Corporate community involvement (CCI) has been present in our societies for many years. This involvement has varied from philanthropic contributions to active community partnerships to tackle current social issues. The role of business involvement in the community is evolving as we speak. There is a paradigm shift as expectations are being set for businesses to no longer be passively standing by, but rather to contribute actively and strategically to the community in measurable and sustainable ways.

According to a study titled ‘The Next Wave of Corporate Community Involvement’ published in the California Management Review, the new outlook on corporate community initiatives are driven by 3 broad drivers: i) the competitive advantage factor, ii) the new moral marketplace factor and iii) the comparative advantage factor. These drivers are the result of a more liberal and global marketplace.

The competitive advantage factor became important as technological progresses and information made it difficult for traditional advantages such as ‘location and financial capital’ to be a crucial element. Therefore senior leaders began looking for less tangible and harder to imitate sources of advantage, such as corporate community involvement. This opens up new markets and facilitates open dialogue between stakeholders; and the organizations. By increasing involvement in a community the company profile and reputation is improved and provides a competitive advantage that others cannot duplicate swiftly.

The second driver as discussed by the study is the moral marketplace. Traditionally the marketplace is a place to buy and sell goods - with no other agenda. However the emergence of marketplace expectations that firms contribute to building a better society highlights that changes in thinking. Such changes have impacted how supply chains are operated, how financing is approved and how products are marketed. There is more emphasis on transparency in the marketplace and a need for disclosure by not only consumers but competitors. An example of an organization adapting their business to societal expectations is the Bank of Muscat which has adopted the Equator Principles the first bank to do so in the Middle East. By adopting these principles, financial institutions can help mitigate risks to the community and environment by financing only socially responsible projects.

The last driver is the comparative advantage. Private organizations as opposed to governments and non profits have developed unique knowledge bases and competencies of operation. This has happened through unique marketplace conditions and also through operating in various environments. Therefore private organizations are in a more advantageous position to contribute to solving societal problems based on lessons learnt and core competencies - and this is being noted by the society and marketplace. This can be illustrated by Accenture; a global management consultancy, technology services and outsourcing firm who has implemented the Accenture Development Partnerships program where private sector expertise is used to work with governments, non profits and donor agencies in areas such as emergency response, economic development, global health and education.

Corporate community involvement cannot be an ‘add – on’ for businesses any longer. Rather, it should become aligned with the company strategy and their core business function. There must be ‘buy in’ and support from both the top and bottom of the organization and long term support pledged for social expectations to be met. This paradigm shift can be seen in the 2007 GlobeScan Corporate Social Responsibility Monitor which illustrates the new expectations of global companies by the communities in which they operate in.

(Continued on page 2)
In the past these efforts were ad hoc and unrelated to the core strategy and capabilities of an organization. However, now there is more emphasis in harnessing scale of efficiencies. For example, DNATA, who has coordinated with various organizations to provide fast disaster relief using their core business functions of cargo transportation and logistics capabilities is one.

These initiatives have come out of a need for businesses to play a larger role in the various markets they operate in and they are often main sources and contributors of aid, education and knowledge. As in the case of Accenture, the trend towards developing more sustainable corporate community involvement programs are providing structured employee volunteering programs. These programs work as a double edged sword, allowing the community to benefit from employee skills and knowledge and the companies benefit by having increased employee loyalty and retention.

Employee volunteering is one element of corporate community involvement and has been developed at various levels around the world. In the Middle East, and particularly in the United Arab Emirates the concept of employee volunteering is still new and not as formalized as in other parts of the world. A report published by the Centre for Responsible Business titled ‘The State of Corporate Volunteering in Dubai’ explains how Corporate Social Responsibility (CSR) is understood and implemented by many businesses and how volunteering efforts that require time and efforts were not commonly supported (21 percent accommodated corporate volunteering in 2008). However, those organizations that did accommodate employee volunteering did not monitor or evaluate their progress and do not have formalized policies to promote such activities.

The difficulty faced by organizations in documenting and monitoring employee volunteering may be the root cause of the reason that the majority of organizations in the UAE prefer to continue more traditional methods of community involvement such as sponsorship and philanthropy. Building managerial capacity in this area is one way to tackle this problem as enhanced employee volunteering and community involvement increase the trust and the license to operate in any market.

As organizations continue to assess competitive and comparative advantage in how to operate their corporate community involvement strategies, there must be emphasis placed on community partners and NGO’s role in this process. These partners must also seek non financial contributions and explore creative ways that employee volunteers and corporate community involvement can solve social issues and help achieve societal goals. Only with a deeper understanding of the mechanics of strategic partnerships can both parties gain from each other’s expertise and work together towards a more ethical marketplace and society.

Community Involvement

The first comprehensive survey on Corporate Social Responsibility (CSR) and Corporate Governance in the United Arab Emirates was published by the Dubai Chamber of Commerce and Industry in February 2010. In this report it was found that ‘nearly half of the companies surveyed reported that companies expect that they act in the best interest of their local communities and make a positive contribution to UAE society’.

This figure illustrates how community involvement has become increasingly important to organizations operating in the UAE. As illustrated by this fact, companies are beginning to invest resources such as volunteers as well as financial contributions into community involvement projects. As Corporate Community Involvement is an integral part of CSR, it is relevant to note that this engagement should rely on the same process of continued improvement.

What this means is that it is not just about the money they spend but also how it is spent! Community Involvement projects need to be managed the same way as broader CSR projects, because the license to operate is at stake. That means that companies need to integrate their ‘Community Involvement’ into their organizational strategy and into formal strategy processes (i.e. such as resource allocation for the year). Beyond that, companies need to pay specific attention to their community partnerships by assessing carefully the partnerships they have invested resources in, the criteria in which they use to select partners and to evaluate the actions and outcomes of such partnerships by using systems such as key performance indicators to help them. Such steps do not only need to be taken by large organizations but also small ones in order to maintain their license to operate and prepare their license to grow.

To read the full report on CSR and Corporate Governance, please contact the Centre for Responsible Business.

Upcoming Events

March–June 2010
16-17 March 2010
Master class - Implementing and Managing Responsible Supply Chains
Dubai Chamber of Commerce

20 April 2010
Seminar - Ethical Marketing
Dubai Chamber of Commerce

26 May 2010
Conference
Dubai Dialogue: Sustainability Matters

10 June 2010
Seminar—Introduction to CSR
Dubai Chamber of Commerce

For more information visit www.dubaichamber.ae/crb

Good Guide has been launched by a group of responsible consumers to create an ethical marketplace and society.

Good Guide has also recently launched an iPhone application which allows consumers to scan barcodes of over 62000 products and get instant impartial health, environment and social responsibility information on their phone. This cutting edge tool is free to use and empowers consumers to make ethical choices by having an easy way to check what they are buying. It is also a great way to make sure producers, suppliers and companies are aware that consumers reward responsible behavior.

Shopping Ethically Made Easy

When buying products, for a split second, we often wonder how it got there and what is really in it. How accurate is labeling and what is the impact of this product? To answer these questions, a new website called the Good Guide has been launched by a group of academics and industry professionals from MIT, University of California, Google, Amazon, Paypal, ebay and many others. The goal of this website is to provide the ‘most comprehensive, credible and useful information in the world on products and companies’. (www.goodguide.com)

Good Guide also has partnerships with leading product and research companies, to gain access to the highest level of information available. This information is then analyzed using a range of scientific methods such as health hazard assessment and environmental impact assessment to identify major impacts to health, environment and society.

Of interest is that Good Guide also incorporates the elements of governance into their criteria by looking at company’s transparency, ethics and accountability. The product is then weighed against 1100 base criteria contained in a database to be put into the Good Guide rankings. For the purposes of this article, a quick snapshot has been taken of the methodology – a more comprehensive explanation can be found on their website.

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BENCHMARK Your Employee Volunteering Program

The Boston Centre for Corporate Citizenship and Bank of America have created a Benchmarking Tool to assess the individual company’s employee volunteering programs against the drivers of effectiveness for employee volunteering and giving programs of other organisations. This free tool is a questionnaire which asks you to give the details of how your organisation manages and implements their employee volunteering program.

The tool then assesses your strengths and weaknesses and benchmarks these to see how you are performing in regards to other respondent companies and the Fortune 500 companies.

The survey provides a 3 page report summary in which all these areas are highlighted and benchmarked and you will also be mentioned in their published report as a supporter of the tool. All answers will remain confidential and the process takes between 30 to 50 minutes which can be completed in several sittings.

This tool is a great way to understand your employee volunteering program from another angle. It’s a quick and cheap way to assess and revitalise your program and can be used in the reporting phase of a program at intervals to track progress.

A Healthy Workplace Equals Healthy Profits

Health as a global issue concerns all and is crucial to the life and well-being of every individual on the planet. Businesses through their operations and employees have a very important role to play in promoting and implementing health initiatives.

While the work environment can have an effect on the health of its employees, the health of employees can have a huge influence on the productivity of the firm and its bottom line. Providing a working environment that supports employee physical and mental well being is not longer viewed as additional benefit, but is crucial for the long term success of the organization.

There are several benefits that are associated with wellness initiatives within the workplace like improved productivity, improved morale, less absenteeism, reduced insurance and compensation claims, reduced staff turnover and retention of valued staff, higher staff loyalty and enhanced reputation.

Wellness programs in the workplace do not necessarily have to be resource intensive in terms of time and money or be complicated. Organizations whether large or small can put in place simple initiatives that promote well being such as healthy eating, smoking cessation, promote an active lifestyle, work life balance etc and will soon be able to see visible benefits.

Green Tunnel in the UAE

As the population of the UAE continues to rise, so does the congestion and time spent in traffic on the arterial roads and local streets. In Dubai this has reduced partly due to the Metro opening in September 2009, offering residents an alternative to driving which is helpful in clearing congestion especially during the peak periods.

In Abu Dhabi, however, there are upgrades being done to the main road, Salam Street. While Salam Street was sufficient in the past to cater for the population of Abu Dhabi, in recent years with rapid urban growth, a road system catering to the increased numbers was needed.

Rather than design a mere urban expressway, the Abu Dhabi Municipality are building a 3.1 km ‘green tunnel’ that will add a capacity of more than 6,000 vehicles. The Tunnel will be built from the intersection of Al Mina Road to Al Falah Street and will include modern ventilation systems to minimize pollution by gas emission as well as state of the art environmental management systems. This system will allow operators to control monitor and control situations such as emergencies and other failures effectively. Abu Dhabi Municipality senior officials term it as green drive as the straight road will minimise the air pollution by reducing the fuel consumption and construction of all stages of the upgrade will be complete by the end of 2010.

Business and Community Dialogue on How to Mobilize Volunteers

What was the state of employee volunteering during the crunch of 2009? How can my firm use pro bono and skills based volunteering to create a competitive edge? How can my non profit approach a company to help us out non financially? These are all valid questions that many organisations are asking themselves in a year that is still young. With the landscape having changed dramatically in the Middle East and the world over the last 18 months, we wonder where community involvement really ranks in terms of priority in the world of business. Deloitte have recently released their yearly look at volunteering, called the Deloitte Volunteer IMPACT Study. This study aims to better identify and understand ‘barriers that are preventing corporations from contributing and non profits from seeking, more volunteer and pro bono support’.

According to the study, although non profits and companies are traditionally better equipped and more culturally aligned to solicit and manage cash – the real problem lies in sourcing and managing volunteers. This poses a problem in an economy where gifts in kind or philanthropy are harder to come by due to other pressures. The barriers cited in the study, such as lack of know-how and a lack of awareness of how to effectively use a volunteering program are not unique to a single market. Rather these are faced by both emerging and established markets as strategically fitting employee skills are not a common practice. The Centre for Responsible Business would like to begin an open dialogue between community partners and companies in what they need assistance with in order to mobilise skilled volunteers in Dubai. If you are interested in being a part of this open dialogue, please contact us at responsiblebusiness@dubaichamber.ae
Corporate Community Leaders: Essential Leadership Competencies

Corporate community leaders face unique challenges in their roles. They must be able to balance both the expectations of their company as well as their community partners.

Therefore, it is very important to ensure that such staff are equipped with the right skill sets to effectively contribute to both areas.

The Boston College of Corporate Citizenship in conjunction with the Hay Group have released a report on ‘Leadership Competencies for Community Involvement’. This report highlights the core competencies required for staff in a corporate community role to excel. These include: leadership initiative, influential communicator, strategic thinker, value oriented, collaborative networker, balanced perspective, optimistic passion and personal maturity. These form the basis in which a leader can take forward their company.

This report summarizes the three main categories of knowledge that a corporate community leader must have:

<table>
<thead>
<tr>
<th>Knowledge of the Business</th>
<th>Knowledge of Stakeholder Groups and Interest</th>
<th>Knowledge of the Field of Community Involvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Business strategy, products and/or services, customers, competitive advantage, suppliers as well as brand image and communications strategy.</td>
<td>✓ Local community groups and needs</td>
<td>✓ Basic community involvement strategy, techniques for stakeholder engagement, grant-making, communications, measurement, integration and reporting</td>
</tr>
<tr>
<td>✓ Fundamental business concepts (especially marketing, communications, branding and accounting)</td>
<td>✓ Large national and global NGO’s</td>
<td>✓ History and evaluation of the discipline of community involvement</td>
</tr>
<tr>
<td>✓ Ethical concepts and standards</td>
<td>✓ How non profit groups operate and function internal (i.e. finances, fund raising, etc.)</td>
<td>✓ Existing benchmarks and industry standards</td>
</tr>
<tr>
<td>✓ The nature of the industry and its competitors and partners</td>
<td>✓ Relevant local and national government bodies</td>
<td>✓ Community involvement strategies and best practices in their industry</td>
</tr>
<tr>
<td>✓ The regulatory environment (present and potential) that the company operates within</td>
<td>✓ Latest trends around consumers and employees awareness preferences relating to community involvement</td>
<td>✓ Relevant guidelines and regulation</td>
</tr>
<tr>
<td>✓ Structure and Culture of the Company</td>
<td>✓ Deep knowledge of selected groups</td>
<td>✓ The status and trends of major social issues, present and emerging (i.e. education, climate change, health care and disease)</td>
</tr>
<tr>
<td>✓ Challenges and risks facing the company</td>
<td></td>
<td>✓ The dynamics of social/economic development and the cultural and international variances</td>
</tr>
</tbody>
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ENGAGING the Business Community to Help Children with Special Needs

On 26 February 2010 the Al Noor Centre for Special Needs held their annual Family Funfair. This fair attracted thousands of visitors throughout the day and all funds raised went directly to the Centre. Under the Dubai Chamber Centre for Responsible Business’s ENGAGE Dubai program, this year the Dubai Business Community played a significant role in the event. Of the 800 volunteers needed for the day, the business community contributed 256 in various roles and capacities. Volunteers sold tickets and second hand goods, supervised rides, distributed balloons, face painted and even acted as cheerleaders among many other activities that day.

This is the first time that ENGAGE Dubai has supported the funfair and a resounding response from all organisations a part of the program made it success. ENGAGE Dubai is a unique strategic employee volunteering program run in conjunction with Business in the Community UK (BITC). We offer many volunteering opportunities for corporate volunteers aimed at fostering a long term and sustained partnership with the community. From Dubai Chamber and the children of Al Noor, a big thank you to all of our wonderful volunteers, we look forward to your participation next year.

To view photos from the event visit www.dubaichamber.ae and visit Gallery To learn more about ENGAGE Dubai contact sabrin.rahman@dubaichamber.ae

To contribute or provide feedback, please contact Sabrin Rahman at sabrin.rahman@dubaichamber.ae