HOW DO THEY DO IT?

Community Investment professionals and their operating environment – A look behind the scenes
ACKNOWLEDGEMENTS

CSR Asia wishes to thank the following CSR Asia Community Investment Round Table (CIRT) members* for generously sharing their experiences and expert insights for this publication.

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* For the purposes of this report, the term “CIRT member” is used to refer to member companies and/or their employee(s) responsible for CI, as appropriate.
## CONTRIBUTING CIRT MEMBERS

### COMMUNITY INVESTMENT (CI) FOCUS AREAS

<table>
<thead>
<tr>
<th>CIRT member</th>
<th>CI focus</th>
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<tr>
<td><strong>adidas</strong></td>
<td>Community engagement&lt;br&gt;adidas’s CI commitment and strategy is rooted in the Group’s core value – “Integrity” – which expresses that the company is honest, open, ethical and fair. This core value is demonstrated through ongoing support from the adidas brand for various CI-related programmes, including corporate volunteering programmes managed by the adidas Fund. All programmes are built on the three complementary pillars of community involvement, employee engagement and corporate giving, and are designed to harmonise with local cultural, economic and social factors.</td>
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<tr>
<td><strong>Aviva</strong></td>
<td>Community development&lt;br&gt;Aviva is looking to extend the reach of its CI work, focusing on the issues that are most important to its customers, and the areas where its skills and expertise can have the greatest positive impact. In Asia, Aviva focuses on life trauma, financial literacy and education.</td>
</tr>
<tr>
<td><strong>Bank of America Merrill Lynch</strong></td>
<td>Helping build strong communities&lt;br&gt;Strengthening the communities that BofAML serves is fundamental to the future of its business. As BofAML grows globally, its roots remain in local communities. BofAML’s work with communities spans the spectrum from consumer and commercial lending to investing and promoting economic development, as well as philanthropic activities, helping non-profits and working to address critical needs. BofAML focuses on community development, workforce development and education, and basic human services.</td>
</tr>
<tr>
<td><strong>Credit Suisse</strong></td>
<td>Social commitments in Asia Pacific&lt;br&gt;A key element of Credit Suisse Asia Pacific’s philanthropic activities is funding to support disadvantaged children through supporting innovative solutions for school enrolment and capacity. Credit Suisse’s focus on education aims to create better access to education and greater quality of learning through a number of interventions such as school infrastructure development, teacher training and scholarship provision. Employees are also encouraged to support local communities by donating their time and skills to initiatives and projects run by Credit Suisse’s partner organisations.</td>
</tr>
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### CIRT member

**Coca-Cola's Sustainability framework – “Me, We, World”**

Highlights its vision in working with government and civil society partners to create social value and make a positive difference for the consumers and communities it serves in terms of enhancing personal well-being (Me), building stronger communities (We) and protecting the environment (World).

As a result, Coca-Cola has chosen to focus its leadership on three areas of fundamental importance to its business—areas it believes will have the best opportunity to make a lasting positive difference. The “ThreeWs”: Women, Water and Well-Being underscore the company’s commitment to building sustainable communities. Beyond these, there are localised sustainability programmes implemented across other areas of its operations.

For the Me framework the priority is Well-being – supporting active healthy living, education and development. Coca-Cola is committed to supporting a physical activity program in every one of the countries where it does business. It currently supports hundreds of programme in over 115 countries.

For the We framework the priority is Women – This means enabling economic empowerment and entrepreneurship and supporting women’s entrepreneurial potential around the world through its 5by20 programme. 5by20 is the global commitment to enable the economic empowerment of 5 million women entrepreneurs across all six segments of the Company's value chain by 2020.

For the World framework the priority is Water – This includes providing access to clean water, water conservation and recycling. Coca-Cola is actively working to protect watersheds, reduce risks to water supplies and moving towards balancing water use.

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### Social contribution

Fuji Xerox believes that conducting social contribution activities helps fulfil its responsibility to society, improves the initiative and self-realisation ability of its employees, and invigorates the entire organisation. Fuji Xerox has established “Education for future generations” and “Conservation of diminishing cultures” as the central axes of its social contribution activities in connection with the company's mission statement which is to contribute to the advancement of the global community by continuously fostering mutual trust and enriching diverse cultures.
<table>
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<tr>
<th>CIRT member</th>
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<tr>
<td><strong>Citizenship initiatives</strong></td>
<td>IBM’s comprehensive approach to corporate citizenship aligns with the company’s values and maximises the impact it can have as a global enterprise. IBM focuses its community engagement on helping to address specific societal issues, including education, economic development, the environment, health, and literacy. A key aspect is applying IBM’s expertise and skills (through Impact Grants, Smarter Cities Challenge and Corporate Service Corps programmes) to address critical challenges facing cities and communities around the world by putting teams of high potential IBMers on the ground for three to four weeks to work closely with city leaders and community organisations to help address issues identified by them, and help them become more effective.</td>
</tr>
<tr>
<td><strong>In the community</strong></td>
<td>The Macquarie Group Foundation actively encourages and supports Macquarie staff to pursue their own community interests and passions. This support provides benefits for community organisations, by facilitating employee involvement in charitable activity at a grassroots level. The Foundation also supports local communities through a number of strategic, long-term funding commitments. Local community advisory committees help to assess potential opportunities and build local partnerships with not-for-profit organisations across the region.</td>
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</table>
| **Community investment** | MPRL E&P recognises that strategic community investment projects should provide value for the company and have a positive impact on the community. MPRL E&P supports activities that make a meaningful contribution and reduce risk. Such activities also serve to enhance the company’s reputation, generate greater employee engagement and, most importantly, provide a social licence to operate. MPRL E&P’s criteria include:  
  - Projects must be strategic in that they address risk and impact resulting from operation activities  
  - Projects must have a rational reason for investment  
  - The project outcome and impact should be measured to indicate significant change |
| **Working with communities** | Mubadala Petroleum recognises the importance of building strong relationships with the communities in which it operates. The company is committed to playing a responsible role and contributing to long-term, sustainable improvements in those communities. Mubadala Petroleum focuses on projects and programmes in education and training, health, economic diversification, skills enhancement and environmental improvement. |
CIRT member | CI focus
--- | ---
PepsiCo | **Global citizenship**
PepsiCo is deeply committed to improving local communities and enhancing the lives of the people who call these communities home. Through its Global Citizenship Initiatives, PepsiCo supports initiatives concerned with healthy lifestyles, affordable nutrition, access to clean water, sustainable agriculture, job readiness and the empowerment of women and girls.

PwC | **Community engagement**
Through PwC’s global corporate responsibility (CR) strategy, PwC is committed to:
- Doing the right thing – behaving responsibly on issues that are central to our business and to society; and
- Being a catalyst for change – using our skills, voice and relationships to influence and work with others to make a difference, generate change and create a lasting impact on the world around us.

To be a catalyst for change, PwC shifted their focus away from general volunteering activities to volunteering that uses its people’s skills and experience to help non-profit organisations (NPOs) achieve their goals. This change reflects PwC’s view that skills-based volunteering enables them to support more sustainable solutions in wider communities while helping to develop its people. PwC’s people give their skills through a broad spectrum of activities such as skilled-based volunteering including mentoring youth and NPO leaders, pro bono engagements, and staff secondments to NPOs.

In addition to skills-based volunteering, PwC firms are also involved in their local communities through a vast range of projects, from supporting youth education and leadership programmes to helping social entrepreneurs and local charities.

CIRT MAP

The CIRT interactive map is a collection of CIRT members’ community investment initiatives in the Asia-Pacific region. It details over 170 community investment initiatives in 20 countries supported by CIRT members. The map shows the project theme (e.g. education, health, water), provides details of the beneficiaries and/or NGO or project partners, and gives web links that can be accessed for more information.

FOREWORD

The idea behind this report is simple. When CI practitioners get together, we like nothing more than trading strategies. Informal meetings end up being a cross between a think tank brainstorm workshop and a self-help group – the questions that always come up are: How do you do that? Who did you talk to for that to happen? How did you get to replicate this project somewhere else? How do you drive employee engagement?....

This report goes a big step further from those conversations that we all have, to formalising the output and documenting it – it’s a great document for taking a high level look at how we as CI professionals get things done.

From budgets, KPIs and Foundations, to collaborating within the organisations, rolling out strategy, choosing partners, building a champion network and measuring impact, this report gives case studies and solutions to many of the challenges that CI practitioners face in their day to day efforts.

While this document makes a strong start at setting the scene and gives good examples of how people are ‘getting it done’, the intention behind producing this is that even more value will come from future opportunities to dive much deeper into the ‘how-to’s’ of the areas this report covers.

I’m looking forward to seeing this series of reports come to life, and hope it will serve as a valuable toolkit for people who are charged with setting up or expanding CI teams and operations in Asia, be they CI professionals or other corporate leadership located in this region or further afield.

Callum Douglas
Associate Director,
Corporate Responsibility,
Asia Pacific, PwC
CSR Asia Community Investment Round Table (CIRT) Corporate Chair
Companies increasingly play a key role in creating positive change for communities, through skills, innovation, advocacy and partnerships. Whilst we often hear about the multi-faceted causes companies support, less is understood about the role of the individuals within these companies who are responsible for coordinating and championing community investment (CI) initiatives from within.

Following on from the first publication by CSR Asia’s Community Investment Round Table (CIRT) on Skills-Based Volunteering, this second publication shines the spotlight on the CI professional who serves not only as an external ambassador but also as an internal advocate. Within their own organisations, CI professionals often have to balance contrasting expectations of various departments, aligning CI with business priorities whilst having to increase engagement at all levels for initiatives. Beyond the company walls, CI professionals work with external partners and other stakeholders to ensure their activities are strategic and are making a positive change.

With more companies setting aside dedicated resources to implement CI programmes, the pool of skilled and experienced CI professionals is on the rise. This growth is also reflected in CSR Asia’s CIRT group, launched in 2008, which continues to provide CI professionals in Asia with a platform to share, discuss, learn and collaborate. We would like to thank the generous support and contribution of our CIRT members who have shared their day-to-day challenges and successes, and provided insight into what takes place behind the scenes.

This report is designed to be a brief overview of the role and responsibilities of CI professionals, serving as a springboard for future publications in cooperation with CIRT members such as employee engagement, partner selection and impact assessment. We welcome your feedback and suggestions for these future publications.

Richard Welford,
Chairman, CSR Asia
## About the Community Investment Round Table

Established in 2008, the CSR Asia Community Investment Round Table (CIRT) is a member-based regional platform that builds and advocates best practices for corporate community investment in Asia to help companies make a lasting positive impact in their communities. Through its network of members and experts, CIRT plays an active role in sharing best practices and improving company impacts on the community. CIRT also provides companies throughout Asia with a space to discuss, learn and collaborate on effective and impactful community investment initiatives.

Strategic Partners of CSR Asia that wish to better understand the impact of their community investment programmes are invited to join CIRT. Please visit our website for more information or get in touch using cirt@csr-asia.com.

## What is “strategic community investment”?

Strategic community investment (CI) focuses on how companies manage their activities in the community and create positive change for societies and businesses. Principles of strategic community investment include: long-term commitment; aligning of core competencies with community needs; leveraging skills and resources in partnerships; and measuring the impact of CI on the community and the business to demonstrate results and ensure continuous improvement.

## About “How Do They Do It?”

Businesses are investing significant resources in CI as part of their broader sustainability strategy. Individuals with responsibility for CI within their organisations are slowly receiving greater recognition as specialist professionals who perform a valuable and important function. However, while corporate reporting on CI initiatives is increasingly commonplace, substantive information on the role and responsibilities of CI professionals remains relatively rare.

This report, available to the public, sheds light on what goes on behind the scenes for CI professionals - How do they do it? This report also serves as a springboard for future publications to be produced in cooperation with CIRT members that will delve into specific CI issues – such as employee engagement, partner selection and impact assessment – that have been touched upon in this report.

## Methodology

Data for this report was collected through phone interviews with participating CIRT members. Interview questions covered three key areas: the profile of a CI professional, the various environments in which CI professionals operate, and personal perspectives on what CI professionals do.

Through the interviews, CIRT members provided valuable insights into their day-to-day activities and the challenges they face, and shared some innovative strategies for implementing an effective CI programme. Some of these ideas are provided as case studies in this report.

## Feedback

Please send feedback or comments about this report to: **Mabel Wong**, Director (CIRT facilitator), CSR Asia, mwong@csr-asia.com.
HOW DO THEY DO IT?

COUNTRIES COVERED BY CIRT MEMBERS IN ASIA-PACIFIC

SOUTH ASIA
• Afghanistan
• Bangladesh
• India
• Pakistan
• Sri Lanka

EAST ASIA
• China
• Hong Kong
• Japan
• South Korea

SOUTH EAST ASIA
• Brunei
• Cambodia
• Indonesia
• Laos
• Malaysia
• Myanmar
• Philippines
• Singapore
• Thailand
• Vietnam

PACIFIC
• Australia
• Fiji
• New Caledonia
• Papua New Guinea
• Tonga

AREAS OF EXPERTISE CIRT MEMBERS CONSIDER IMPORTANT FOR A CI PROFESSIONAL

64% COMMUNICATIONS
55% NGO EXPERIENCE
36% PROJECT MANAGEMENT
36% STAKEHOLDER RELATIONS

KPIs include:
• Total number of events completed
• Number and/or percentage of staff who volunteer
• Number of volunteer hours achieved
• Employee satisfaction regarding CI activities organised by the company
• Generation of positive press coverage and publicity through securing CI-related conference and forum presentation opportunities
• Positive feedback from communities and governments regarding the initiatives implemented
• The spending of the allocated CI budget

KPIs for CI professionals often include how employees respond to CI-related questions in internal engagement surveys. Examples of questions include:
• Does my office have strong links with the local community?
• Am I satisfied with the actions my company is taking to be socially responsible?
• Do I value the opportunity to personally contribute to my company’s CI initiatives?

CI PROFESSIONAL WITH REGIONAL RESPONSIBILITIES

DEPARTMENTS FREQUENTLY LIASED WITH CI

CI BUDGET - WHERE DOES IT COME FROM?

CI PROFESSIONAL WITH A FOUNDATION

EMPLOYEE ENGAGEMENT - HOW TO GET THE WORD OUT INTERNALLY ON CI?

E-communications (e-mail, memos, intranet portal, social media, photos/videos of past CI events)

CI information displayed at prominent locations (flyers, posters, notice board)

Peer influence and others (word of mouth, senior management involvement, champions, internal briefings and awards nomination)

AI is aware of the following entities:

• 67% of employees say there is a close relationship between their foundations and the corporate CI function

• 38% of foundations are separately registered entities

• 88% of foundations have local foundations

• 88% of foundations say there is a close relationship between their foundations and the corporate CI function

Foundations often support their company’s CI agenda through budget allocation to implement local, regional or global initiatives as well as for disaster response.
With more companies investing in and setting aside dedicated resources for community investment (CI), who are the people who manage and implement CI initiatives on behalf of companies? What does it take to be a CI professional? This section explores the profile and job scope of CI specialists, the expertise they require and KPIs that are commonly used to measure their performance.
COUNTRIES COVERED BY CIRT MEMBERS IN ASIA-PACIFIC

CIRT members were asked to list the countries they manage with respect to CI activities. Almost all respondents (92%) have regional responsibilities, specifically for the following areas: South East Asia (92%), East Asia (83%), South Asia (50%) and Pacific (67%). Some CIRT members manage as many as 22 countries across the region.

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<tr>
<th>SOUTH ASIA</th>
<th>EAST ASIA</th>
<th>PACIFIC</th>
<th>SOUTH EAST ASIA</th>
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</thead>
<tbody>
<tr>
<td>Afghanistan</td>
<td>China</td>
<td>Australia</td>
<td>Brunei</td>
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<td>Bangladesh</td>
<td>Hong Kong</td>
<td>New Zealand</td>
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<td>Taiwan</td>
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<td>Myanmar</td>
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CAPACITY

CIRT members were also asked if their CI role is a full-time appointment. While 42% manage CI full-time, the majority (58%) manage CI along with other responsibilities, including sustainability and CSR, communications, environment, human resources, corporate affairs and public affairs.

AREAS OF EXPERTISE IMPORTANT TO HAVE

The job scope of a CI professional goes beyond simply implementing CI activities. It includes:

- Understanding a company’s CI objectives
- Aligning core business skills with and allocating appropriate resources to various CI initiatives,
- Selecting suitable community partners and conducting due diligence,
- Engaging partners to align and agree on objectives that meet the needs of the community and the business
- Establishing effective channels for engaging and communicating with staff regarding the company’s CI activities,
- Measuring the community and business impacts of CI, and
- Getting senior management actively involved in supporting CI initiatives, including working to increase employee participation.

With such a diverse range of job responsibilities, CI professionals require many different skills. Communications, project management and stakeholder relations expertise, as well as experience of working with or for NGOs, may all prove useful in a CI role. Specifically for CIRT members, experience in Asia, human resources, data collection, monitoring and evaluation, and training/facilitation are also all skills that are considered desirable in a CI professional.
Community Investment Toolkit – PepsiCo Asia Pacific

For a CI professional managing multiple offices with colleagues who may have little or no CI experience, a comprehensive guide that provides practical steps and information on how to implement community focused initiatives can serve as a useful ally. In addition to its value as a teaching tool, a well-structured guide to CI can help raise internal awareness of the company’s CI strategy among senior management and other employees.

PepsiCo has developed an internal toolkit which describes its Global Citizenship vision and how this is aligned with the company’s Performance with Purpose (PwP) sustainability strategy. In elaborating on the PwP framework (Human Sustainability, Environmental Sustainability, Talent Sustainability and Disaster & Humanitarian Support) and providing clear and practical advice, the toolkit is designed to ensure that CI colleagues in PepsiCo offices across the region can align CI activities to the company’s Global Citizenship vision.

Key sections of the toolkit include:

**Partner selection:** The toolkit offers guidance on how to select suitable local community partners by using a due diligence checklist and looking for certain desirable characteristics. For PepsiCo, such characteristics include:
- The partner should be opened to receiving multi-layered support (e.g. financial donations, volunteering support, gifts-in-kind) that meets its requirements and creates measurable benefits.
- A willingness from the partner to establish a long-term relationship. Ideally, charity partnerships will run for a minimum of three years, although all relationships are reviewed annually by the business unit committee.
- The partner must be a legally registered charity.
- Avoid working with organisations that solely benefit PepsiCo employees (or their families and acquaintances), or whose operations or practices may potentially violate PepsiCo’s Code of Conduct and/or Global Anti-Bribery Compliance Policy.

**Communications:** The toolkit explains the importance of good internal and external communications with regards to the aims and benefits of PepsiCo’s Global Citizenship programmes, with practical guidance on effective communications strategies and relevant contact information.

**Benefits:** The toolkit details the benefits of PepsiCo’s Global Citizenship programme. These benefits include:
- Strengthening employee engagement, which helps the company to attract and retain talent.
- Providing team-building opportunities and improves colleagues’ morale.
- Providing opportunities for colleagues to gain new skills and competencies.
- Improving PepsiCo’s reputation as a good corporate citizen and employer of choice.
- Increasing opportunities for collaboration with key business partners on PwP and Global Citizenship projects.

**Management and governance:** The toolkit shares methods on how to engage senior management by establishing CI Committees chaired by a Senior Executive in each business unit. These committees will drive projects aligned to PwP, giving priority to regional initiatives. At the local level, CI Committees will ensure that local activities fit the Global Citizenship vision.

Other useful information in the toolkit includes a list of relevant contacts in PepsiCo, a due diligence checklist, a copy of the company’s Global Anti-Bribery Compliance Policy, and examples of memorandums of understanding (MOU) and templates of letters for accepting or declining sponsorship and similar requests.
While measuring quantifiable KPIs such as volunteer hours and number of events is relatively straightforward, measuring the extent to which CI activities contribute towards employee engagement is more challenging. Companies often implement CI initiatives, particularly providing employee volunteering opportunities, as a way to engage their staff. KPIs for CI professionals therefore often include how employees respond to CI-related questions in internal engagement surveys. Examples of such questions used in employee surveys include:

- Is the company doing a good job positively contributing to the communities in which my colleagues and I live and work?
- Does my office have strong links with the local community?
- Am I satisfied with the actions my company is taking to be socially responsible?
- Do I value the opportunity to personally contribute to my company’s CI initiatives?

To increase employee awareness of and participation in company-organised CI initiatives, the following additional questions are sometimes included in employee engagement surveys:

- What factors motivate (or would motivate) your personal involvement in CI programmes?
- What community-based or environment-related causes are of particular interest to you?
- How do you hear about volunteering opportunities?
- What factors would encourage you to volunteer more often?

Individually, CI professionals are as diverse as the industries and countries they work in and the communities and partners they engage with. However, as the research conducted for this report shows, characteristics such as adaptability, effective communication skills, a good understanding of the NGO/social sector and strong project management capabilities appear to be characteristics that are common among many leading CI specialists in the region.
THE OPERATING ENVIRONMENT

CI professionals serve as advocates and ambassadors. Within their own organisations, they work to manage and balance the often very different expectations of various departments regarding the value and role of CI and to improve support at all levels for CI initiatives. Beyond the company walls, CI professionals regularly engage with external partners and other stakeholders to ensure the impact of their CI-related activities is positive. This section highlights the multi-faceted role played by CI professionals in fulfilling their day-to-day work responsibilities.
implementing a new CI programme with skills-based volunteering opportunities, a CI professional may work with the human resources and talent management departments to discuss how the programme can be developed as a leadership development initiative for high-performing staff and consult with the communications department to publicise the aims and benefits of the programme among the wider community. We asked CIRT members which departments they most regularly liaise with in the development and execution of their company’s CI strategy. Over half of respondents (55%) mentioned the communications department. Other departments cited include accounting and finance, human resources, health and safety, legal, corporate or public affairs, procurement and marketing.

As illustrated in the diagram above, in addition to working with other departments, CI professionals with regional responsibilities also liaise with their regional and global CI counterparts in other offices and with colleagues working for their corporate foundations. CIRT members with regional responsibilities also need to communicate with local CI professionals in countries that fall within their remit to provide updates on global or regional CI initiatives as well as to offer support for locally implemented CI activities. In turn, local CI professionals will commonly liaise with the local management team, other members of the CI/CSR team, the CI/CSR committee, corporate foundation staff, and CI staff champions and volunteers.

For most CIRT members, CI budgets are allocated from different sources within the company. Common sources include the local office budget, the regional office budget and the corporate foundation, although the specific combination and relative importance of these contributors is different from company to company. Almost all CIRT members reported that the budget allocated for CI activities varies from year to year. Budgets are typically determined by reviewing the previous year’s CI spending, activities and targets, and assessing the number and scale of CI activities planned for the upcoming year.

In multinational companies that do not routinely allocate CI funds directly from headquarters or a global foundation to regional or local offices, funds may still be allocated through local offices to support global initiatives or disaster relief efforts in the region.
A growing number of companies are setting up separate foundations to manage their philanthropic efforts. Around two-thirds of CIRT members (67%) reported that their company has a foundation and that the foundation’s activities often overlap with their in-house CI responsibilities. How do corporate foundations work with CI professionals and how do both parties divide up responsibilities and determine budget allocations?

Of the 67% of respondents whose companies have corporate foundations, 88% have foundations that are separately registered entities and 38% have local foundations focused on supporting local initiatives. Some 88% of CIRT member companies with foundations report that there is a close relationship between their foundations and the corporate CI function. Areas in which CI professionals and corporate foundations interact include the funding of global or regional grant applications and allocating monies to company offices to fund CI initiatives, global initiatives and disaster support.

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<tr>
<th>CIRT Members’ Foundations</th>
<th>Focus areas</th>
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| Bank of America Charitable Foundation | Workforce development and education  
Community development  
Basic human services |
| The Coca-Cola Foundation (Global)  
The Coca-Cola Foundation (Local in the Asia Pacific region) | Women: Economic empowerment and entrepreneurship  
Water: Access to clean water, water conservation and recycling  
Well-Being: Active healthy living, education and youth development |
| The Credit Suisse Foundation | Supports Asia through global initiatives: Global Education Initiative, Microfinance Capacity Building Initiative and Disaster Relief |
| Fuji Xerox Foundation of the Philippines | Supports community based activities in partnership with Gawad Kalinga, a community development foundation driven by a culture of caring and sharing, dedicated to eradicate poverty and restore human dignity. |
| IBM International Foundation | Supports organisations involved with arts and culture, education, the environment, health, employment, human services, diversity, science, public policy research, and minorities. |
| Macquarie Group Foundation | Supports organisations and activities across a range of sectors, which • demonstrate Macquarie staff involvement  
• deliver long-term community benefits in innovative ways and  
• work in collaboration with other organisations in the sector to deliver activities |
| The PepsiCo Foundation | Supports programmes that: • Encourage healthy lifestyles  
• Improve availability of affordable nutrition  
• Expand access to clean water  
• Enhance sustainable agriculture capability  
• Enable job readiness  
• Empower women and girls |
| PwC  
The following PwC firms have a Foundation (PwC Australia, PwC China/Hong Kong, PwC New Zealand, PwC Philippines and PwC South Korea) | These Foundations do not have identical focus areas but broadly cover • Education  
• Medical Diseases  
• Youth at Risk  
• Child Welfare  
• The Environment  
• Disaster relief  
• NPO capacity building |
Engaging the community as partners – MPRL E&P

Myanmar-based oil and gas upstream exploration and production company MPRL E&P contracted by the Myanmar Oil and Gas Enterprise (MOGE) – a national oil and gas company of Myanmar, operates in areas where few NGOs are active. In the absence of appropriate NGO partners, MPRL E&P has identified 14 volunteers from local communities to assist them to better understand the needs of the people who live close to its operations and with the facilitation and implementation of its CI projects. This involvement of community volunteers is helping MPRL E&P to engage with local communities more effectively and build community trust.

Using open recruitment processes, MPRL E&P called for individuals from the community to apply for a community volunteer position. Interested applicants had to provide their CVs. The volunteers receive monetary incentives based on the amount of work implemented in addition to other benefits such as meals, transportation, books and corporate merchandise. The volunteers are also given training in the skills that will help them collect relevant information and data and facilitate constructive dialogue and discussions between the community and MPRL E&P. Training topics include corruption and bribery awareness, information regarding transparency, community investment and environmental management.

When MPRL E&P wishes to introduce a new procedure, such as a grievance mechanism or if there is an issue relating to its operations that may have an impact on the local population or natural environment, MPRL E&P is able to share information about these new processes by explaining to their community volunteers who will then discuss the proposed change with people in their respective communities and gather feedback for the company. MPRL E&P will use this information in its decision-making process or in determining how best to proceed with its intended course of action.
WHAT DO THEY DO?

CI professionals' responsibilities can range from raising awareness regarding a company’s CI strategy and coordinating with local offices to implement global, regional and/or local CI initiatives, to engaging with and gaining support from a diverse set of internal and external stakeholders with sometimes conflicting objectives and expectations. This section highlights key tasks performed by CI professionals and includes case studies that provide examples of good practices.
The Community Engagement Leadership Ladder – PwC

Community engagement is one of the four focus areas of PwC’s global corporate responsibility strategy and is intrinsic to PwC’s organisational culture. However, as each PwC firm (territory) engages the community in its own way and on issues that are relevant to local needs, it is not easy to aggregate the company’s community engagement strategy into a simple compelling story across all firms. One of the objectives of PwC’s strategy refresh in 2012 was to give greater prominence to the magnitude of its community engagement efforts across the Network. The leadership ladders for PwC’s four areas of CR focus were developed as part of the strategy refresh. The community engagement ladder provides PwC firms with practical-yet-flexible guidance for engaging the community with the aim of moving them from foundation-level CR activities to CR leadership in their respective markets. Each of the leadership ladders are focused versions of the overall leadership ladder shown here. Key highlights for the community engagement ladder are:

Callum Douglas, Associate Director, Corporate Responsibility, who is responsible for PwC’s CI in Asia, explains that the ladder provides practical guidance, as well as inspiration, to help the firm’s offices progress from foundation-level CR activities to CR leadership. “The community engagement leadership ladder is the structure I work with across the territories I cover. It helps me support colleagues in offices throughout the region to align with PwC’s community engagement strategy while addressing local needs.”
To feed into PwC’s CR strategy refresh, stakeholder groups – including clients, Certified Public Accountant (CPA) institutes, representatives of the media, NGOs, PwC staff and company partners and suppliers – were consulted to build a clear picture of local needs and guide PwC’s CR priorities. “Building trust in capital markets and civil society” was identified as one of the most critical issues for both the business and its stakeholders. Linking this priority to the broader social issue of the lack of trust and transparency in the NGO sector, PwC initiated a series of CI programmes that leverage the company’s core skills, including “PwC’s Strengthening Donor Communications Seminars” and “PwC’s NGO mentoring Programme”, which facilitate skills transfer to help NGOs understand the value of impactful reporting, good governance and robust internal controls, and to evaluate and improve typical donor communication tools as well as policies and processes for delivering impactful donor reporting.
Making partner selection a team process – Bank of America Merrill Lynch

BofAML’s CI team involves employees across all its offices in the partner selection process. To manage this process, nine philanthropy committees have been established in the Asia-Pacific region, with committee members drawn from different lines of business and levels of seniority. Members can nominate themselves or be nominated by a member of senior management. For some of the Committees, the Chief Financial Officer, Chief Administration Officer, Chief Operating Officer, Country Heads and Executive Committee are members. Senior management involvement in the committees helps encourage buy-in for BofAML’s CI initiatives.

BofAML’s support for capacity building begins internally, with committee members going through a comprehensive training curriculum led by BofAML’s CI team. Through the use of case studies, discussion sessions and a mock application assessment, the training is designed to ensure that committee members understand the procedures, criteria, assessment methodology and decision-making processes that govern the company’s CI strategy, and have the skills and tools to ensure this strategy is implemented effectively.

Employee-nominated organisations or programmes are assessed by a committee member and then presented to the entire committee for comparative assessment alongside all other applications for that period at a decision-making meeting. The organisations or programmes that are selected are then submitted to the Asia-Pacific CSR department for further assessment before applications for grants are made to BofAML’s global foundation for final selection and approval. By involving employees and building their capacity to identify and shortlist suitable partners, BofAML’s CI team ensures a high degree of employee ownership of and engagement on the CI initiatives that BofAML supports.

PARTNER SELECTION AND DUE DILIGENCE

Partnerships formed for CI initiatives aim to combine the resources and expertise of the business with the capabilities of organisations such as NGOs, academic institutions, government departments and even other companies to produce positive social and environmental change. Well-structured partnerships can introduce new ways of working that result in benefits that, operating alone, all parties would find it more difficult to achieve. Against this backdrop, the careful selection of appropriate CI partners is one of a CI professional’s most important responsibilities.

After potential partners have been shortlisted, CI professionals will conduct due diligence. Areas of concern and investigation commonly include assessment of a potential partner’s:

- Organisational registration status, governance structure
- Demonstrable commitment to transparency and accountability in its operations
- Reporting capabilities (for example, whether it issues an annual report or other formal documents detailing progress with initiatives)
- Adherence to policies that encourage inclusivity and uphold human rights

- Openness to providing volunteer opportunities and receiving both financial and in-kind assistance, in-house knowledge and expertise on the issues and causes that the company is looking to support
- Expectations regarding the outputs and outcomes of the partnership
- Additional support or collaboration with other companies or industry peers

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PARTNER SELECTION AND DUE DILIGENCE

CIRT members report different ways of conducting due diligence. Some have open online systems through which organisations may register their interest in partnering with the company to address specific issues or challenges. Others ask potential partners to complete grant applications and provide staff with checklists to assist them in evaluating whether an applicant would be a good fit with the company’s strengths and strategic CI priorities.

Harnessing the power of technology to build CI connections – Coca-Cola

The Coca-Cola Company has developed a system where applications for community support from the Coca-Cola Company, Coca-Cola Foundation or any of its affiliated regional foundations are submitted online. On its site, Coca-Cola clearly communicates its specific guidelines and community investment priorities. Via a series of questions, applicants receive information about the company’s sustainability commitments and at the same time, will be able to assess compatibility. To ensure credibility and as part of the governance process, all applicants are required to provide administrative and legal information such as country of establishment, tax-exemption letter to prove their charitable status. Details of the organisation’s mission, whether it has a religious or political affiliation, and if it is seeking support for media purposes, events, field trips, sports teams, cause marketing, or general marketing and advertising projects are also required.
PARTNER SELECTION AND DUE DILIGENCE

CI professionals often collaborate with colleagues in other company departments to assist with the due diligence process. For example, they will work with the legal department to check on any potential incidences of bribery and corruption, and with staff in the finance team in assessing the potential partner organisation’s financial transparency and accountability.

Following transparent processes as in any other part of its business – Mubadala Petroleum

Upstream oil and gas exploration and production company Mubadala Petroleum manages exploration, appraisal, development and production operations across the Middle East, Africa and Asia, including in South East Asia. The company is committed to playing a responsible role and contributing to the sustainable development of the communities in which it operates. For any CI projects that Mubadala Petroleum plans to support, it follows an organised, consistent approach within a planned framework based on good industry practices, integrity and transparency. The CI team will involve Legal and Compliance from an early stage to cover all business aspects required for selecting potential partners, gaining approval for projects and programs.

CI is seen as an integral part of operations following the same principles, structured and planned, as for any other part of the company’s business.

Internal partnerships needed to build strong external relationships – adidas Group

adidas China CSR Working Group (responsible for adidas’ community investment activities in China) assesses the suitability of potential NGO partners similar to how it would assess a potential business partner. In addition to understanding the NGO partners’ needs, the CSR Working Group will take investigative steps to ensure that the organisation is a registered not-for-profit entity and that it has a legal licence to operate, with transparent governance structures and robust decision-making processes.

A key CI initiative for adidas China is the adidas Right to Play Child Development Program which targets rural child development through sports. This can sometimes include supporting schools and childcare centres with the establishment of sports-related facilities. The adidas China CSR Working Group works closely with the company’s purchasing department to hire reputable suppliers and contractors to ensure that all facilities are constructed in accordance with adidas's high standards. adidas China purchasing department also assists by conducting due diligence on the suppliers and contractors; ensuring that prices to hire a contractor and to purchase materials are fair. The purchasing department is involved from the point of signing the agreement with the community partner and will take the lead in areas that benefit from its core competencies, such as inspecting building or refurbishment works after completion.

This close collaboration between the adidas China CSR Working Group and their purchasing teams has helped establish good communication and a sense of common purpose and camaraderie among colleagues who would otherwise have few work-related interactions.
EMPLOYEE ENGAGEMENT

By encouraging employees to engage in activities that benefit the community and to be agents of positive social change, companies can promote improved civic pride and provide their staff with the chance to build emotional, people-based relationships that drive a greater appreciation for the value of a diverse and inclusive society. Companies who ‘walk the CI talk’ are not only supporting long-term community development – they are also building internal morale and a sense of pride working for the company. This can not only support greater productivity and improved retention rates, but also marks out corporate leaders in this area as employers of choice among potential future employees.

That said, successfully engaging staff at all levels in CI initiatives is still a challenging task. It is important for CI professionals to recognise the diversity that exists among internal stakeholders and who is likely to influence the effective communication of key CI messages and values. One common thread among CIRT members for strengthening employee buy-in is the importance of securing the active support and participation of senior management through their involvement in CI committees (chairing or having oversight of the CI committee). CIRT members engage their senior management by keeping them updated on CI initiatives and also asking senior executives to be the companies’ ambassadors by giving speeches during CI-related events. Senior management are also asked to educate and inform employees of the company’s CI strategy.

CI professionals use a wide array of methods to increase employee awareness of the CI initiatives that their company supports, including personalised e-mails, memos, intranet portals, social media platforms, internal briefings, and videos and photos of past CI events. CI information is also displayed on staff notice boards and other prominent locations in offices. Some companies use CI ‘champions’ to spread information and news on CI developments or provide internal social media platforms through which employees can organise themselves into communities to share and exchange ideas and stories or engage in conversations that focus on CI.

Creating CI Champions – Aviva

Aviva’s Chief Engagement Officers play a critical role in bridging communications between the business departments and the CI team, with the goal of promoting employee support for and participation in CI initiatives. Each department has a Chief Engagement Officer who is appointed for a year. Appointments are made without restrictions on position or seniority within the company, but appointees are generally well connected within their department or division, have an interest in improving employee engagement and welfare, and possess the skills and willingness to drive engagement initiatives among their peers.

Chief Engagement Officers meet with the CI team on a monthly basis to receive updates on upcoming events and to raise issues or relay feedback from their departments. They may also discuss their department’s interest in a specific issue or cause that could form the basis of a productive CI initiative. In addition, the officers are also responsible for communicating updates and other relevant CI information among their colleagues.
IBM's Corporate Service Corps (CSC), launched in 2008, sends groups of 10-15 individuals to help communities around the world solve critical social and economic issues while providing IBM employees (IBMers) unique leadership development opportunities as well as greater understanding and appreciation of growth markets. These top management prospects spend three months preparing for their assignments before collaborating with non-profits, governments, universities, small businesses and other institutions for four weeks. Louise Davis – Executive (Corporate Citizenship and Corporate Affairs) for IBM Asia Pacific shares that “the CSC program is a highly visible programme for IBM, so it is important that every participant understands their role as a brand ambassador. This is strongly emphasised during the three month pre-assignment preparation. Part of their media and communications training includes understanding how to get set up and use social media, including Twitter, blogs and image capture (stills and video). In addition, the positioning of the CSC - IBM’s motivation for supporting the programme (the triple benefit of leadership development, community impact and branding), and talking points for online and public events are all emphasised.”

IBM uses a Social Media Aggregator (SMA) which provides a consolidated view of real-time social activity to both IBMers and an external audience worldwide to spark interest and increase internal awareness of their corporate citizenship programme. Louise shares that “Many IBM employees actively follow the accomplishments of CSC teams regardless of their involvement with the CSC programme. Many IBMers have expressed a strong interest in participating in the CSC program as a result of the stories and images they see come through our social media channels.”

Social media, when used in conjunction with traditional forms of employee engagement, can be a powerful platform to reach a wider audience for IBM's citizenship programmes. Louise reiterates that “Social media, both internal and external channels, has given IBM an additional tool to spread the stories of our programme to a greater number of employees, but it doesn’t replace much of the direct contact that IBM’s local citizenship managers have with our employees around the world. Our employees are the best evangelists of our programmes, and giving them both access and freedom to share their viewpoints on what our Corporate Citizenship department does has been a great enhancement to what we can accomplish as a department focused on connecting our employees to our communities and showing the value and impact we can have both for the community and the business.”
Some CIRT members use positive reinforcement by celebrating employees who participate in projects to drive positive change in the community. Members of staff may be encouraged to demonstrate their commitment to the company’s vision for community development by becoming CI champions, committee members and/or volunteers. In some companies, community involvement may be considered as part of annual employee performance reviews. For example, PepsiCo’s Performance Development Review (PDR) asks employees to set business and personal objectives. Among other things, personal goals can include community objectives. The community objectives set by employees often include participating in CI initiatives. If these objectives are met, employees may receive formal recognition or some type of performance reward. CI professionals may also recommend the giving out of CI-related awards or send acknowledgement cards to both employee volunteers and their direct line-managers. This overt recognition of the CI efforts of individual employees reinforces a positive corporate culture regarding the importance and value of active involvement in CI initiatives.

Grassroots staff involvement and engagement is a key element of the Macquarie’s volunteering philosophy. Under guidance from the Foundation team, staff across the world undertake a wide variety of activities in their communities. Macquarie has introduced Staff in the Community Awards, an awards program that recognises and rewards these efforts.

Winners can receive up to A$20,000 for their associated NGO, with winners and highly commended awarded for the following categories:
- Office Award
- Volunteer of the Year
- Pro Bono Adviser of the Year
- Fundraiser of the Year
- Team of the Year

Presented on an annual basis, the winners and highly commended staff are announced globally, and where possible, also recognised by their local office and global leadership during Macquarie’s series of annual staff meetings in May.

The final winners are decided by the global Macquarie Group Foundation Committee.
EVALUATION AND IMPACT MEASUREMENT

There is growing pressure for companies to meaningfully measure the impact of their CI initiatives – not merely to count dollars spent or record the number of employee volunteer hours, but to understand what difference – if any – their investments are making in the community and for their business, and to report on these effects as an important part of overall corporate accountability. Accordingly, evaluation and impact measurement have become increasingly important functions for CI professionals. By measuring the impact of CI initiatives to try to estimate their “social return on investment” and quantify their value for the business, CI professionals can arm themselves with the information needed to sustain strong management buy-in for continuing involvement in community development activity. Through impact measurement, monitoring and evaluation, companies can also help ensure the relevant and efficient allocation of limited resources.

Partnership impact assessment – Credit Suisse

In 2011, Credit Suisse adopted a more strategic approach in determining the awarding of philanthropy grants, choosing to focus on fewer but longer term partnerships with the goal of having a greater impact through the programmes it supports. At the end of a three-year partnership in 2013, Credit Suisse commissioned CSR Asia to conduct a partnership impact study to assess the effects of five supported programmes. The partnership impact assessment process went beyond a desk-bound review and included extensive conversations with the company’s five NGO partners and the Credit Suisse employees involved in each of the programmes to build a full picture of the value of and progress made through the partnerships from the perspectives of the community and the business.

The assessment provided Credit Suisse with the data it needed to determine which partnerships were delivering the greatest value for the community and the company over and above the amount of funding provided. The process also equipped the Credit Suisse CI team with information and insights that enabled them to clearly articulate the tangible benefits of Credit Suisse’s CI strategy to members of senior management.

A Credit Suisse volunteer visits at-risk youth with the Cathy Freeman Foundation on Palm Island – one of the partner organisations involved in the impact study.
CONCLUSION

Corporate community investment is often talked about in terms of the causes that companies support or the NGOs that businesses engage as community partners. To date, however, relatively little has been documented about the people who drive CI initiatives within companies, the skills and resources they require, and how they generate and sustain strong internal support for CI. With more companies setting aside dedicated resources to implement CI programmes, the pool of successful, skilled and experienced CI professionals is continuing to grow. With the generous support and contribution of some of these CI professionals from CSR Asia’s CIRT group, this publication provides an insight into the characteristics and responsibilities of the people who serve on the frontlines of community investment in the Asia-Pacific region and how they are driving greater corporate participation in impactful and measureable CI activity.

This report is designed to be a brief overview and useful primer for business professionals and other individuals interested in the role and responsibilities of CI professionals and how some of the leading practitioners in the field are working to build effective CI strategies within their organisations. The report also serves as a springboard for future publications to be produced in cooperation with our CIRT members that will delve more deeply into specific CI issues – such as employee engagement, partner selection and impact assessment – that have been touched upon here.

You are welcome to provide us with comments and feedback by e-mailing us at cirt@csr-asia.com.