmental garden, painting walls in an old people's home and mentoring school children. EV relationships are symbiotic such that each actor brings some intangible (e.g. reputation, knowledge) or tangible (e.g. finance or material) resources. Cooperation enables these resources to be used in a way which would not have been otherwise possible without incurring extra costs.

The actors revealed that their capacity to cooperate depends on bringing some comparative advantage into the relationship. Thus companies partner charities because they are reputable and have expertise regarding social issues. They partner brokers because of their networking competencies. They partner employees because they can actualize the EV programmes. These relationships are characterized by mutual dependence with actors taking risks in investing their time and resources for a shared goal with no assurance of future benefits. In this web of EV interactions, cooperative behaviour is cultivated, the existing social structure is exploited and new social capital is created. We now turn to examining the sources of social capital more closely using Adler and Kwon's (2002) classification of opportunity, motivation and ability, which are individually necessary but not sufficient for social capital accumulation.

Companies' internal and external networks provide an *opportunity* for social transactions. Employees spoke of using their formal connections within and informal relations outside the company to mobilize resources for volunteering. For example, a volunteer coordinator in charge of developing a school environmental garden with limited finances describes acquiring needed equipment:

If I can only get half of what he [school teacher] wants then I will say to him this is as much as the budget can stretch to. However, there is more than one way of skinning a cat and if the budget doesn't run to everything we need I will send an email round the division and ask people if they have any spare forks, spades and whatever it is we are short of. If they have tools they don't use I will ask if they would like to donate them to the school. (Volunteer 5A)

In Company B's business mentoring programmes, volunteers were encouraged to work in pairs for mutual support and to enhance each other's knowledge and experience. They used their external and internal connections to win support which the company could not provide. For instance, Volunteer 9A arranged for a local professional footballer within her social network to give a fitness talk during a 'healthy eating and fitness week' in a community school. Employees also drew on their company's market relations to solicit resources:

So I thought yesterday, I'll have to phone [name of company] because I know they are our sister company. I phoned them up and said who we are.

'We are [Company A], your sister company, we are sponsoring a school and we are building a wildlife garden and I'm calling to check if you will allow us some discount.' They were really nice and they said, 'Yes, of course'. If you don't ask you don't get. (Volunteer 5A)

The actors used informal social contacts or work connections to gather information on volunteering opportunities, mobilize resources and create opportunities for further collective action, e.g.

Tom [an employee of Company C who had volunteered once in the charity] is the one I recommended for the Chairman's Award [Award of Company C]. They invited me to some event which I attended and we became mates – that is how it works, they just become your friends, they just happen to work with [Company C]. [...] I rang him up and said 'hey, we've got this event, come on get yourself over and do it'. He then got five staff from [Company C] doing it and that is how it works. (Charity 6C)

We found that employees are *motivated* by a sense of reciprocity ('putting something back into the community'). Some volunteers had previously benefited from the goodwill of volunteers, for instance in the Young Enterprise (YE) scheme volunteers (7A, 2B, 4A) indicated they were 'putting something back' to YE. Some continue to volunteer to 'socialize and meet other people' inside and outside the company, 'a chance to develop professional networks' and 'widen social circles' as a way of building networks for some future gain ('personal or professional development'):

At the time, it [mentoring] was suggested to me as a career development item, I didn't have a great deal of business skills being an engineer. I chose it because I thought I could learn something from the students as well they learning from me [...]. I've been in [Company B] for 20 years. One of the interesting things I find about volunteering particularly with YE, it's nice to meet other people in Derby and around, see how they do things, get tips and lots of business information. (Volunteer 1B)

The fact that actors participate in volunteering does not automatically translate into social capital. Without *motivation* EV relationships may not endure:

And then with [name of school] we run a nursery school computer programme for 7 and 8 year olds.

That has been ongoing for quite a while but it has been phased out because we had problems trying to get people to commit to that. [...] We did have about four to five volunteers who kept it going but people kept dropping out like they would have meetings coming up and that is more important and it was really annoying so we had to cover a lot. (Volunteer 8A)

... am always calling in favours from people and I suppose like Andy when you do something and enjoy it and see the benefit of it and you feel so strongly about it, and if you are in a position of influence, you use the influence, the contacts, the networks you have internally to try and bring people on board. (Volunteer 7C)

Community organizations are motivated by their resource dependences ('to make ends meet') which relationships with corporations can address. Companies' motivation is described in terms of their CSR agenda ('we are involved as a way to put something back into the community') and business development and performance objects ('licence to operate', 'reputation and image building', 'employers of choice', 'staff development'). They anticipated benefits of continued cooperation through EV in terms of strengthening or forging new relationships:

I think one of the key ones was that I was very interested in developing a network with other organizations for a number of reasons. The YE scheme that I got involved in is an education-business link scheme and education has always been a thrust of [Company A] community involvement. [...] I also felt that [Company A's] staff could benefit out of being involved in the scheme. In the long term it would be good PR for us in that every student who goes to the YE scheme has a brother, sister, boy/girlfriend, [...] and that means more people are out in the community saying good things about my company. [...] If we are helping young people acquire skills they would find useful, who knows they may go away to university and come back to Nottingham and work with us. I thought it was a winner all round really. (Volunteer 4A – a Human Resources Director)

Beyond opportunity and motivation, actors need the *ability* to define and act on their goals cooperatively. Those employees who constantly volunteer are defined as reliable, committed and enthusiastic. They are often instrumental in mobilizing other employees. They formed their own informal volunteering groupings which

reflect their recognition of each other's abilities. An important ability is being able to draw on existing social capital through the exchange of favours which helped build and maintain strong bonds within working or volunteering teams:

So you'll see within the bank there is the official network of [names]. You have already spoken to the unofficial network which is [Volunteer 1C, 8C, 2C], me, and a few others in Nottingham I know who pull ourselves together. So [Volunteer 8C] knows that if she's taking old people from a shelter down the road [to a trip] and if she wants someone to make a laugh on the bus, talk to the media and keep people ticking along she can ring me up and the same with [Volunteer 1C]. I know I can involve him with things and I can get him involved with my things because he knows how I do and how I work. (Volunteer 7C)

In sum, social capital in EV grew when social relations were enhanced by actors' opportunity, motivation and ability. We now turn to closer examination of the EV schemes by identifying their contribution to the dimensions of social capital: networks, trust and norms of cooperation.

EV schemes and the dimensions of social capital

Different types of EV schemes generate different dimensions of social capital. We capture the schemes' differences in terms of the rate of recurrence of an EV challenge (one-off or ongoing); the mode of interaction between actors (face-to-face or virtual); and the number of volunteer participants (individuals or groups).

Team challenges bring corporate volunteers from the company for 'team building' purposes (e.g. clean-up events lasting for a few hours or days). *Team assignments* consist of more long-term forms of involvement. *Mentoring* provides for one-on-one, face-to-face ongoing relationships between the volunteer mentors and mentees (e.g. pupils, charity staff). E-mentoring differs in that the relationships are mainly virtual. *Individual role volunteering* can be one-off (e.g. fundraising for a charity) or ongoing (e.g. school board service, homecare support).

To examine how EV schemes enable social capital creation, we follow Putnam (1993) and Ostrom and Ahn (2003) by distinguishing three dimensions of social capital – networks, trust and norms of cooperation (see Figure 2).

We classify the *networks* as 'strong' or 'weak' according to the ties which EV yielded in terms of the length and frequency of interaction and the emotional intensity and intimacy (mutual confiding) among actors (Granovetter, 1973, p. 1361). We classified the external deployability of the networks as 'high' or 'low' according to the extent to which they enable participants to connect with and utilize wider social and business networks, and the frequency of these interactions. *Trust* refers to the expectations actors have of others (Ostrom and Ahn, 2003) and we followed Williams (1988) in classifying these as 'thick' or 'thin' according to the intensity of the relationships. Thick trust is generated by intensive, daily contact among actors and thin trust is associated with looser, more amorphous relationships composed of overlapping and interlocking networks. We identified the role of *norms* of cooperation through investigation of the existence of shared understandings and values.

We now discuss the volunteering schemes in terms of this framework (Table 3).

Team challenges are used as team building exercises and for fostering cohesion among employees within and across departments. The different configurations of 'team challenges' create varying opportunities for close ties within the volunteer group. Repeated team volunteering is associated with strong ties that create thick trust within the EV group and between it and community organizations. However, one-off team challenges like painting walls or planting flower gardens usually make for weak ties with a community actor. The rate of recurrence is low with volunteers often 'stepping in and out' of a volunteering challenge. In the absence of repeated activities, weak ties with numerous community actors are created. The greater the frequency of interactions, the more varied the external ties created. The thin but extensive networks created in one-off team challenges nonetheless provide access to information, whether specific to volunteering or on wider matters:

I support proactive engagement, by that I mean we might have spoken to an MP and want to address local issues in an area because they are the local source of knowledge. [...] The garden projects are super for getting people out. It is a fantastic way of getting to know new people in new teams. They get to know what their colleagues are doing. [...] When

Table 3. Types of volunteering and the social capital generated

Dimensions of social capital	Type of employee volunteering schemes				
	Team challenges (one-off)	Team assignments (long term)	Mentoring (face-to-face)	E-mentoring	Individual role volunteering
Networks	Strong ties in volunteer teams Weak ties with external actors	Strong ties in volunteer teams Strong ties with external actors	Strong ties between a mentee and mentor	Moderate ties between mentee and mentor	Weak or strong ties with external actors
Trust	Mixture of high and low Thick – internal Thin – external	High Thick or thin both in internal and external	Low Thick between mentee and mentor	Low Thick between mentee and mentor	Moderate Thick or thin external
Norms of cooperation			Shared understanding and values		

you talk to these people before and after it [the EV event], you will be amazed, it's transformational. They are also a great platform for sharing business information and expertise. (Community Affairs Manager, Company C)

Strong ties and thick trust in a social relationship require a combination of time and emotional intensity. We found that one-off volunteering is favoured by staff who do not want to commit their time over a long period and with companies like Company C which prefer 'weak ties' but numerous beneficiaries. One-offs require only minimal efforts to sustain the relationships. Thus, our research reveals that the one-off events only generate 'thin' trust between community partners and employees. However, one-off events are sometimes used by the companies to 'test waters' and may therefore precede longer-term relationships with community actors such as secondments, which are more expensive in time and resources but are associated with thicker trust. This pattern of EV involvement and selection of community actors suggests that trust is 'performance-based'. The risk aversion strategy allows for social relationships to grow incrementally from small projects to those that are multilayered with large financial investments. Companies that engage repeatedly with one charity can move from positions of 'thin' to 'thick' trust in the relationships:

We may not likely do community projects with people whom we have not worked with before. We are always looking to add value to relationships we have built but there could be one exception [...] if we are offering quite a huge resource we try and focus on either our established partners or people that we have worked with before so that we can be happy they will make a 'good customer', if you like, for our graduates. We want to make sure that the process can be managed from both sides and we get benefits out of it. We develop from one-day challenge to six-months' challenge once we've established a relationship but not always but more often. (Community Affairs Manager, Company B)

Team assignments are designed around a task usually with a community partner. They are preferred by Company B and its partners because they enable strong internal ties among the volunteering team and bonding with external actors as a result of the ongoing involvement and intensity of commitment. These relationships

enable open discussion about ‘the good and the ugly’ and engender mutual trust:

If you go in and do something that is one-off, a day or so, you have no understanding of the changes made, you have no understanding or feeling of what is required. It is almost like you are just told ‘we need you to do this’. Like when you go to an old people’s home and you paint rooms or whatever, and you have never been there, you go in and paint rooms but you don’t get the benefit in the long term of understanding what difference you have actually made and how you can move that on and make more differences. You can’t do that with a one-off, you can’t build a relationship as such. It has of course its own benefits if it is actually to do a thing because it needs to be done. (Volunteer 6A)

Mentoring is mainly through confidential face-to-face interaction and involves long-time commitment (e.g. a mentee’s high school life). Volunteer 2B describes the ‘strong’ trust which takes time to build without which the relationship can collapse. Although mentees can benefit indirectly from mentors’ networks (e.g. in access to information) these relationships rarely extend to wider networks (e.g. due to child protection regulations):

I can see the trust building up with my mentee; she is getting more relaxed and more confident with me. We don’t really have a relationship with the school. I find it very striking, it’s only one way to be honest, our relationship involves the individual rather than the institution. [...] The schools are now very different and the qualifications are very different, sometimes I have to speak to people and say ‘how does GCSE work?’ [...] I do encourage her to talk to people but it is very difficult, I can’t introduce her to individuals because of child protection, so it has to be I go out and find people, talk to them and then talk to my mentee. (Volunteer 2B)

E-mentoring is preferred by employees with time pressures. Brokers link mentees to mentors to build their confidence and trust before ‘upgrading’ to face-to-face mentoring. As explained by Broker 1A, e-mentees often have low self-esteem but, as the relationship develops, mutual confidence grows and trusting relationships are cultivated. Companies A and B observed that mentoring (both face-to-face and virtual) can rarely be used for publicity but is good for employees’ personal and professional development.

In conclusion different EV schemes yield different dimensions of social capital. Team assignments offer strong network ties with high external deployability and potential for thick trust. Team challenges offer strong internal network ties but weak external ties. The dimensions of social capital yielded are much more contingent for individual volunteering. Mentoring can bring strong ties and thick trust between the mentors and mentees but are limited in wider deployability.

We now turn to consider the contribution of *norms of cooperation* to the facilitation and maintenance of social capital which we found across all types of EV (Table 3). Volunteering is about choosing to work without pay or contractual protection for some social good. It is therefore premised on norms of cooperation and reciprocity. With experience of partners meeting expectations, trust grows and cooperation is enhanced. Community actors expect the company to provide the kind of volunteers who will not compromise quality of service. The company and employees expect the community to provide an enabling environment for volunteering. Employees trust one another to maintain their commitment and their companies to honour commitments made. Trust therefore strengthens collective action in EV. In the absence of formal contracts, commitment and reliability form the ‘soft’ rule.

On the other hand, unfulfilled promises, unsatisfactory performance and a lack of commitment undermine the relationship and endanger the social capital transaction. This can result in disengagement by aggrieved parties. Therefore, norms of cooperation and a sense of shared responsibility embraced in the spirit of ‘we are in it together’ helps regenerate and maintain social capital across all types of EV schemes.

Claimed benefits and perceived risks of social capital

We have seen how EV builds on social networks, trusting relationships and shared understandings that make collective endeavours possible. Benefits claimed by employee volunteers include sharing knowledge, acquiring new skills, insights into community issues, new perspectives on their own business and inner satisfaction. The volunteers also build internal networks which become

supports in the workplace and contribute to further volunteer recruitment. Community actors claim that EV enables leverage of resources, institutional capacity building, and enhanced staff skills and knowledge. Exposure to the 'business world' enhances their ability to attract further company supports and increases their sphere of influence.

Companies also claim benefits from the social capital generated in EV. The social networks improve understanding of community issues which, in turn, informs further community programme developments. For Company C this knowledge contributed to new financial products tailored to underprivileged customers. Companies benefit from publicity and reputation as 'socially responsible' illustrated by Company A and B's use of their EV experiences when seeking local authority approval for new office blocks. Local residents had initially objected to the development of Company B's new production facility but, following years of company engagement in community initiatives, community perceptions shifted and the objections were dropped. Companies also benefit from a motivated and cohesive workforce.

EV programmes in the three companies are relatively new (average 6 years) and their successful implementation is dependent on goodwill among internal and external actors. Vital activities such as project identification and appraisal rely on the knowledge and information within EV networks that companies can tap into. For example, employees' informal networks enable volunteering ideas or opportunities to develop that companies can adopt. Once programmes are established, volunteers can draw on their social networks to accumulate resources (e.g. material or human capital) which contribute to EV initiatives. Companies do not privatize all these resources, however. Through their own networks like EitCN and BITC Care Programme they share best practice in volunteering and solicit advice from brokers and other opinion leaders (e.g. MPs) in EV issues and project appraisals. Networks provide information and 'reputational endorsement'. All in all, the effects of social capital are manifest in value-added to EV relationships.

We concur with Adler and Kwon (2002) that evidence of risks of social capital is somewhat sparse. In our case studies these lie primarily in

the relative novelty of the specific EV schemes researched. However, some of our data do concur with some of the risks Adler and Kwon (2002) identify. For instance, the risk that the investment in social capital might actually not yield the expected benefits was illustrated in the case of Company C when negative publicity about the marketing of credit cards and the closure of rural branches threatened to neutralize the social capital created through EV. Another risk mentioned by Adler and Kwon (2002, p. 30) is of solidarity benefits backfiring for the corporation involved, illustrated by Ostrom and Ahn's (2003) example of social capital encouraging a close-knit organizational subgroup characterized by parochialism and inertia. We found evidence of EV creating close-knit groups among the employees who volunteered frequently and among the different actors of the EV network. However, there was no evidence that these proved difficult to manage by the companies.

Discussion

In this section we consider the first part of our research question, namely to assess the contribution of EV to the creation of social capital. Our research contributes to the debate in three different ways.

First, our work provides an empirical insight into the dynamics of the generation and maintenance of social capital through EV. We found that companies' EV schemes can generate and transact social capital. EV involves actors coming together and utilizing their key competencies for collective action. EV provides a social structure for actors to seek favours from each other. EV also benefits from existing social capital in networks of mutual acquaintance. The relationships are characterized by the norm of cooperation, epitomized by a 'give and take' approach. This reciprocal character of benefit and interest reflects the wider assumptions of social capital (Nahapiet and Ghoshal, 1998; Ostrom and Ahn, 2003).

The effects of social capital are exemplified in the benefits narrated by employees, community affairs managers and community beneficiaries. We also observed that EV schemes facilitate social networks and trusting relationships although the precise relationships here vary.

The intensity of actors' interaction may depend on the envisaged benefits of engagement, the resources available and the nature of the participation. Social networks and trust in business–community relationships contribute to continued cooperation and reciprocity with all actors getting some value from the relationship. The value created by social capital transaction renews incentives for actors to continue interacting and for social capital to be multiplied as signalled in the feedback loop from value to social structure in the model of social capital (Figure 2). Our research has therefore provided an in-depth and refined understanding of companies' social relations as the basis for social capital building. In particular it shows that EV programmes supplement market features of company–community relations by enhancing the social capital in their relationships.

Second, our research has enabled a more refined conceptual understanding of EV as a form of corporate community involvement. Much of the existing literature on EV is predominantly descriptive and by applying the social capital framework to EV we have provided the basis for a better understanding of antecedents, mechanisms and types of outcomes of EV. In particular, we argue that social networks emerge as a key factor in the success of EV. Social capital is likely to be generated by EV programmes and policies that, for instance, facilitate social interaction, use existing social networks, foster bonding and trust among actors and allow for participation which is for the mutual benefit of actors.

Relatedly, we observe that EV relations can die if they are not maintained. Interaction and continued interdependence of actors and shared understandings of purpose, process and outcomes of EV nurture the norm of cooperation. Organizational practices like transparent and proactive communication help build trust and networks. But eroding employees' goodwill can potentially risk reduced volunteer numbers and EV then becomes a serious cost for the company. Similarly, relationships between managers and volunteers are significant, as managers provide opportunities for employees to volunteer. Hierarchical relations also contribute to EV as managers recognize its value and buy in. Therefore social capital is not only something to be drawn upon and renewed by EV but also

something to be invested in. The creation and maintenance of social capital in EV complements other existing EV recruitment strategies and volunteer management practices (Peterson, 2004; Tuffrey, 1995, 1998).

A third contribution of our research is that we can identify the differential impacts of the variety of modes of EV on the resultant social capital. Whereas the literature recognizes the contribution of volunteering in general as a source of social capital (e.g. Putnam, 1993, 1995) our research reveals that different types of EV manifest specific dimensions of social capital. Each of the five different types of scheme investigated has specific outcomes in terms of the strength and deployability of networks, the nature of the trust generated and the norms of cooperation. Thus, our research allows for operationalizable recommendations for firms in their deployment of EV schemes. Depending on the specific contexts and goals of companies our conceptualization enables a more refined understanding of which type of scheme is best suited to meet different goals and thus enables companies to better select and manage their EV programmes.

Conclusion

Corporations are increasingly engaging in EV as a form of community involvement in response to increased expectations for companies to be socially responsible. EV is a means of 'capitalizing on the social' with companies drawing on their existing social relations and social capital to develop new EV initiatives. Yet their networks also mobilize resources for social benefit. In 'socializing the capital', the companies bring their time, knowledge and other resources to renew social networks, trust and norms of cooperation – the dimensions of social capital that provide a structure for future exchanges between companies and communities. Hence we frame this concluding discussion of EV and its potential to build social capital within the broader debate on CSR.

The *network* dimension of social capital directly feeds into one of the most debated issues in CSR, namely the creation, maintenance and management of meaningful stakeholder relations (e.g. Andriof *et al.*, 2002, 2003; Donaldson and

Preston, 1995). Increasingly, this has proven to be one of the biggest challenges for the corporation and this dimension of social capital directly provides an important platform for stakeholder engagement as part of CSR. Ties created through EV, especially those with external deployability, offer an opportunity for new forms of stakeholder engagement.

Similarly, *trust* is a key parameter in CSR as corporations see this as a means of demonstrating that they are legitimate and trusted members of society, particularly following recent scandals in the USA and Europe (e.g. Lorsch, Berlowitz and Zelleke, 2005; Matten and Crane, 2005; Moon, Crane and Matten, 2005). Many of the companies most active in CSR are active in order to rebuild trust in the products and production processes of the company, as illustrated by recent UK fast-food industry and supermarket initiatives. Our research has shown how EV provides a very tangible means of enhancing a company's trustworthiness.

Finally, shared *norms* between the company and its stakeholders have been identified as vital for CSR. Carroll's widely used definitions of CSR (1991) conceptualize 'ethical responsibilities' as a key element of CSR implying that the company is expected not only to comply with the law but also with the broader values and norms of society. Many corporations, such as Nike or Shell in the 1990s, built up their CSR activities just because they were confronted by a wide gap between their practices on the one hand and ethical norms and expectations of their stakeholders on the other. Our research suggests that EV can be one successful avenue for knowing more about stakeholders' ethical expectations of the company and for reaching shared understandings of the values which should govern its business practices.

Our research thus makes a contribution to a better understanding of why firms should engage in EV in the first place and provides a basis for a more realistic expectation of the outcomes of EV for their overall corporate goals. EV can clearly bring benefits to companies. It not only draws on but it also encourages social cooperation with community actors. It therefore brings opportunities for building business–community partnerships and mobilizing resources whilst also benefiting employees, community organizations and the public at large. Our paper provides a

conceptual understanding of what the determinants, characteristics and outcomes of EV are. The concept of social capital proves to be a useful elucidating framework to enable companies to make conscious and targeted use of EV in the context of their overall CSR strategies and programmes.

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