

Employee engagement in CSR in Bulgaria

Highlights from a survey commissioned by CAF Bulgaria

August 2010

Background to research

Aim

- The aim of the study was to gain an overall understanding of employee engagement with and participation in Corporate Social Responsibility (CSR) programmes run by companies in Bulgaria.
- Particular areas of focus included; types of CSR programme, level of activity or participation, barriers to running or participating in projects.

Methodology

- The study focussed on medium and large companies (mostly from banking and finance, telecommunications, pharmaceuticals, energy and fast moving consumer goods).
- From a base of 46 companies, a total of 154 in-depth interviews were conducted, 46 of which were with managers based in Public Relations, Human Resources or CSR departments and the 108 with general employees.
- Fieldwork was conducted in October and November 2009 by ALPHA Research.

The 5 types of employee CSR engagement

1. **General volunteering** (outside of working hours) including activities such as planting trees, repairing and decorating, improving the urban environment.
2. **Working overtime** and donating the earnings; this work is usually paid double or even triple-time.
3. **Fundraising** through payroll giving, collection boxes or donating proceeds from sales etc.; this activity often increases around holiday times like Christmas and Easter.
4. **Participation in national volunteering schemes** (mainly blood donation) facilitated or supported by the company.
5. **CSR incorporated into everyday company behaviour**, e.g. recycling, cycle to work schemes, reducing electricity consumption.

The 2 Bulgarian company approaches to CSR

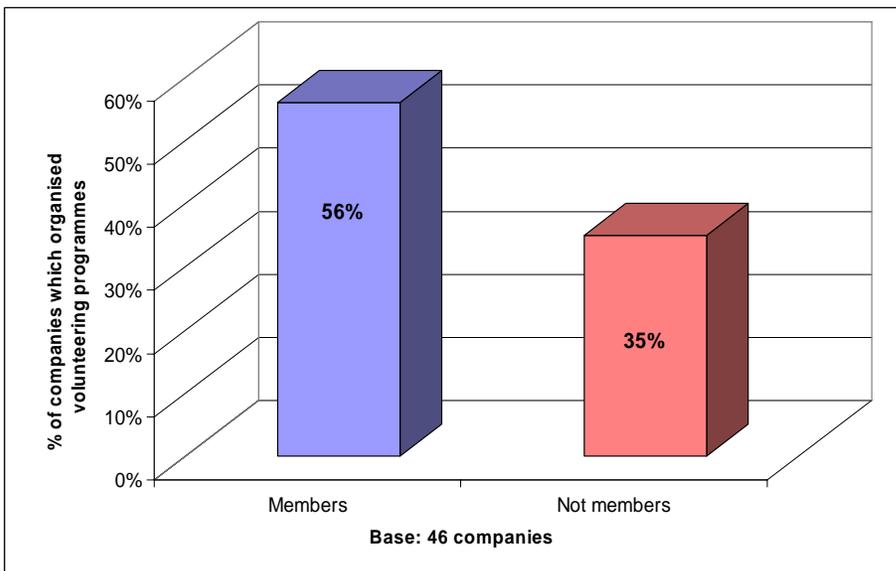
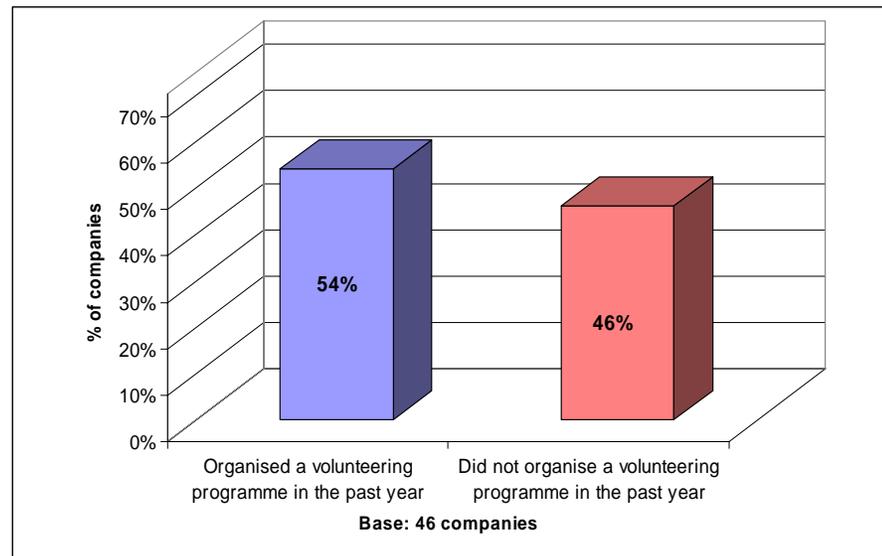
- 1. CSR connected to the company's business**, for example manufacturers supporting consumer protection; car and transport companies supporting road safety.
- 2. CSR not necessarily connected to the company but popular with the public and “in fashion”**, for example, cleaning up waterways, planting trees, painting and repairing children's homes.

Popular causes and activities

- The research found that the top 3 causes to support were ecological, social housing and improving the urban environment.
- The most popular ways to support such causes included buying products from which proceeds are donated, making donations directly (from fundraising activities or charity boxes for example) and volunteering activities inside or outside the company.

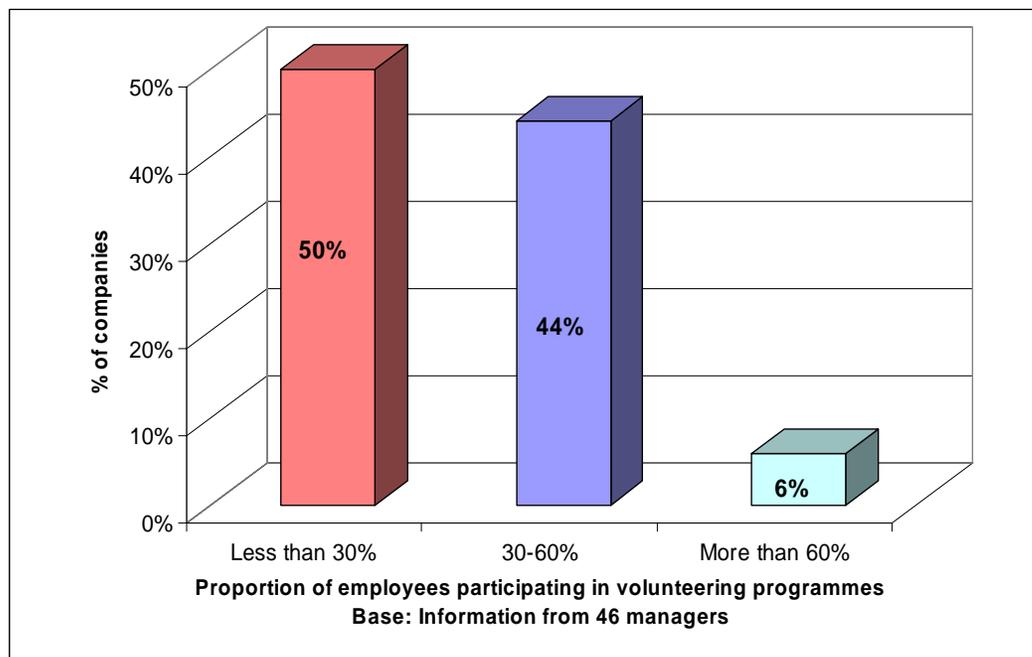
The majority of companies organise volunteering programmes

- 54% of companies had organised a volunteering programme in the past year.
- Some of those which had not done so said that they had run such programmes in the past.



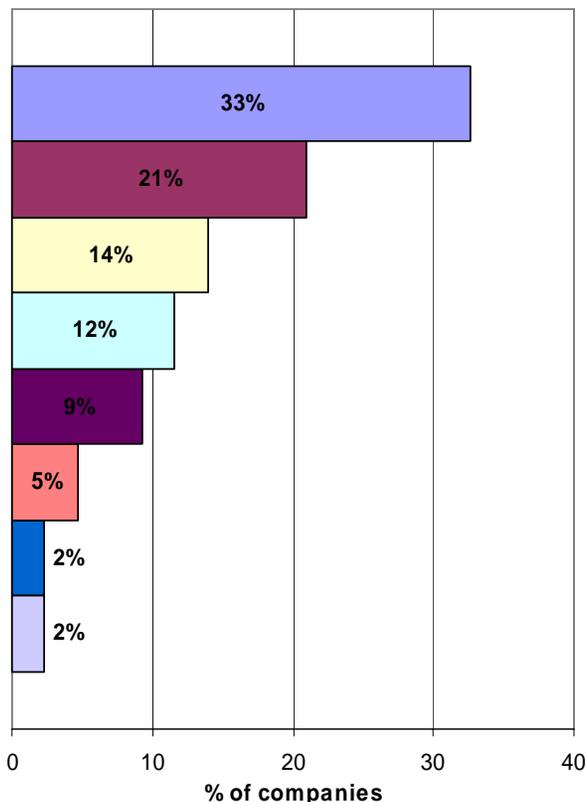
- Of those companies which had organised a volunteering programme, 56% were in a business network.

50% of companies have more than 30% of employees volunteering



- The most active participants are men aged 30 to 50 and holding middle management posts.
- There is a sharp fall in participation among people over 50 years of age; these activities remind them of “Lenin Saturdays” and they see them as “compulsory volunteering days”.
- Younger employees (under 30) have a more positive attitude towards such initiatives, but due to a weaker identification with the company, or to personal commitments, they take part less than the middle generation.

Over 50% of companies organise volunteering to engage with employees



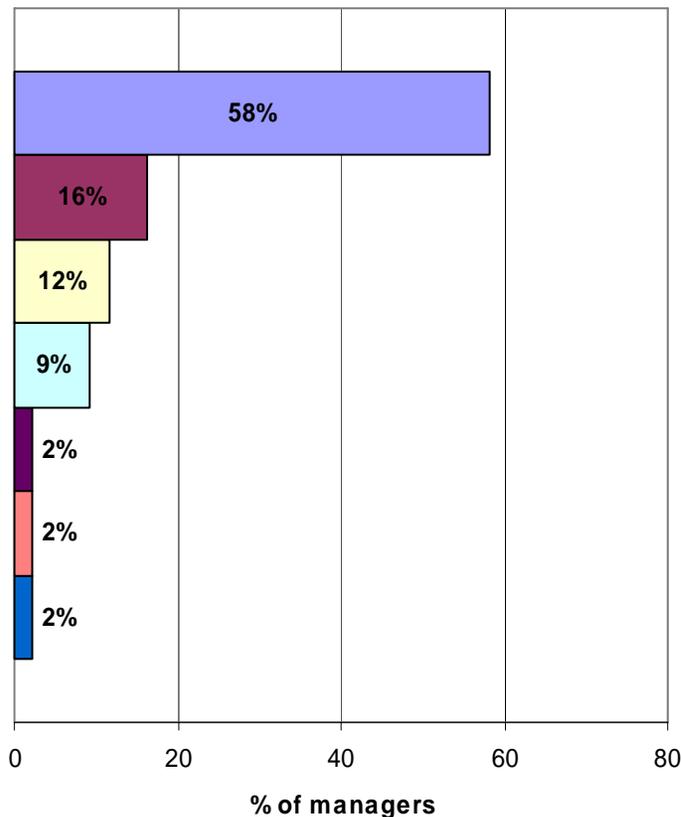
- Employee involvement is part of company strategy
- It is a new and interesting activity which engages employees
- We were approached by an NGO we trust
- Employees can make a difference to society
- It strengthens relationships between employees
- We want to establish a new tradition
- Students suggested the programme and employees supported it
- We did not put much thought into it

Reasons for initiating an employee volunteering programme

Base: 46 managers

- Encouragingly, for almost 1/3 of the companies we asked, getting employees involved in their CSR policy is a part of company strategy, this could be beneficial in the long-term.
- NGOs are also showing initiative in approaching companies with requests for support as was the case for 14% of the companies. The element of trust between companies and NGOs also suggests that they are developing successful relationships which should endure.

Managers believe employees volunteer because the cause is important to them



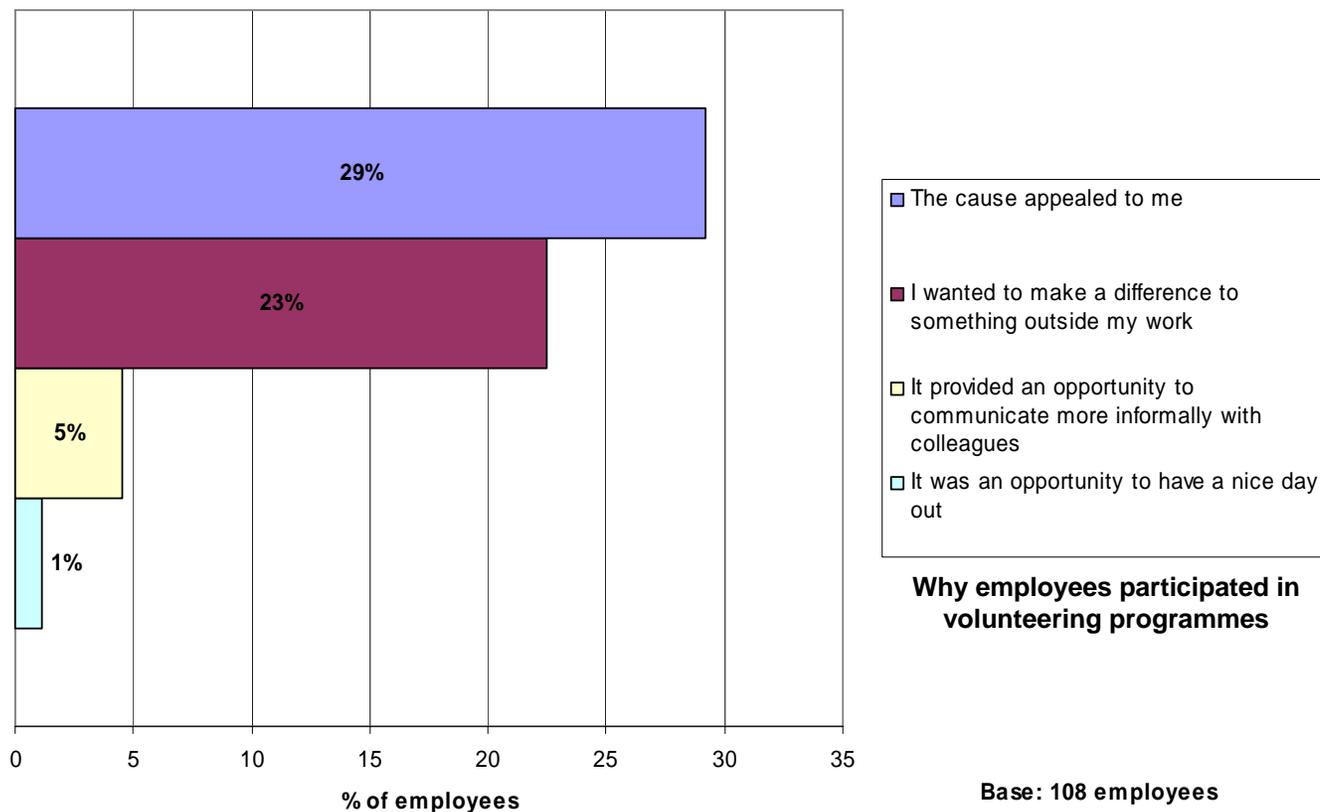
- The cause is important to them
- Wish to communicate informally with colleagues
- Opportunity to spend a day away from the office
- It is an extra staff benefit like annual leave
- Employees also bring their children
- Employees get a bonus for participating
- It is prestigious and non-participants are met with certain disapproval

Reasons employees participate in volunteering programmes
(According to managers)

Base: 46 managers

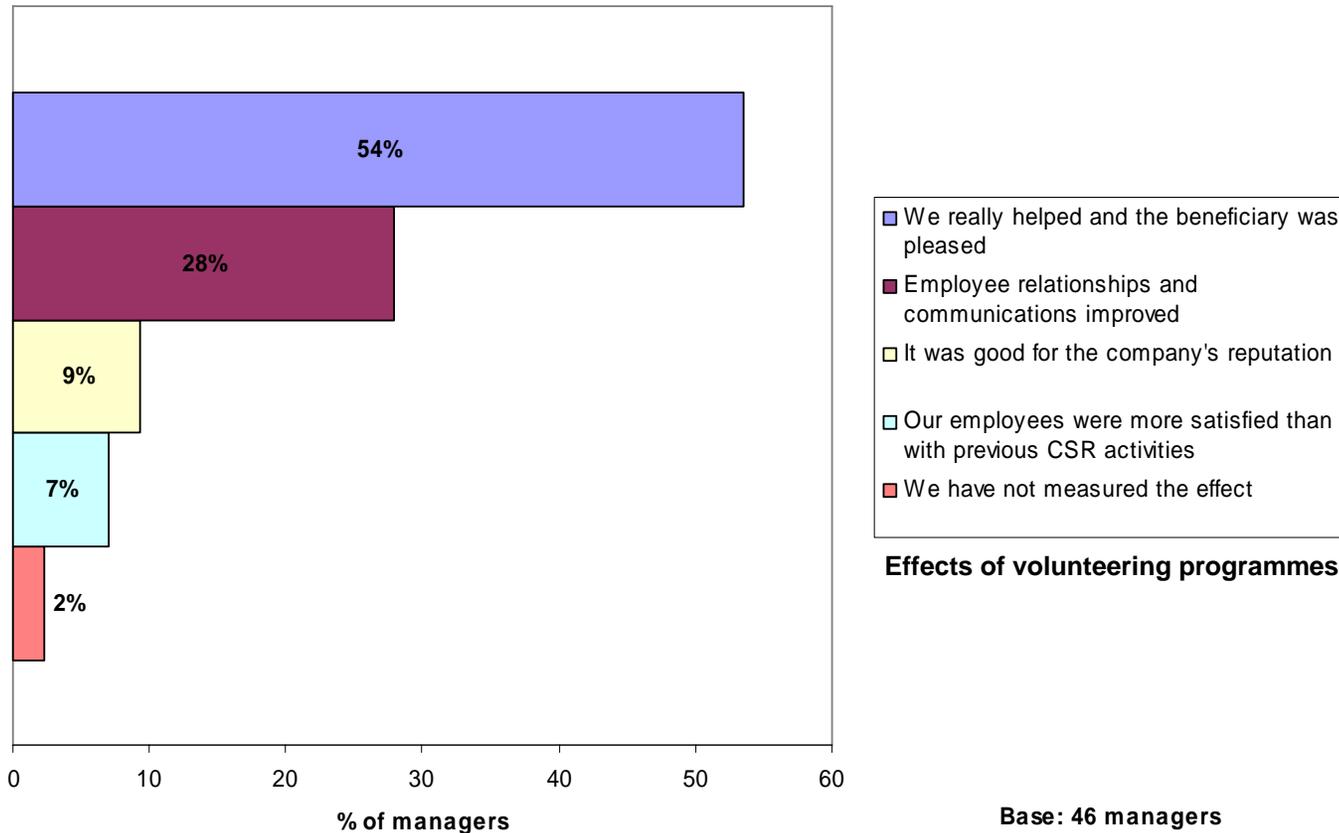
- Overwhelmingly, managers think that staff participate in volunteering because the cause is important to them.
- Some companies support their employees in volunteering by allowing them leave or awarding them a bonus.

Employees participate for a variety of reasons: The cause and making a difference are particularly important



- Almost 1/3 of employees agreed with managers that the cause is a key motivator for volunteering.
- Over 20% of employees cited the wish to make a difference to something outside of their normal job as a reason for participating suggesting that it is a rewarding experience for them.

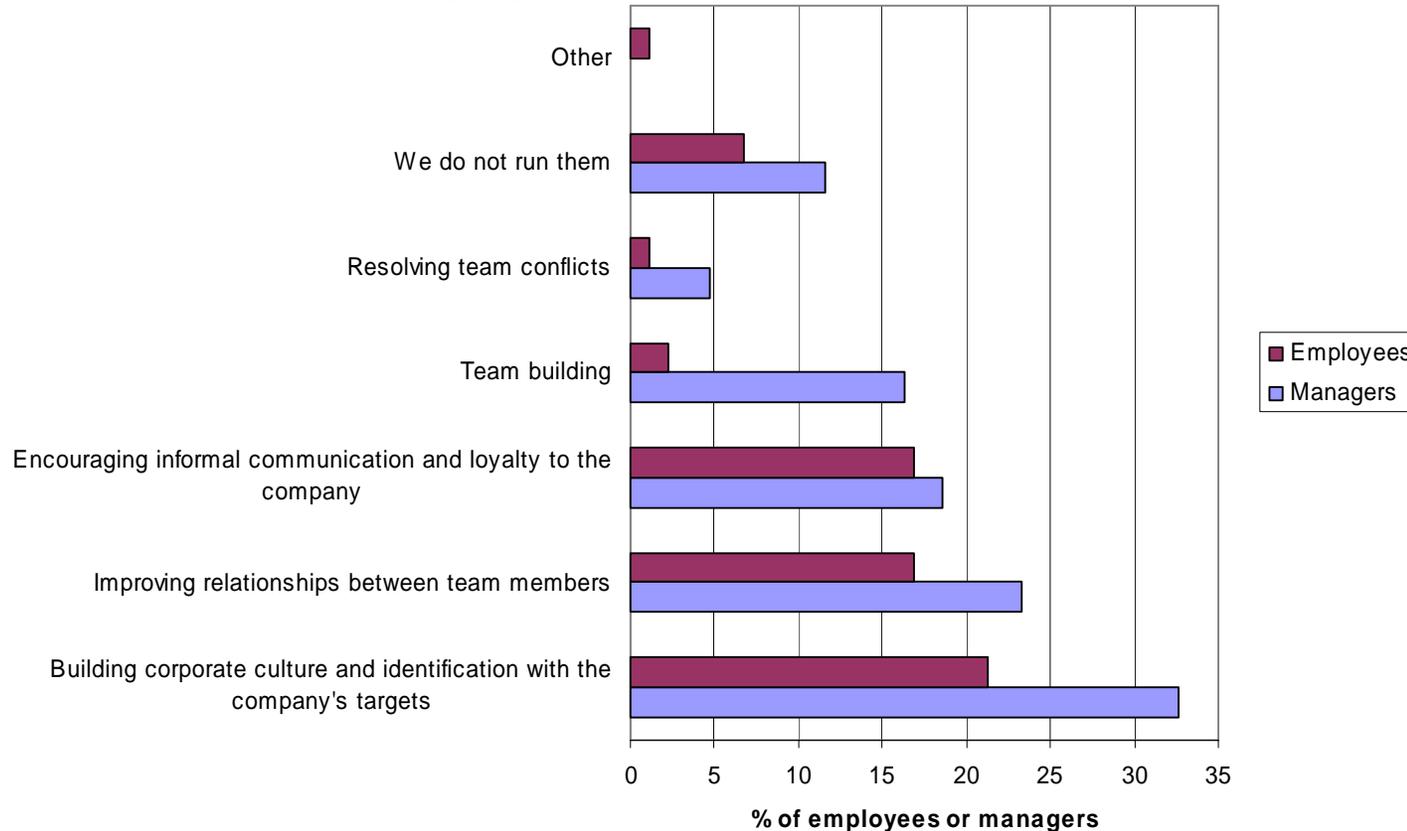
54% of managers saw the beneficiary's satisfaction as the key benefit of their volunteering scheme



- Managers identified clear benefits to volunteering schemes, not just to the causes they helped, but also for the company itself with improved relationships between staff, and a more positive reputation.

Both employees and managers saw building corporate culture as an internal benefit of employee volunteering

Internal benefits of employee volunteering programmes



- Both employees and managers agreed that volunteering programmes helped to encourage communication and improve relationships between employees, thus benefiting the company as well as the charity.

Why not run a volunteering programme?

- Managers cited a wide range of factors which discouraged their companies from running volunteering programmes; the most common reason was the belief that the activity has little or even negative effects.
- Others did not see any benefit for the company, thought that arranging a volunteering programme would be too time-consuming or felt that it was not necessary to involve their employees in their CSR activities.
- The economic crisis has had an effect, making some companies feel that they could not run volunteering programmes during this period.
- Interest from employees is also an important factor and if managers do not believe it is there, they will be more reluctant to run volunteering programmes.
- Not having a suitable beneficiary partner was also cited as a reason for not running volunteering, suggesting that NGOs need to engage more actively with companies.
- Some companies simply did not run volunteering programmes however because they preferred other forms of Corporate Community Investment (CCI) such as sponsorship.

The future of employee volunteering in Bulgaria

- An impressive 74% of employees said that they would take part in future volunteering schemes while 14% said it would depend on the event, and 11% said it would depend on the cause. This percentage is considerably higher than those who have taken part in such schemes to date and shows an important trend towards increasing participation.
- Even more encouragingly, the majority of employees surveyed (76%) stated that they needed no additional incentive; if the opportunity is there, they will take part.

Conclusions

- Employee volunteering is a significant aspect of CSR in Bulgaria.
- The research reveals an encouraging increasing interest in employee volunteering.
- Companies which are members of a business network are more likely to organise employee volunteering programmes.
- Both employees and managers feel that there are benefits to volunteering and some of these impact the company itself.
- CSR is implemented and perceived in Bulgaria in a variety of ways, as it is relatively new to the country opinions and activities in this area will continue to evolve.

Comparisons with Corporate Community Investment (CCI) in the UK

- Though corporate community investment has a much longer history in the UK, with its roots in the Industrial Revolution, it is possible to trace several similarities in its evolution in both countries.
- One of the key challenges in both countries is that of making the business case for CCI with senior management, Bulgarian companies still have some way to go in view of the finding that managers in Bulgaria value the advantages to the beneficiary more than they do the benefits to the company.
- Though the “win-win” character of CCI is better understood by companies in the UK, the fact that managers are aware of the benefits for corporate culture and the reputational benefits to engaging employees in volunteering reflects that there is a growing awareness of the strategic benefits of CCI to companies.

Comparisons with CCI in the UK

- The Charities Aid Foundation has identified a strong trend over the past few years for companies in the UK to organise their CCI more strategically, including aligning it more closely to their main activities and this research finds that a similar approach is developing in Bulgaria.
- Similarly to the UK, it would appear that stakeholder engagement is becoming increasingly important in Bulgaria, with companies beginning to develop ongoing relationships with NGOs.
- Researchers in the UK have found that CCI becomes institutionalised in networks - this research indicates that there is a similar phenomenon in Bulgaria; a promising finding for the future of CCI.

Further information

- For further information regarding CAF Bulgaria or organising Employee volunteering in Bulgaria, please visit the website:

<http://bcaf.bg/English/Index.aspx>

- For further information regarding CCI in the UK, please refer to our research publications:

[An Evaluation of Corporate Community Investment in the UK: Current Developments and Future Challenges](#)

[The Role of Stakeholder Engagement in Corporate Community Investment](#)

[Getting Engaged: The Role of Stakeholders in Community Investment](#)

All of these, and other reports can be downloaded from our website:

www.cafonline.org/research