UNIVERSIDADE CATÓLICA PORTUGUESA

Exploring the Whole Value of Corporate Volunteering

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Social Economics

by

Jorge Manuel Lima Pinto Mayer

under the supervision of
Prof. Dr. Susana Cristina Lima da Costa e Silva

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Abstract

There is a worldwide need to measure and assess the social impact of volunteering. The designated corporate volunteering, or employer supported volunteering programmes, in particular, are developed by more and more companies, investing millions of dollars and with little knowledge of their value.

This master's thesis explored the value generated by a corporate volunteering programme. The analysis was based on a new valuation model - the 'Whole Value Model' - that results from the adaptation of the model advocated by Andrew Haldane in 2014. The analysis followed the single case study method focusing on the corporate volunteering programme of the EDP Group, which is present in 14 countries.

The results obtained were compared with the few existing adequate reference values and are in context with them. This analysis showed that the EDP programme was estimated to generate an average of at least 3,55 € for every 1 € invested, if assumed that the whole generated value is a sum of several different values. The potential return on volunteer hour granted by EDP was 5,75 higher than its costs. In this case study the whole generated value was estimated to be 22 times larger than just the economic value, showing that economic value is a very small tip of the iceberg of the whole value that corporate volunteering generates. The results were considered a conservative estimate of the whole value generated.

The study enabled the application of the new model for value analysis of corporate volunteering, providing a basis for its application to other companies.

Keywords: value, social impact, corporate volunteering, employer supported volunteering

Resumo

Há uma necessidade a nível mundial de medir e avaliar o impacte social que o voluntariado tem. Particularmente os programas designados como de voluntariado corporativo ou voluntariado empresarial são desenvolvidos por cada vez mais empresas, que investem milhões, conhecendo pouco o seu retorno.

Esta tese de mestrado explorou o valor que um programa de voluntariado corporativo gera. Esta análise baseou-se num novo modelo de valorização – o 'Modelo do Valor Total' - que resulta da adaptação do modelo preconizado por Andrew Haldane em 2014. A análise seguiu o método de estudo de caso focando no programa de voluntariado corporativo do Grupo EDP, que está presente em 14 países.

Os resultados obtidos foram comparados com os poucos valores de referência adequados existentes e estão enquadrados com os mesmos. Nesta análise estimou-se que programa da EDP gera em média pelo menos 3,55 € por cada 1 € investido, se se assumir que o valor total gerado é uma soma de vários valores diferentes. O retorno potencial das horas de voluntariado concedidas pela EDP foi 5,75 superior aos seus custos. Neste caso de estudo, o valor total gerado foi estimado como sendo 22 vezes superior ao valor económico, sendo o valor económico uma ponta do icebergue do valor total gerado pelo programa de voluntariado corporativo. Os resultados foram considerados como uma estimativa conservadora do valor total gerado.

O estudo aplicou o novo modelo de análise do valor do voluntariado corporativo, providenciando uma base para a sua aplicação a outras empresas.

Palavras-chave: valor, impacte social, voluntariado corporativo, voluntariado empresarial

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List of Acronyms

CVP: Corporate Volunteering Programme

EDP: Energias de Portugal

EVP: Energias de Portugal Volunteering Programme

ILO: International Labour Organization

IPM: Institute of Project Management

Chapter 1
Introduction

This chapter sets the context for the development of this master's thesis, describes the general research gap and managerial research gap, and explains the structure of the document on how the thesis is presented.

1.1 Context and general research gap

Worldwide companies have been investing millions of dollars on corporate volunteering programmes (CVP) (Cavallaro, 2006), some reporting their outputs, but very few, or hardly none, really knowing their outcomes or their whole social impacts. In 2008, the General Assembly of the European Volunteer Centre expressed the need to measure the economic value of volunteering and that it had to be employed "together with other measurement tools for the so far 'immeasurable impacts' of volunteering, such as on social capital, social cohesion, personal development and empowerment. Such measurement tools should be developed in order to enable the description of the full picture of volunteering and its true value" (United Nations Volunteers, 2011, p.15). In 2011, following the United Nations plea for the "establishing of the economic value of volunteering" (United Nations General Assembly, 2001, p.5) the International Labour Organization (ILO) published the 'Manual on the measurement of

volunteer work'. It is now the international recommended guidelines to measure the economic value of volunteering (which is the value that the volunteer actions generate in terms of produced service). It states that volunteer work is a crucial renewable resource for problem-solving and it greatly contributes to the quality of life worldwide and that "little sustained effort has so far gone into its measurement" (ILO, 2011, p.1).

In the last 10 to 15 years there has been a growing interest in volunteering by companies globally (Allen, 2012) as they become more conscious of the role they can play towards a more cohesive and solidary society. Evidence of this is the fact that approximately 70% of the Financial Times Stock Exchange 100 Index businesses have active employee programmes (Brooks *et al.*, 2013), promoting volunteering among their staff. Despite this, there is a vast portion of its value that is unknown, or it is rarely or never evaluated.

The International Association for Volunteer Effort, one of the international leading associations of volunteering organizations, approved in May 2016 a new Strategic Plan that establishes a goal of contributing significantly to the development of new methods and tools to measure the scope and impact of volunteering. Currently there is a gap in understanding the value that CVPs create in their multiple dimensions (Allen, 2012; Deloitte, 2016), be it at the economic, private or societal level specially because of the above mentioned 'immeasurable impacts'.

1.2 Theoretical Research Gap

There are a few different models for evaluating the whole value of volunteering in general (Haldane, 2014; IPM, 2014) and several partial approaches to its several value dimensions but no specific for CVPs. The

"absence of globally standardized models for data collection" (Allen, 2012, p.163) is an indicator of this gap and an impediment to knowing its whole value.

1.3 Managerial Research Gap

Millions of dollars have been invested on CVPs (Cavallaro, 2006) but with little knowledge of its impacts. Still companies believe that volunteering is a strategic asset to help achieve business goals, despite the mismatch between the importance they say it has and the investment they really make to ensure the value of their CVPs is maximized (Allen, 2012).

The study field of social impact of CVPs is very recent so there is little available data, no benchmark and no methodology for it (Allen, 2012). It is important that steps are given to address this gap in order to have stronger arguments for the expansion of current programmes, to attract more recognition and resources, and to the widespread of this practice that creates value for communities, volunteers, social organizations and companies.

1.4 Document Structure

This thesis contains the following chapters in addition to this Introduction. Chapter 2 sets the main concepts, reviews the relevant literature regarding the valuation of volunteering, presents an overview of quantitative and qualitative methods addressing the value it generates and the proposed model for the analysis. Chapter 3 analyses the methodological approach and the selection of the object of analysis. Chapter 4 contains the presentation of the EDP's (Energias de Portugal) CVP case study, the application of the model and methodology,

enabling the value analysis and presents and discusses the results. Chapter 5 presents the theoretical findings, managerial findings, limitations and suggestions for future research.

Chapter 2
Literature Review

This chapter sets the foundations for the thesis, establishing the understanding of the main concepts involved, synthesizing the existing literature about the value of volunteering, its diverse dimensions and the benefits it produces. It concludes with the proposed model for the analysis.

2.1 Main Concepts

Before moving forward, there are concepts that are necessary to be depicted and these are: value, volunteering and corporate volunteering. The concept of **Value** can be tackled in its multiple dimensions, namely having a meaning and a reference, and being about things or human actions (Mendes, 2007). Concerning the current thesis it is viewed from an economic perspective, as opposed to a financial or philosophical one (IPM, 2014; Haldane, 2014). Value is typically measured in terms of trade-offs and is relative. In this instance, money is used as the unit of account. This has important implications that must be kept in mind. The first is recognizing the universality of money as an instrument of exchange. When money is used to make claims of value, this is not intended to imply that value can be simplistically reduced to money. "Putting forward monetary expressions of value, however, allows us to better understand the trade-offs a

person or group is willing to make" (IPM, 2014, p.23). Second, focusing on the relevance of economic value, is not intended to undervalue other forms of valuation. "This is just a pragmatic recognition of the fact that decision-making in policy is inevitably fiscally constrained. Given the governing assumption that volunteering is by and large a public good, monetary comparisons are entirely relevant given the complexity of acts and diversity of stakeholders under examination" (IPM, 2014, p.23).

Volunteering is "unpaid non-compulsory work; that is, time individuals give without pay to activities performed either through an organization or directly for others outside their own household" (ILO, 2011, p.13). CVPs present a specific situation since some businesses provide incentives for workers to participate in such programmes, such as offering paid time off. Where such incentives exist, the resulting activity violates the 'unpaid' provision of the recommended definition and should be considered as corporate in-kind contribution according to the ILO (2011). Although this is an ILO definition, the issue of paid time off is not consensual and it is currently considered a grey area (IPM, 2014). As an example in Australia paid community service leave is available for many government employees (Baxter-Tomkins *et al.*, 2009) which include volunteer firefighters. Also according to the Tasmanian Civil Liability Act 2002, on section 45, a person is considered a volunteer if it receives no remuneration for doing the volunteer work but still receives the remuneration that the person would normally receive from their regular job (Civil Liability Act, 2002[1]), so it includes corporate volunteers. This shows that this particular topic can be viewed in very different ways. This description is only intended to provide a deeper understanding of the context and details of corporate volunteering and it is not the main subject of the present work. Having this mentioned, the focus will be

[1] Consulted at http://www.austlii.edu.au/au/legis/tas/consol_act/cla2002161/s45.html on 7th July 2016

on the outcomes of CVPs regardless of the type of activity and focusing on the volunteer service done on company supported activities.

The concept of **corporate volunteering,** or employer supported volunteering, or employee volunteering, refers to volunteer activities that employees perform in the community with some form of support or encouragement from their employer (YouGov, 2010).

2.2 Existing Literature On The Valuation of Volunteering

Frequently corporate volunteering is viewed as a part of the Corporate Social Responsibility strategy of firms (Lee *et al*., 2001) and one of the many ways they have to interact with the community, the present work will not focus on this specific topic.

There is extensive literature on the motivations of volunteers, nevertheless it is surprising the lack of investment in establishing the business case for CVPs (Allen, 2003) and even more for their contribution to society as a whole that is largely under-appreciated (Haldane, 2014).

In the last few years, however some studies have emerged trying to capture the value of volunteering for society using quantitative models (Haldane, 2014; IPM, 2014), achieving their aim of a value in monetary terms. Using qualitative models, YouGov (2010), Volunteering England (2011), Darlington (2014) have listed the benefits of volunteering and corporate volunteering. Both quantitative and qualitative approaches are important for the understanding of the value of corporate volunteering, especially because they support and are complementary to each other. It is also important because quantification of certain aspects can be particularly difficult to achieve and has different degrees of accuracy.

2.2.1 Quantitative models of the benefits of volunteering

The United Nations made a plea for the "establishing of the economic value of volunteering" (United Nations General Assembly, 2001, p.5) so the ILO has set a standard in 2011 for the measurement of volunteer work to be adopted by national statistics agencies. It focuses on the value that the volunteer actions generate in terms of produced service. This is generally known as economic value. It uses the replacement costs of the volunteer work in order to estimate its value. Putting it simply, the economic value is the cost of the work done by volunteers if they were replaced by professionals[2]. This ILO methodology is simple to calculate and widely accepted worldwide, and it set the foundations to go further beyond the economic value to capture more of the value created by volunteers.

Haldane (2014) and IPM (2014) have already attempted to go beyond the economic value and the focus will now be on these broader quantitative approaches. Two major lines of thought and their models are presented in order to achieve this 'holistic' value: the Haldane (2014) model and the IPM (2014) model. They were created to be as far reaching as possible. The first one, the Haldane (2014) model, focuses on the fact that volunteering activity is not captured by existing Gross Domestic Product statistics, it suffers from the 'hidden jewel' problem, with clear symptoms of market failure with social externalities which are not being perceived neither accounted for (Haldane, 2014). It looks at the value of volunteering as a set of layers of value that are included inside each other, like an onion (see Figure 1). At the centre there is the Labour Input of the volunteer activities that generates the outer layers of Economic Value, Private Value, and Social Value (Haldane, 2014).

[2] There are some issues associated with this simplification that we are not going into in this thesis for they are complex and outside of the scope of the present work. For a deeper perspective and discussion, please consult Sajardo *et al*., 2008 (for an application of the concept to Spain please consult Sajardo *et al*., 2011) and Salamon *et al*., 2011.

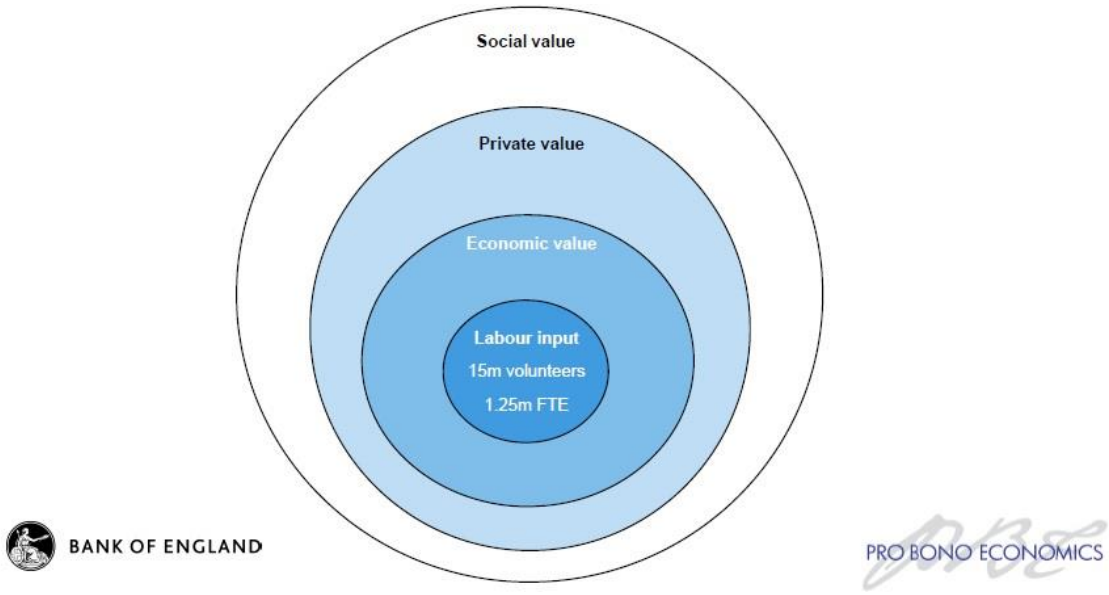


Figure 1: Haldane's 'Onion' Model[3] (Source: Haldane, 2014).

Three main caveats are made about this model, first these layers may not be entirely distinct, so there should be some consideration before adding these benefits together. Secondly, value measurement becomes harder the further you go from the centre of the onion. Third, measuring the value of volunteering typically relies on secondary, often non-official statistical sources (Haldane, 2014). This model was very important in increasing the awareness of the gap in perception of the whole value of volunteering. It simplified some of the difficulties focusing more on understanding the magnitude of the value created than the mathematical accuracy of the value perceived.

The second model, that we designate as the Institute of Project Management (IPM) Model, applies the Institute of Project Management Model of Value

[3] The Labour input corresponds to volunteer inputs, namely the volunteer hours as Full Time Equivalent and the number of volunteers. The Economic value is obtained using the ILO methodology to determine the value of the volunteering actions results using the replacement costs method. The Private value is the value created for individuals (that correspond to volunteers) and also organizations which include the value for companies, which are the focus of the present work. It is obtained by the sum of several different value dimensions. It is pertinent and necessary to adapt Haldane's (2014) model in order to distinguish between the value for individuals in a category of private non-corporate value and private corporate value (or employers). The Social value or stating it more clearly the value for society, or societal value, corresponds to a set of public goods that are generated by the volunteer actions (see Figure 2).

Creation in order to locate the discrete values of volunteering activity and to illustrate the dynamic ways in which they interact (IPM, 2014). The model depicts how individuals, businesses and governments use their time and money to enable volunteering, which alter the individual and community states of physical, human, social, and symbolic capital. These types of capital are converted by users into a set of economically valuable outputs that impact upon the welfare of society (IPM, 2014).

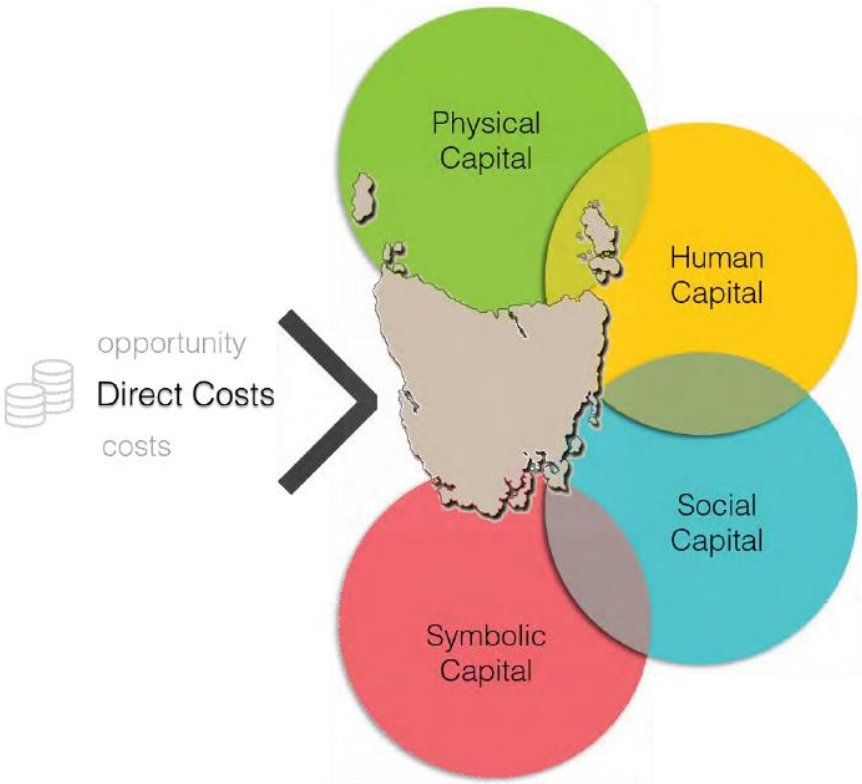


Figure 2: The IPM Model of Value Creation[4] applied to the state of Tasmania (Source: Institute of Project Management, 2014).

In its application, the IPM (2014) model adopts the principles of cost and benefit analysis to estimate the value of the unique cluster of activities that

[4] Physical capital refers here to the saleable assets created by the activity. Human capital refers to, among other things, a person's health, psychological well-being, knowledge and skills, whereas social capital is an individual's extant levels of happiness, trust, and engagement with others. Symbolic capital recognizes the extent to which the activity and its artefacts inspire an individual, or give them something to aspire to.

comprise volunteering. Both IPM (2014) and Haldane (2014) models use the ILO standard for economic value based on replacement costs for the valuing of volunteer produced services.

It is relevant to mention that there are models focusing specifically on corporate volunteering like the Volunteerism ROI Tracker model[5], or the London Benchmarking Group[6] model that focus mainly on the value created for companies. The Boston College Centre for Corporate Citinzenship model[7] and the Performance Indicators (Allen, 2012) model focus on the evaluation of performance of corporate volunteering. None of these is as overreaching as the IPM (2014) or Haldane (2014) models. No work was found on the 'holistic' value of corporate volunteering.

There are several obstacles to the measurement on volunteering. First it is a complex process with many potential outcomes, many stakeholders and possible metrics. Second it is often about intangibles that may seem to defy measurement. Third there may be resistance to push volunteering just "for the numbers" (Allen, 2012). One may try to defend that quantification of such reality is not possible and when quantification is attempted, too much simplification and distance from the grassroots level makes it just a little more that guessing or throwing numbers. In our opinion, this is not the case. Measurement is crucial for companies so that they know where they stand, what they are doing, and where they want to go, for it is necessary to measure in order to manage. It is important to sustain the business case of volunteering for the company itself for "businesses live and die by their numbers, the lingua franca of management" (Allen, 2012, p.159) to which it may be added "in God we trust; all others bring data" (attributed to W. Edwards Deming) so data collection and number presentation are important to understand what CVPs are about. This is a broader topic into which the current

[5] More information on it is available at: http://www.trueimpact.com/volunteerism on 6th July 2016
[6] More information on it is available at: http://www.lbg-online.net/#tools on 6th July 2016
[7] More information on it is available at http://ccc.bc.edu/DOE/ on 6th July 2016

thesis will not go deeper. As previously mentioned quantification can be elusive, or not yet available, and this reinforces the importance to complement the models mentioned in this sub-chapter with qualitative models.

2.2.2 Qualitative models of the benefits of corporate volunteering

The models by YouGov (2010), Volunteering England (2011) and Darlington (2014) are qualitative and based on the generated value for the various stakeholders. The Table 1 below shows the various benefits identified by these 3 different authors.

	Benefits of Corporate Volunteering	Source
For employees	Opportunities to develop relevant skills and self-confidence	YouGov (2010)
	Builds leadership and teamwork abilities and enhances use of initiative	YouGov (2010)
	Creates a sense of happiness and well-being	YouGov (2010)
	Supports career development and progression	YouGov (2010)
	Enhances social and cultural understanding	YouGov (2010)
For businesses	Cost effective and innovative way to build employees' skills sets	YouGov (2010), Volunteering England (2011), Darlington (2014)
	Helps to recruit and retain employees	YouGov (2010)
	Motivates employees	YouGov (2010), Volunteering England (2011), Darlington (2014)
	Increases employees' happiness and well-being	YouGov (2010)
	Enables action on community issues aligned with its CSR objectives	YouGov (2010), Volunteering England (2011)
	Positive impact on reputation	YouGov (2010), Volunteering England (2011), Darlington (2014)
	Builds community relationships	YouGov (2010)
	Aligns with the 'Big Society'	YouGov (2010)
	Consumer purchase	Volunteering England (2011)
	Staff Atraction	Darlington (2014)
For the community	Access to managers' skills and experience	YouGov (2010)
	Supports charities	YouGov (2010)
	Valuable resource of time and skills	YouGov (2010)
	Engages the community with businesses	YouGov (2010)
	Builds community relations	YouGov (2010)

Table 1: Benefits of Corporate Volunteering.

These benefits were identified based on field data and observation, and the qualitative methods for the majority of them were based on surveys[8] to relevant stakeholders. They provide a better idea of the benefits in question, and although YouGov (2010), Volunteering England (2011) and Darlington (2014) suggest no quantification, they allow a better notion of the impacts in the value dimension in question, and as such are a potential good complement to quantification models.

Below is the summary of models and their main features (see Table 2).

	Author Model	Year	Main Features
Quantitative	Andrew Haldane	2014	Value distributed in layers: Input Labour, Economic Value, Private Value, Social Value. Apllied to United Kingdom.
	Institute of Project Management	2014	Voluntering generates Physical capital, Human capital, Social capital and Symbolic capital. Apllied to Tasmania.
Qualitative	YouGov	2010	Presents the findings from two surveys, which compared and contrasted the perspectives of over 500 managers and over 1 000 other employees. Apllied to United Kingdom.
	Volunteering England	2011	Combines the results of different surveys from different sources. Apllied to United Kingdom.
	Darlington	2014	Combines the results of different surveys from different sources. Apllied to United Kingdom.

Table 2: Summary of Models and Main Features.

2.3 Proposed Model

The objective of a model of analysis, in this case, is to demonstrate the benefits of corporate volunteering and when possible to be able to quantify them, so a quantitative model is necessary to be the basis of the analysis. The choice between

[8] As an example, the YouGov report (2010) presents the findings from two surveys, which compared and contrasted the perspectives of over 500 managers and over 1 000 other employees. Participants were drawn from a representative cross-section of private, public and charity sectors and size of organisation.

the two previously mentioned quantitative models confronted their characteristics. The IPM (2014) model points to a broader perspective and is more thorough than the Haldane (2014) model. On the other hand the Haldane (2014) model is more pragmatic and simple, with the IPM (2014) model being much more complex and resource demanding because of its extensive cost and benefits analysis[9].

Besides being more simple and pragmatic, the Haldane (2014) model allows for future design of simplified methods and replications in different contexts, so Haldane's (2014) model was the chosen as the foundation of the analysis. Still this model has various value dimensions that are not accounted for and others that can be brought to the table through different ways, of quantifying them, or qualifying them, and applying it to corporate volunteering. This led to the application of this model with the necessary complement with qualitative methods, and adaptation to divide the private value into more detail, creating what we designate as the 'Whole Value Model'. The referred complement is necessary to overcome the lack of quantification of several value dimensions and to provide a clearer view of the value in question. On the possible qualitative methods, several studies from different authors were used according to the different value dimensions in question in order to create a more complete understanding. The choice of these value dimensions focused on eliminating overlapping between them and to those where qualitative data is available. There is room for future expansion of the number of value dimensions. The adaptation is necessary in order to distinguish between the value for individuals in a category of private non-corporate value and the value for companies in a category of private corporate value. This allows for a broader and deeper

[9] To sustain what was previously mentioned, it is important to indicate that the IPM (2014) model bases its work on several methodologies and multiple sources of data, like financial analysis, revealed preferences and travel cost methodologies, input/output analysis to estimate productivity and commercial outcomes, econometrics analysis and contingent valuation. The kind of necessary data for it available at nation level is non-existent or not yet accessible and its necessary work would be beyond the nature of the current thesis.

understanding of the value generated and the corporate value has the proper attention and focus. Haldane (2014) clearly includes informal volunteering but for corporate volunteering no estimate is yet available, so for now it will not be included in the current analysis. Finally, Haldane's (2014) approach does not consider the monetary investment and also the cost of opportunity of volunteers, which in the case of CVPs translates in a cost for the companies if they grant working hours for volunteer service (see Table 4). So it does not allow the knowledge of the potential return on investment, or on volunteer hour granted by the companies. Concluding, the new proposed 'Whole Value Model' is an adaptation of the Haldane (2014) model (see Figure 3).

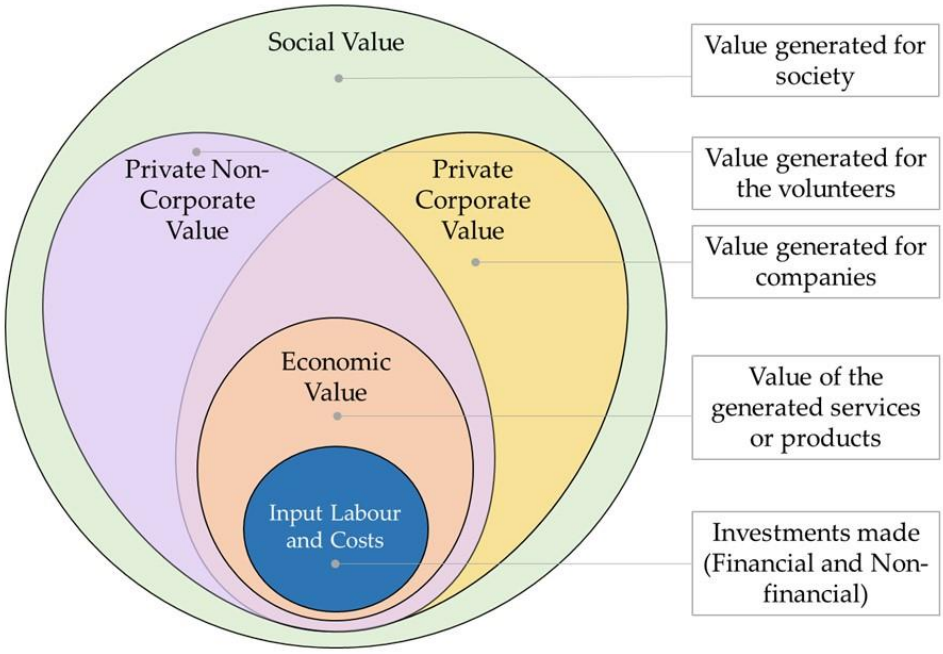


Figure 3: The 'Whole Value Model'.

The further away from the centre is the layer in question, the more difficult it is to quantify it, the concepts become greyer. Also there are overlapping areas.

The disadvantages of this model are that sometimes parts of the value dimensions overlap, for example, the skills development generates value both

for the volunteer and also for the company, and there are different degrees of accuracy.

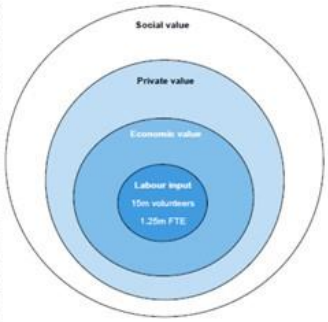
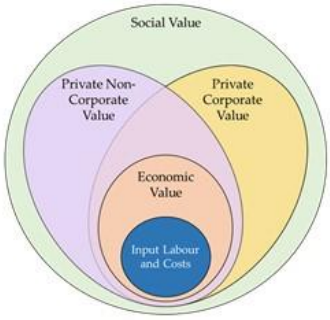
Characteristics	Existent Model Haldane's Model (2014)	Proposed Model The Whole Value Model
Model diagram		
Inclusion of investment and opportunity costs	No	Yes
Separation between corporate and non-corporate private value	No	Yes
Complementary with qualitative methods	Low	High
Number of private value dimensions	3 Enhanced well-being Health benefits Increased skills and employability	8 Enhanced well-being Health benefits Increased employability Skills Development Reputation and credibility Increased productivity Increased engagement Staff attraction

Table 3: Comparison between Haldane's (2014) Model and the 'Whole Value Model'.

In order to interpret and evaluate the findings it is necessary to compare with existing benchmarks. Since no benchmark of companies was found, the findings will be matched to the more similar available data, in this case that from Haldane's (2014) and IPM's (2014) studies.

Chapter 3
Methodology

This chapter describes the fundamentals for the choice of a case study as methodology and the choice of the CVP for analysis.

3.1 Methodological Approach

The case study research method was chosen because it is the most suitable method in order to explore the value of corporate volunteering due to the type of research question present that fits the category of questions like 'how' or 'why' (Yin, 1994) - namely how much value does corporate volunteering generate? Also there is absolutely no control over the events under analysis, for they report to past actions by third parties, which contributes to a more objective, solid and unbiased achievement. It is necessary to cover contextual conditions because the private sector context is relevant to the phenomenon under study. The boundaries are not clearly evident between the phenomenon of corporate volunteering and its context and benefits (Baxter, 2008), which makes it suitable for studying complex social phenomena (Yin, 1994). There are no other examples of this exercise applied to companies, so the results will be matched with existing estimates for countries and states to interpret the findings.

Understanding the different value dimensions fits the exploratory type of case study (Yin, 1994) set to explore and obtain more information on the phenomenon of interest, being a single case study. Also according to Stake (1995), this case study classifies as intrinsic because its focus is on corporate volunteering itself.

3.2 Selection of the object of analysis

The EDP (Energias de Portugal) Volunteer Programme was a suitable object for this case study for several reasons: it continuously gathers, processes and reports data; it has a strong reporting and transparency culture; EDP is part of the Dow Jones Sustainability Index for eight years now being number one in the Utilities sector several time since; it is on the international front-line of corporate volunteering with good results on the mobilization of its staff; it is part of an international network of corporate volunteering companies through the Global Corporate Volunteering Council of the International Association for Volunteer Effort. The Portuguese context of this field study is quite small and this also conditioned the option. This CVP is of appropriate size, not too big to have serious difficulties in harmonizing and collecting data, not too small not to have resources exclusively dedicated to volunteering and it is a global company. All of these combined create a solid opportunity for this work. A single case was selected considering the available resources and data for this work.

Regarding the data collection process, the main sources of evidences were: EDP's group public documents (www.edp.pt) and internal documents, the EDP's Volunteering Programme[10] (EVP) and the EDP University[11]. The data collection was performed sensitizing these two organizations for the necessary data, its

[10] That graciously participated and donated the data.
[11] That graciously participated and donated the data.

relevant characteristics (like coherence, background, calculation methods, etc.) and potential outcomes. The main documentation source was EVP, complemented with its online information at EDP Volunteering Website of Portugal (www.voluntariado.edp.pt). The data gathered from EVP was considered primary data. Secondary data came from the EDP University. The data was processed in order to achieve the valuation of the highest possible number of value dimensions of the EVP, focusing on its results for the whole EDP group in the many countries in which it operates and in all types of volunteering activities that are company supported. The value generated by informal volunteering, like outside working hours or by non-employees was not included due to the lack of available data.

Chapter 4
Case Study – EDP's Volunteering Programme

This chapter presents Energias de Portugal's Volunteering Programme, applies the proposed model previously discussed to the different value dimensions of this particular corporate volunteering programme and concludes with the discussion of the results achieved.

4.1 EDP's Volunteering Programme Presentation

EDP, which is the acronym of Energias de Portugal, is a mid-size energy company in global terms and the biggest industrial group in Portugal. It is one of the biggest companies in the Iberian market, with strong presence in Brazil and considerable investments in North America, being present in 14 countries. With around 12 000 workers, and more than 11 million customers it achieved an EBITDA of 3 642 Million € and a Net Profit of 1 040 Million € in 2015. It is the 3rd World Renewable Energy Group and is part of the Dow Jones World Sustainability Index for eight consecutive years[12]. This reflects the company's efforts to integrate sustainability in all priority areas in the value chain, across all Business Units and in all countries in which it is present.

[12] According to the Dow Jones World Sustainability Index 2015, EDP with 88 points in 100, maintains its leader position in the Utilities' Industry Group: Electricity, Gas and Water.

According to EDP's vision and values[13], sustainability is a key differentiation characteristic in which EDP invests and focuses on. This led to a focus on community invest and particularly in placing EDP's human capital at the societies service through volunteering.

The volunteering efforts started in Brazil at the beginning of the first decade of this century, when EDP expanded to Brazil acquiring companies that already had volunteering practices. The first milestone was in 2007 when EDP approved the granting of 4 working hours a month to every worker[14]. In 2011[15] EDP decided to create a permanent volunteering programme with its own financial and human resources, and this is how the EVP was born[16]. It is a joint initiative of the EDP Foundation and the Human Resources of EDP's Corporate Centre.

In terms of relevant internal campaigns for volunteering, EDP promotes the It's Up to Us ('Parte de Nós' in Portuguese) campaigns since 2011, that mobilizes between 800 to 2 500 volunteers, focusing on the environment, health and the Christmas of institutionalized people. The launching of EDP Volunteering Website on the internet took place in December 2011 for Portugal and later in Spain. By this time, a general training on volunteering through e-learning was developed for Portugal and later for other geographies.

In its strategy, EDP set the main priorities:

#1 – Skill-Based Volunteering towards social partners' needs.

#2 - Complemented with 2 large annual initiatives common to all countries (It's Up to Us campaigns) to generate awareness and new enrolments.

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[13] Available at: http://www.edp.pt/pt/aedp/sobreaedp/Pages/aEDP.aspx .

[14] Later in 2011 this changed from the individuals logic to a business unit management logic, which would allow for business units with spare hours to grant a maximum of 8 hours a month per worker.

[15] It is relevant to point out that 2011 was the European Year of Volunteering.

[16] In order to have a clear reference for a starting point in December 2010 an internal survey was conducted throughout the whole EDP group, and at the time 19,26% of the workers said they wanted to participate in a volunteering system led by the company. At the same time in Portugal, a survey to EDP Foundation partners showed that 70% of the social partners needed volunteers. This need and the will of the EDP workers were the basis for the launching of EVP. In 2014 EDP Volunteering achieved a record of 21,38% of all the EDP staff volunteered, exceeding for the first time the initial 19,26% of the 2010 survey. In 2015 the results were 19,89%, still above the 2010 survey.

The main goals of the EVP are to mobilize workers and maximize the usage of granted hours, following the guiding principles of subsidiarity and autonomy.

There are two types of activities, the skill-based activities and the hands-on activities. It is important to give more detail on the skill-based activities for they generate higher value than hands-on activities, and in particular, Junior Achievement in Portugal, Desafio do Bem in Brazil and the management of the campaigns of It's Up to Us in Portugal have good skills development potential. EDP has been actively involved with Junior Achievement[17] in Portugal for eight years, with more than 620 employee volunteer participants in the organizations' programmes, involving 12 764 students and dozens of schools. An internal EDP survey [18] focused only on these volunteers shows that they recognize a development of communication and public speaking skills (55%), self-confidence (58%), and group management (52%), among several others.

The Desafio do Bem (Challenge for Good in Portuguese) in Brazil is a competition between self-appointed EDP teams of volunteers, formed from the different business areas. These teams plan, develop and manage a volunteer project co-created with a social organization for which seed capital is provided.

The campaigns of It's Up to Us in Portugal are always planned and managed by a team of self-appointed volunteers that go through a selection process. They take up a leadership role outside their working areas, learning new skills on the job, planning, accompanied by an internal mentor, developing campaigns that mobilize thousands of volunteers internally. Focusing on It's Up to Us Christmas [19], it has achieved 554 actions, 5 661 participants, 471 institutions involved, 35 599 hours of volunteer service, and 105 151 beneficiaries across EDP. The other large campaign, It's Up to Us Environment, since 2012 involved more

[17] Junior Achievement is the world's largest and oldest non-profit educational organization to deliver in-school programmes that develop the taste for entrepreneurship in young people.
[18] Performed on March 2016 (participation rate of 38%).
[19] A once-a-year campaign which began in 2011, that promotes a more humane Christmas to institutionalized children and elderly people.

than 7 787 volunteers across the different geographic locations—between EDP Group employees, their families and friends, and 160 business partners—with 114 actions carried out in the service of environmental protection and biodiversity conservation, in a total of 46 419 volunteer service hours.

Several other skill-based initiatives like the most recent Volunteer Electricians' Pool, the 'Bill Cutters', or LEAN Volunteering, show the company's commitment to focus evermore on skill-based volunteering. In 2015 in Portugal 33% of the volunteer service hours were skill-based volunteering.

4.2 Value Analysis

The 'Whole Value Model' (see Figure 3 and Chapter 2.3) was applied to EDP's case study following the described methodology (see Chapter 3.1).

4.2.1 Input Labour and Costs

The EVP Scorecard shows that in 2015, a total of 2 404[20] volunteers participated in volunteering activities, corresponding to 19,9% of staff participating as EDP volunteers (see Appendix 1 - EVP Scorecard). EDP's mobilization rate is in-line with the International Association for Volunteer Effort's experience that places the majority of its member companies between 15% and 20%[21]. The amount of working hours granted was 17 534, valued by the company at a total of 489 850 € (see Figure 4).

[20] It is necessary to mention that this number does not include repeated or multiple participations in Portugal (which is where they would occur in higher rates), in all the other countries there is no distinction between volunteers (related to people) and participants (related to participations) but this effect is considered to have little influence in the final numbers.

[21] According to unpublished data from the International Association for Volunteer Effort's secretariat in June 2014.

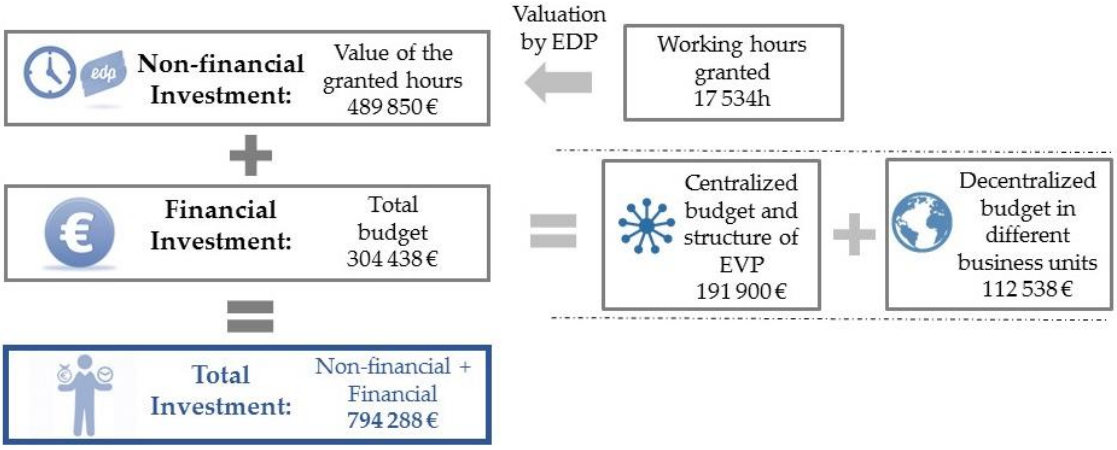

Figure 4: Input Labour and Costs in the EVP.

The amount of non-working hours was 1 076 260[22], these include the volunteer service hours outside of working hours by EDP staff and all the service time performed by people outside of EDP.

The centralized investment in EVP in 2015 was 191 900 €[23]. The decentralized investment made directly by the business units reached a total of 46 288 € in Portugal[24] and 66 250 € in Brazil. The total monetary investment of the EVP is 304 438 €, that added to the cost of the granted hours constitute a grand total of 794 288 € (see Figure 4).

4.2.2 Economic Value

EDP made its first estimate of economic value in 2014, following the ILO guidelines and based on estimates of hourly wages and categories of the Portuguese National Institute of Statistics (INE - Instituto Nacional de

[22] A major contributor to it is the Escolas Solidárias Programme which is a programme promoting volunteering among students in schools that totalizes 1 063 532 h, or 98,8% of the non-working hours. Because of its large size, student's participation and the uncertainty of applying the replacement cost to students under 18, the value contribution of Escolas Solidárias is not included in the EDP's economic value.
[23] This includes the cost of full-time staff and costs for the EDP Foundation and Conciliar Programme and excludes the costs of the business units and Escolas Solidárias Programme (see Appendix 1 - EVP Scorecard).
[24] As mentioned in the previous paragraph the value contribution of Escolas Solidárias is excluded and following the same logic so are also its costs.

Estatística)[25]. All the volunteer activities performed in Portugal were categorized according to the type of work performed and each category had a specific hourly wage, according to the replacement cost methodology (see Figure 5).

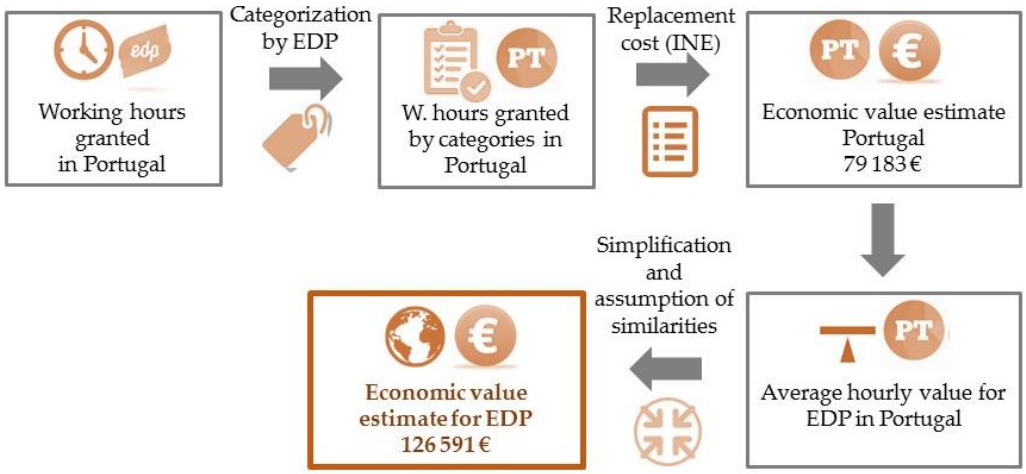

Figure 5: Estimate of the Economic Value generated by the EVP.

The estimated economic value was **126 591 €**[26] in 2015 (42% of EVP monetary investment, 7,22 € per volunteer service hour). The total since 2011 is 476 128 €[27].

4.2.3 Private Value

Haldane (2014) aggregates in the Private Value category the value created for individuals (that correspond to volunteers) and also organizations which include the value for companies. We found it necessary to distinguish them in two categories: private non-corporate value and private corporate value in order to get a clearer idea of the different benefits.

[25] The Portuguese National Institute of Statistics allows for 3 different approaches (minimum wage, average wage or replacement cost). EDP chose the replacement cost because its closer to reality and it is the one that does not depreciate the difference between skills-based volunteering and hands-on volunteering.
[26] The estimate of the economic value of those activities was performed by assuming similarities of the whole group with the activities in Portugal (some of them are transversal to all EDP). This was done using the average hourly value for EDP in Portugal and using it to estimate the economic value generated in other countries, because the data available for EDP activities in other countries is less detailed than in Portugal.
[27] This estimate does not include informal volunteering that is potentiated by EVP, that workers perform on their own and that is not reported, or the Escolas Solidárias programme of volunteering in schools. Future research should be conducted in order to close this gap.

Private Non-Corporate Value

4.2.3.1 Enhanced Well-being

The Wellbeing Valuation method established by Fujiwara *et al*. (2014) was used to quantify this value dimension. It is a method for placing values on things that do not have a market value through being bought and sold. Currently only data for the United Kingdom is available. According to the Social Impact in the Community Measurement (Fujiwara *et al*. 2014), the average wellbeing value for regular volunteering is 2 982 €[28] (£2 357) per person per year in the United Kingdom. This value was updated in May 2016[29] to 4 111 € (£3 249) and needs the discount of the deadweight factor and to be translated into the EDP context. To convert this value from the United Kingdom experience to the Portuguese one (the most representative of the EVP), the data of Power Purchasing Parity[30] of the two countries was used as set by the Organization for Economic Cooperation and Development[31].

In 2015, 2404 EDP workers participated, the estimated value of their enhanced wellbeing is of **520 505 €**[32]. If more accuracy could be given to the age and participation rates this result would clearly be higher[33], so this is considered a quite robust estimate.

[28] In this document all values of Euros that are immediately followed by a value in Pounds Sterling originate from the respective Pounds Sterling value converted using the exchange rate of Xe.com on 28th April 2016.
[29] http://www.hact.org.uk/value-calculator on the 21st June 2016.
[30] http://stats.oecd.org/Index.aspx?datasetcode=SNA_TABLE4.
[31] In 2015, the Purchasing Power Parities for actual individual consumption (considered the most appropriate given that the wellbeing valuation method is based on the amount of money that will increase life's satisfaction for the average person in the same proportion) were 0,757258 for the UK and 0,623099 for Portugal for 1 USD. Dividing one by the other generates a conversion factor of 1,2154 Pounds Sterling in the UK for 1 € in Portugal.
[32] The Value Calculator estimated a total 632 622 GBP that divided by the conversion factor results in 520 505 €.
[33] In the calculation for the EVP, the exact age of each EDP volunteer is unknown and this is relevant to include in the value calculator (that is available online at http://www.hact.org.uk/value-calculator), so the 'unknown age' option was assumed. Also the above mentioned values for the UK context are for the wellbeing generated by regular volunteering and the rate of participation of the EDP volunteers varies and is not determined. In order to have a robust result the recommendation of the Social Value Practice Notes was followed and the option of 'number with unknown results' was assumed.

4.2.3.2 Health Benefits

Following Haldane's (2014) perspective, the Centre for Mental Health from London has estimated that the economic and social costs of mental health problems are enormous. Currently no data was found on this issue for Portugal. In the UK the health and social care costs alone are worth over 25,3 billion € (£20bn), the associated output losses 38 billion € (£30bn) and the human costs over 63,3 billion € (£50bn) (Center for Mental Health, 2010). This signals that even slight improvements in this field have the potential to produce a big difference to those that volunteer and also to social welfare.

Positive impacts on mental health are typically associated with volunteering service like improving social integration and engagement (Casiday *et al.*, 2008). This research[34] found that volunteering reduced the incidence of depression, stress, hospitalization, pain and psychological distress. This is a field where benefits are hard to estimate with precise numbers. On average, Fujiwara *et al*. (2014) found that the well-being benefit from relief from depression or anxiety is worth around 46 800 € (£37 000) per year[35]. This shows that large benefits can be delivered by even a small effect from volunteering on mental health. No data for EVP is available.

4.2.3.3 Increased Employability

There is a common perception that volunteering enhances employability. Although only international data was available, an analysis done in the UK, hosted by the University of Birmingham and the University of Southampton found that volunteering has a significant, but weak, effect on employability in terms of entry into work. The frequency of volunteering, however, makes a difference to its effects on employment outcomes. The effects also vary according

[34] Elaborated through a systematic review of the international literature that assessed 43 longitudinal, cross-sectional and qualitative studies of the impact of volunteering on mental health (Casiday *et al*, 2008).
[35] Also New Economy Manchester, 2015, estimates that the average cost of treating those suffering from depression or anxiety is around 1 209 € (£956) per year.

to demographics. The evidence on job retention is weaker, and volunteering appears to have zero or even negative effects on wage progression (Ellis Paine *et al*., 2013). A recent survey targeting persons that have influence in hiring decisions (Deloitte, 2016) shows that 82% are more likely to choose a candidate with volunteering experience, and 85% are willing to overlook curriculum vitae flaws when a candidate includes volunteer work on a curriculum vitae. No data for EVP is available.

Private Corporate Value

4.2.3.4 Increased Productivity

According to Oswald *et al*. (2009), human happiness has powerful causal effects on labour productivity. Subjects involved in their studies had 12% greater productivity in a paid piece-rate task. Happier workers' effort levels go up while their precision is unaltered, which translates in the same quality of the output.

According to EDP (2015), net profits were 913 Million €. In order to have an estimate of this value dimension, if the same increase in productivity (12%) could be achieved with EDP workers that volunteer (19,9%) this could lead an overall increase of 2,39%, that corresponds to 21,8 Million € higher net profits.

We do not know the productivity of the EDP workers that volunteer and how it is affected but this short estimate gives us an idea of the scale that the particular topic might have in terms of results for the company.

4.2.3.5 Increased Engagement

The benefits of employee engagement are hard to dispute[36] and there is a link with employee volunteering for according to Darlington (2014), a Deloitte Study[37] found employee volunteers were:

- Twice as likely to rate corporate culture as very positive (56% v. 28%);
- More likely to feel very loyal toward their company (52% v. 33%);
- More likely to be very satisfied with their employer (51% v. 32%).

A poll lead by the Boston College Centre for Corporate Citizenship, shows that nearly 90% of the companies that measure the connection between volunteer participation and employee engagement found a positive correlation between participation and engagement scores.

According to Veldman (2014), Gallup estimates that in the UK, employees who feel unengaged at work cost employers upwards of $64 billion every year. They discovered that for companies where employees were more engaged, their profitability jumped by 16% and general productivity was 18% higher than other companies. 85% of employees believe the perception of their company had improved as a result of volunteering (YouGov, 2010).

At EDP, according to It's Up to Us Christmas campaign 2015 in Portugal, the feedback survey[38] indicates that 99% of the participants are proud that the company organizes this sort of campaigns, which indirectly relates to their satisfaction and engagement with the company.

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[36] Check http://www.kevinkruse.com/employee-engagement-research-master-list-of-29-studies/

[37] Also a 2011 Deloitte survey shows a close relationship between participation in company volunteer efforts and measures of employee engagement. The volunteers were more likely to see the corporate culture as positive, to be proud of their company, to feel very loyal toward the company, to be satisfied with the progression of their careers, to recommend the company to a friend, and to be satisfied with their employer (Deloitte, 2011).

[38] Performed on January 2016 (participation rate of 42%).

4.2.3.6 Staff attraction

According to a NetImpact Survey, 35% of employees would take a 15%cut in pay to work for a company committed to Corporate Social Responsibility. This is made more pertinent by the 'millennial' generation (Darlington, 2014). Polls show that 90% of prospective employees agree that a company active in the community is likely to be a good employer (The Social Market Foundation, 2010). Deloitte reported 61% of the 'millennial' recruits surveyed said that they are likely to contribute to a company's commitment to the community (Darlington, 2014). Volunteering allows a company to present its organization and industry to the community, increasing engagement with potential recruits. No data for EVP is available.

4.2.3.7 Skills Development

According to YouGov (2010), almost all (96%) managers believe that workplace skills can be gained from volunteering – including self-confidence (50%), an understanding of social and cultural issues (48%) and team work (43%). Aside from the softer benefits, 57% of managers feel that skills gained from volunteering can help fill gaps in the workplace and 53% agree that volunteers can add to the general success of the organization[39]. Those managing employees who volunteer are more likely to rate the skills that can be gained from volunteering - especially leadership skills.

Wilson *et al*. (2010) compared the cost of developing skills through training and volunteering and found that volunteering is a highly cost-effective way to develop certain core competencies. For 16 companies the average annual cost to support each volunteer was 504 € (£398) and they invested at least 507 € (£400) per person annum to develop relevant skills in their staff. As for the employees,

[39] These findings are also aligned with the ones of Wilson *et al*. (2010), that examined the benefits of corporate volunteering in education programmes showing that the overwhelming majority of line managers say that volunteers acquire useful skills from their volunteering experience and see measurable gains in the same business-relevant skills as those reported by the volunteers themselves.

communication skills were the most important skill type that could be learnt from volunteering (44%)[40]. Only 5% thought that there would be no skills benefit at all. Those currently volunteering were especially likely to highlight their 'use of initiative' and problem solving abilities as important skills gained from volunteering. For both managers and employees, first-hand experience has had a positive impact on their perspectives of volunteering.

According to internal data from EDP, in 2015 17 632 hours were invested on training leadership with an average hourly cost of 29 €, and 17 346 hours in Communication and Interpersonal Relationships with an average hourly cost of 28 €. Overall the EDP Group in 2015 invested an estimated total of 505 866 € in training leadership skills and 490 918 € in Communication and Interpersonal Relationships skills, totalizing 996 784 € just on these two areas of training alone. Considering this amount it is clear there is a huge potential to invest in leadership and communication training transferring part of this to volunteering on leadership and communication development activities outside the office in community action, because volunteering is a highly cost-effective way of skills development (Wilson *et al.*, 2010). Adding to this, EVP already has several projects that develop leadership and communication skills.

The global campaigns of It's Up to Us ('Parte de Nós' in Portuguese) and the Desafio do Bem project develop leadership and teamwork skills in which the volunteers are responsible for sub-projects and its teams in these initiatives. The Desafio do Bem project registered 3 262 volunteering hours granted by EDP and It's Up to Us managements' component registered 2 015,5 hours. This creates a total of 5 277,5 hours that have a strong leadership development component. If this time had a cost at the rate of regular training at EDP it would represent 151 417 €. An internal survey[41] on the It's Up to Us management teams indicates

[40] Also other surveys have shown that volunteers report increases in leadership, communication and teamwork skills of between 65% and 80% (The Social Market Foundation, 2010).
[41]Performed on July 2016 (participation rate of 64%).

that 97% of the participants recommends the participation as a way to develop skills and 82% finds it a better, or much better way than traditional company training. About 80% mention that they have developed skills that are useful to their daily work at the company. The 4 most developed skills were: Problem solving (41%), and Synergy and cooperation (39%), Networking (36%) and Motivation and people development (33%).

For the communication skills, volunteering with Junior Achievement has a strong component of public speaking, communicating and student mobilization. In this particular volunteering in 2015 EDP invested 1 192 hours granted for this volunteer service. If this time had a cost at the rate of regular training at EDP it would represent 33 736 €. In 2015 it can be stated that the EVP created a value of 185 153 € in terms of leadership and communication skills development[42].

4.2.3.8 Reputation and Credibility

The reputational and brand benefits are substantial. An impressive record on volunteering allows a company to stand out from the rest and helps to generate greater customer loyalty (The Social Market Foundation, 2010). 88% of consumers are more likely to buy from a business that visibly acts to improve society (Brooks *et al*., 2013) and 75% of the public believes that it is either very important or absolutely essential for companies to act in a socially responsible way (The Social Market Foundation, 2010).

At EDP, according to It's Up to Us Christmas campaign 2015 in Portugal, the feedback survey[43] made to the participant civil society organizations indicates that after the campaign 53% of them have an improved image of the company.

For the Private Value the results are summarized in Figure 6.

[42]Assuming that volunteering has the same hourly effect as traditional classroom company training.
[43]Performed on January 2016 (participation rate of 31%).

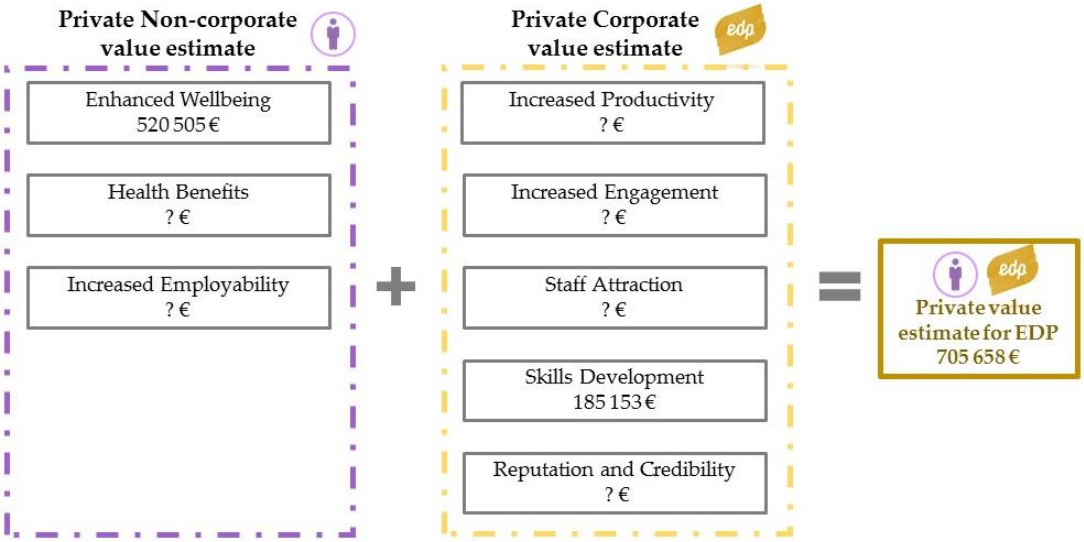

Figure 6: Estimate of the Private Value generated by the EVP.

4.2.4 Social Value

Focusing on the value corporate volunteering has when applied to societal problems, Haldane (2014) presents several cost-benefit analysis of social projects in the UK ranging from the lowest 2,5 up to double-figures multipliers for social investment. Similar cost-benefit analysis found in Portugal by Branco *et al*. (2013), in a series of analysis of social projects for Cooperativa António Sérgio para a Economia Social and Montepio, ranging from 3,89 € to 32,21 € in social return for every euro invested.

Representativeness is a big challenge with using this data of cost-benefit analysis, because of the small size of the known sample compared to the whole gigantic number of social projects that haven't had any analysis. Haldane (2014) has identified this important issue and clearly states that the lack of evaluation is a strong symptom of a classic market failure. Still, having this said, if the lowest multiplier found of 2,5 is applied to the total investment of EDP in volunteering, a total figure of 1 985 720 € is found.

Figure 7: Estimate of the Social Value generated by the EVP.

4.3 Discussion

The main question of this exploratory analysis was: how much value does corporate volunteering generate? Multiple dimensions of value were identified and their importance stated based on several important contributions in this recent area of knowledge. For the value dimensions where quantification is still elusive or inexistent (health benefits, increased employability, increased productivity, increased engagement, reputation and credibility) diverse data helped to show the benefits corporate volunteering generates.

The most complex analysis is on the quantifications' results, for they have different degrees of certainty, accuracy, and different magnitudes. The value dimension of economic value and skills development provide more accurate estimates of value and just these two combined reach 311 744 €, with leadership skills development representing more than half of this. Adding to this the enhanced wellbeing of the volunteers (520 505 €) a total of 705 658 € is achieved.

The social value, or value for society will always be the most complex and elusive to capture. Still, an idea of it is important for it is estimated to be the biggest value dimension generated by corporate volunteering.

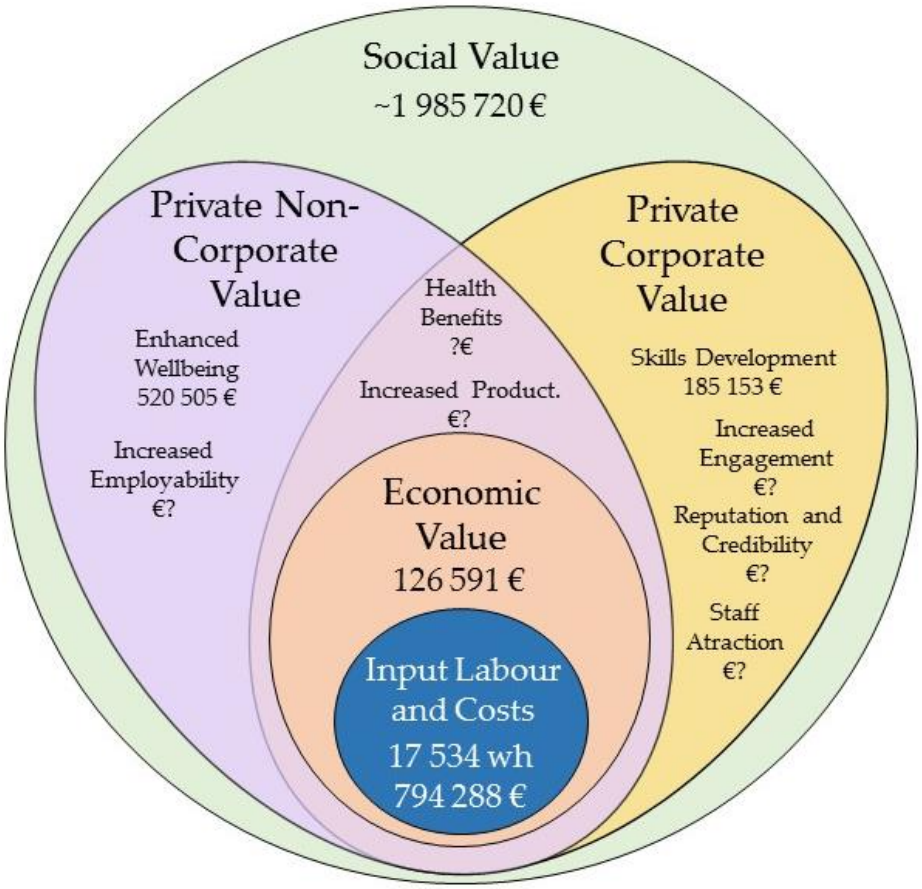

Figure 8: Results of the 'Whole Value Model' for the EVP case study.

The value dimensions for which qualification was the only available method foresee that there is a large amount of value still to be measured. There is clearly a limitation from the low number of in-depth studies on several of these value dimensions and on the value generated by informal volunteering of CVPs.

Trying to match these results with existing literature is difficult due to the lack of existing benchmarks. Still it is possible to compare to Haldane's (2014) and IPM's (2014) work to have a better understanding of their context.

Having this mentioned if all the current quantified dimensions were to be added it would sum up to **2 817 969 €** (Table 4). Relating this with the company's total investment, if we consider the inclusion of the potential social value (and its conditions for usage) it would indicate a potential social return on investment of 3,55 relating well with the ROI found by IPM (2014) of 4,2 for the Australian state

of Tasmania. The result of 161 € of created value per volunteer hour granted when compared to the average granted hour cost of 28 € shows a potential return on granted volunteer hour of 5,75. These are conservative estimates since several value dimensions are still unquantified and this can be observed by comparison of the value generated per volunteer of 1 172,2 € for EDP's case to 8 434 € found by Haldane (2014) or 15 047 € found by IPM (2014). The difference in the results can be explained by the fact that Haldane (2014) and IPM (2014) include informal volunteering, in Haldane's (2014) case it corresponds almost to half of the value generated. Also IPM (2014) includes productivity estimates which accounts for 25% of their total value estimate. Due to the mentioned robustness approach for the value dimension of Enhanced Wellbeing the results of 216,5 € per EDP volunteer are significantly below the IPM (2014) estimate of 2 000 € or 3 036 € per volunteer by Haldane (2014). For the input labour and cost, the rate between direct cost and opportunity costs found by IPM (2014) of 1,87 is very similar to that found to the EVP of 1,61.

EDP Volunteering Programme	Total investment (€)	Number of Volunteers	Volunteer working hours granted	Granted working hours cost (€)
Input Labour and Costs	794 288	2 404	17 534	489 850

Value Dimensions Generated	Value generated (€)	Per Input Labour and Costs	Per volunteer working hour granted (€)	Per volunteer (€)
Economic value	**126 591**	15,9%	7,2	52,7
Private value	**705.658**	88,8%	40,2	293,5
Enhanced Wellbeing	*520.505*	*65,5%*	*29,7*	*216,5*
Skills Development	*185.153*	*23,3%*	*10,6*	*77,0*
Social value	1.985.720	250,0%	113,2	826,0
'Whole Value' Generated	**2.817.969**	**354,8%**	**160,7**	**1172,2**

Table 4: 'Whole Value' generated by the EDP's Volunteering Programme.

Chapter 5
Findings

This chapter presents the main theoretical and managerial findings, and concludes by expressing the main limitations and hints for further research.

5.1 Theoretical Findings

Measurement is crucial for a better understanding of the value of corporate volunteering and it is the source of evidences to support its business case. While before there were limited models that were not specific for corporate volunteering and that captured only a part of the value that CVPs generate, leaving a large portion of it unknown, there is now a new model - the 'Whole Value Model' – that focuses on the whole value generated by CVPs. It is broader because it attempts to capture more value dimensions than previous models, like the Haldane Model, it focuses specifically on corporate volunteering, and generates important results that can be benchmarked with other companies. It is now explicit that there is much more value generated by CVPs than just their economic value - which is currently the only value dimension that has an international accepted methodology by the ILO - showing that the economic value is just a small tip of the iceberg of the 'whole generated value' (see Figure 9).

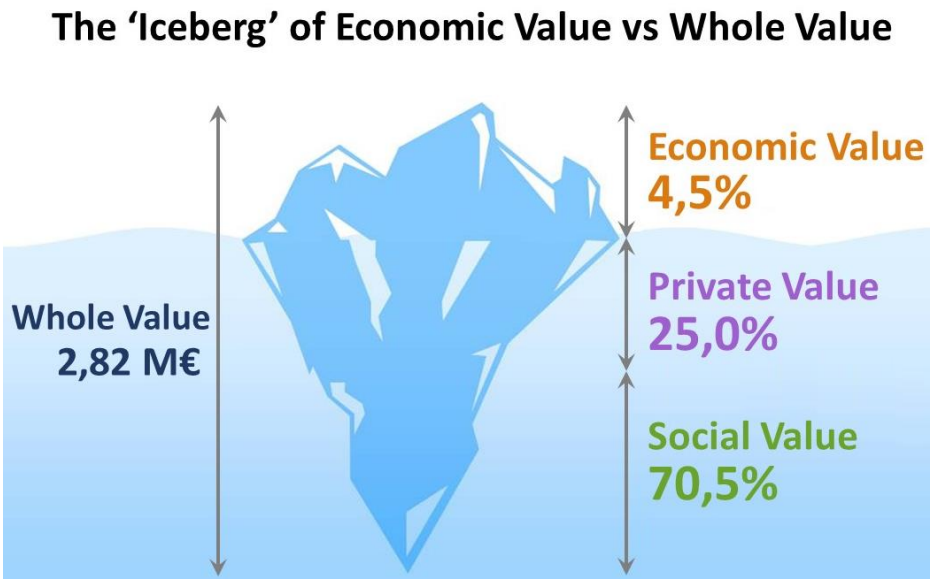

Figure 9: The 'Whole Value' generated by EDP's Volunteering.

This model deepens the view in the field study making it clear that it crucial to go beyond the economic value in order to have a more real and complete notion of the value generated by corporate volunteering. It is an important contribution to the filling of the "absence of globally standardized models for data collection" (Allen, 2012, p.163) that Kenn Allen has identified.

The current work sets important foundations for future research and more complete and accurate methods of value estimation, due to the analysis and comparison of different models, and the deeper perspective on a wide range of value dimensions that the mentioned qualitative studies enabled. The results are also a significant step by creating a new benchmark in this field study. It is a new tool to know the value it has for companies, which are its promoters, and consequently enables the creation of stronger arguments for the expansion of these practices.

5.2 Managerial Findings

The value generated by CVPs is largely out of sight, leaving companies unaware of the true value of their programmes and its implications, so the potential economic and societal benefits do not receive the proper attention and risk remain hidden from general knowledge. The corporate sector can now have a better understanding and build arguments that relate closely to the managers language, for this research shows a CVP[44], in this case EVP, that can generate enough value to achieve a minimum generation of 3,55 € per 1 € invested by a company and a potential return on granted volunteer hour of 5,75 (comparing the cost of the granted hours with the whole generated value). The 'whole value' generated was estimated to be 22 times larger than just the economic value. It is important to mention the conservative approach and the incomplete nature of the exercise given that several value dimensions and informal volunteering are still unquantified. Surely the value will be larger than estimated.

Companies must recognize corporate volunteering as an efficient and important tool in their training programmes (Wilson *et al.*, 2010) and if they enable close work between CVP and their internal training units, such as corporate universities, a lot of synergetic value can be created for the company. In this particular area, the study provides evidence of the value EVP has in terms of developing skills, namely leadership skills and communication and interpersonal relationships skills, and that it can, and should be regarded as an efficient training tool competitive with classroom training and including multiple extra dimensions of value for the company in its community. This value dimension alone corresponds to 61% of the whole monetary investment made by

[44] If the estimate of the potential social value is included and its conditions assumed.

EDP[45] and it is important to state that actions that have skill development capabilities are a small part of the whole range of activities.

CVPs should also be understood as good investments by the companies on its workers. Evidence was presented that volunteering is important for the EDP workers and that it has a large amount of value for them, even if we just consider it in terms of enhanced wellbeing, for its value is 65% of the total input and labour costs.

Companies monitor their investments closely and this should also be the case for its community investments, and this analysis provides a new step in that direction when it comes to corporate volunteering. The current findings are a good instrument in helping companies to set ways of better understanding the whole value and implications that volunteering generates.

The evidence gathered in this exercise can stimulate society as a whole to understand the worth of corporate volunteering, generating new policies and providing visibility to this largely unknown resource.

5.3 Limitations and hints for further research

Regarding theory limitations, the overlapping of some value dimensions will be better understood through more specific studies. In terms of method limitations there are aspects related to the metrics and quantification of several value dimensions that can be included to improve the model in the future. Their inclusion will create higher results for the estimate of the 'whole value'. Also, there are no widely accepted multipliers for the determination of social value which makes its estimate only possible assuming several conditions and

[45] The comparison with the total input labour and costs would be misleading since the vast majority of the hours granted and its costs do not relate to actions that have skill development capabilities.

restrictions. In terms of data limitations, the fact that EDP operates in very different countries in 3 continents and that data collection is not fully homogenized led to the need of some extrapolation of the data obtained in Portugal to other countries based on guidelines that understand each context in order to minimize errors. Also, no data was available for the small investment in volunteering in Spain and also other countries which have much smaller operations. Given their small dimensions, the implications on the results are considered to be just slight variations.

Five topics are highlighted for future research. First, a common glossary and framework of reporting CVP should be created, like a certification for reported results issued by an international organization. This would allow for benchmark and aggregation of critical mass on CVP. Secondly, further investigation on the value dimensions and robust tools for their estimate. Included in this second suggestion, is the creation of new international standards of accessing other value dimensions of volunteering, especially since volunteering is considered an important tool for the achievement of the United Nations' Sustainable Development Goals. Thirdly, research on the effectiveness of the training through volunteering comparing with internal training units. Fourth, the social value analysis is a very recent field study and more exercises are necessary to a better understanding of the implications and impacts of the strategies that society's agents take. This can only be achieved if more evidence of social impact is collected and published by companies and social organizations. Fifth, the application of the Wellbeing Valuation Approach to the Portuguese context would be an important tool for a better understanding of the social impact of community investments, particularly to CVPs, and to volunteers themselves.

The 'Whole Value Model' enables a better perception of the value CVPs create and allows distinguishing between the value for companies and for corporate volunteers. Companies should invest on CVPs, dedicating resources and granting time for volunteer service because it generates a lot of value for society (as mentioned in the previous sub-chapter), for the volunteers and for the business, creating multiple value dimensions that companies must be more aware of and monitor. Not only can corporate volunteering be an important field study for the academic institutions for more studies are necessary but also in promoting volunteering themselves among its staff and students. On the policy maker's perspective, CVP generates a large amount of value for the whole society by placing an important tool, which is the companies' human capital, knowledge and resources available for the common good. Therefore proper tools to promote it are necessary like national diagnosis, online matching platforms, encouraging incentives, volunteering at young ages, providing visibility and pushing for a stronger civil society.

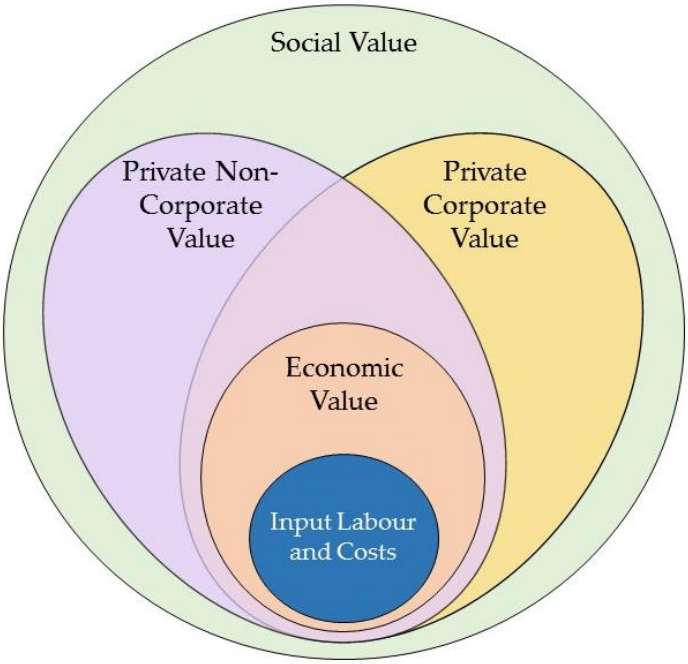

Figure 10: The 'Whole Value Model'.

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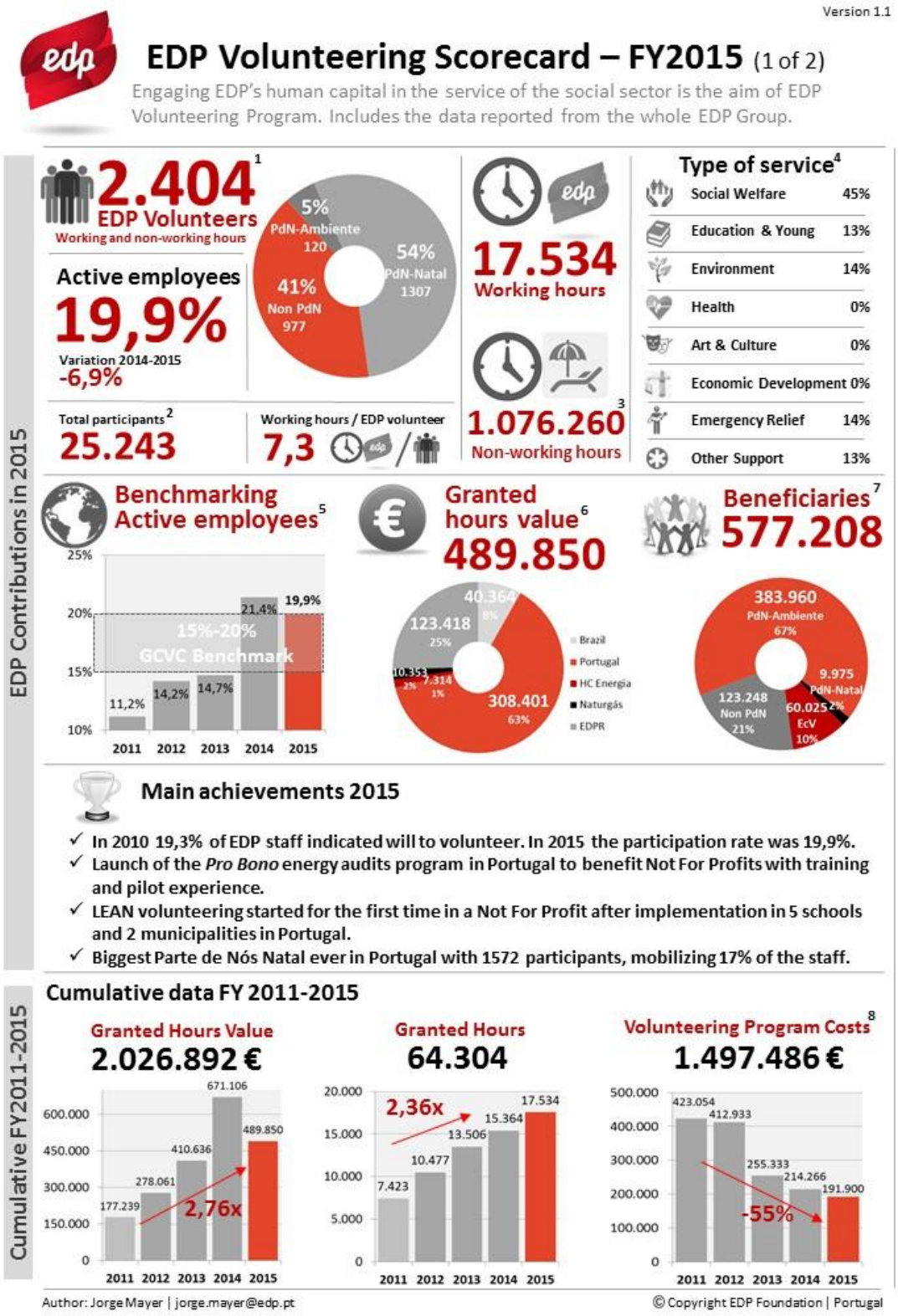
Appendix 1

Source (public domain):

http://www.voluntariado.edp.pt/Pages/HomePage/visualizarNoticia.aspx?ID=2300

EDP Volunteering Programme Scorecard 2015 (1 of 2)



EDP Volunteering Programme Scorecard 2015 (2 of 2)

Version 1.1

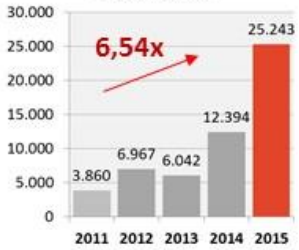
EDP Volunteering Scorecard – FY2015 (2 of 2)

Engaging EDP's human capital in the service of the social sector is the aim of EDP Volunteering Program. Includes the data reported from the whole EDP Group.

Cumulative FY2011-2015

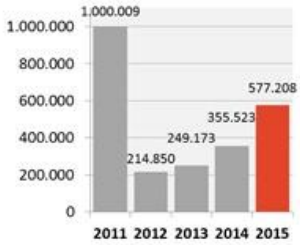
Participations[9]

54.506



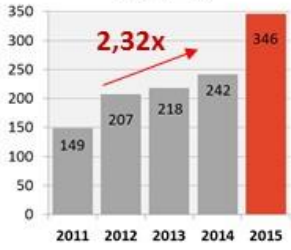
Beneficiaries[10]

2.405.754



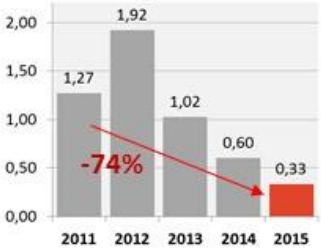
Benefited Institutions

1.116



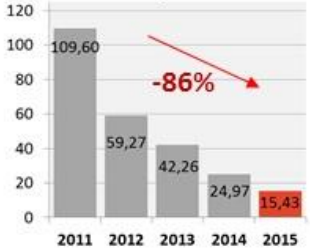
Average Cost per Beneficiary[11]

1,03 €



Average Cost per Participant[12]

50,30 €



Value for society of volunteering hours[13]

476.128 €

Skill-based Volunteering

Skill-based volunteering

Portugal

6326 hours

33% of total volunteering hours

Electrician services; Lean Volunteering; NGO training; Board Services; JA

Spain (HC)

Designing systems for NGO projects in Africa; Evaluation of social projects; Energy efficiency to families in need

Brazil

English for students; Computer training

EDPR

Demonstrations on renewable energy; Energy efficiency

Feedback

Parte de Nós – Natal (Portugal)

Partner NGO's

- **82%: have a better or much better image of EDP**
- **94% : EDP exceeded initial expectations**
- **100%: positive impact on the beneficiaries**
- **100%: its important to do this again next year**

Volunteers

- **92%: good or excellent development of transversal skills**
- **98%: good or excellent impact on volunteers**
- **97%: want to repeat next year**

Notes: PdN are handson campaigns promoted by EDP in the whole group | 1 – In Portugal repeated participations are eliminated and outside Portugal are not | 2 and 3 – Includes the program Energia com Vida / Escolas Solidárias (19.143 participants 1.063.532h) which is a volunteering program for schools | 4 – Excludes management costs of campaigns | 5 – According to Global Corporate Volunteering Council (GCVC) of International Association for Volunteer Effort | 6 – EDP Staff: Portugal – 55%; EDPR – 8%; Spain (NG+HC) – 12%; Brazil – 24% | 7 – EcV: Energia com Vida/Escolas Solidárias; PdN-Ambiente calculates the beneficiaries of the environmental work in a conservative perspective | 8 – Includes the cost of full-time staff and costs for the EDP Foundation and Conciliar Program and excludes the costs of the business units and EcV | 9 – Includes the program Energia com Vida (19.143 participants) | 10 – Includes only beneficiaries directly impacted (including PdN-Hospitals 2011) | 11 – Includes the beneficiaries and cost of Pdn-Hospitals in 2011 (part of which was supported by EDP, SA) and does not include costs of EcV | 12 – Does not include the costs of the technical works in Pdn-Hospitals in 2011 supported by EDP, SA | 13 – Estimated using the Portuguese National Statistics Institute methodology, 2012, categorizing the different activities and simplifying category values to be equal in all countries, does not include Energia com Vida / Escolas Solidárias.