The Virtuous Cycle of Community Projects



By Schon Beechler , INSEAD Senior Affiliate Professor of Leadership and Organisational Behaviour.

Firms that carefully design impactful community projects for their employees can uncover new leaders, improve employee engagement and even boost the bottom line. But crucial elements are required to ensure success.

Vik Hill, the Managing Director of Santander Consumer Finance UK (SCUK) in London, got a shock when he pored over his annual staff survey back in 2008. Having been in business in the UK since 2005, SCUK was successfully meeting its profit forecasts every month and Hill was in a celebratory mood. He was therefore taken aback with the consistent message in his staff feedback forms: "despite our success, we're doing nothing to give back to our local communities."

Hill went to work to find a solution, but he wanted to make sure Santander wasn't just ticking the CSR box. "I wanted to do something that was useful for other people and also good for us. It had to be an integrated exercise," he said. After asking around, he was introduced to **Splash Community Projects**, a UK-based company that puts corporate employees on real-life

community projects to help children's charities and community organisations. Led by former British soldiers, Splash puts volunteers through physical, hands-on work building playgrounds and renovating buildings, while ensuring that the work is completed correctly and on time.

After working with Splash for 6 years now, Hill attributes Santander's improving employee engagement and even financial performance to its community projects. This is **consistent with research** that finds employees gain greater satisfaction in their work as a result of volunteering. Corporations also notice improved retention of employees who have been engaged in meaningful community service through their firm.

Santander's experience reflects recent global trends indicating that culture and employee engagement are top of mind for companies world-wide. Gallup **recently identified** a global engagement crisis; only about 13 percent of employees working for an organisation are currently engaged at work. In addition, **research by Deloitte** showed that companies recognise this problem and are looking at new ways to manage people and culture to close the huge gap between their current readiness and where they need to be.

Choose your tools

While many managers might be tempted to jump on the community project bandwagon to address these important human resources challenges, <u>recent research</u> indicates that they don't always deliver as hoped. For example, if employees are cynical that community projects are just a form of "greenwashing," or if they feel pressured to participate, projects are less likely to achieve their aims.

To reap the benefits from community projects organisations should chose projects that make a lasting impact on their communities and leaders need to get involved. In addition, they should ensure that the project resonates with employees, their values, and those of their firm.

Stretch the goal

In order for clients to get the most out of their projects, Splash ensures that the goals are difficult to achieve, which ironically keeps clients coming back. Hill explains how the first Santander community project was kicked off without the staff actually knowing what they were embarking on. "They were shown a construction plan and immediately assumed someone else would be

delivering it. When they realised it was them, panic ensued. Many said they didn't have the skills or the right experience. The Splash managers, however, gently asked them to consider whether if they had to do it, how might they break down the project into smaller parts, set priorities and use the skills they did have. This made the achievement of the project more meaningful in the end."

At INSEAD, we kick off our MBA Programme with a compulsory Splash project near our campuses in Fontainebleau and Singapore to create a high-energy, high-impact start to our intensive one-year MBA programme and leave a positive legacy behind in the community. The projects are also co-designed by faculty and the Splash team to create an environment where our students can get to know each other and begin to work together in very diverse teams. Faculty and deans also participate to demonstrate management commitment.

We strive to create an environment of fun but also challenge and tension. As the project unfolds we work with the Splash team to ensure that there is just the right balance between goal accomplishment and unexpected changes and challenges. We either step in to help or throw spanners into the works, for example having the client tell the students mid-stream that they want to redesign the project.

A talent discovery exercise

Companies that have worked on such projects also say that done well, these projects can act as a catalyst to uncover potential leaders who may emerge when thrown into the wilderness with their colleagues. One way this happens is to assign group leaders and day leaders who aren't day-to-day managers at work. They're made to look after others, motivate the troops and ensure everyone has the resources they need.

While this is challenging, Steve Daniels, a former HR director of RBS group and now non-executive chairman of Splash Projects, says that this has helped numerous clients notice talented employees within the ranks who would not normally be noticed within corporate structures. This is facilitated crucially with the presence of everyday managers on the project.

Making it last

The importance of leadership participation matters for other reasons, too. Daniels believes that the presence of both current leaders and those on the succession plan is essential, not just to lead but to take part and to infuse learning into the organisation later. It "inculcates a social responsibility mindset within them," he says. "They see the benefits, they notice talent and when they're in positions of influence, they'll carry it on."

Leaders can also identify barriers to productivity within the firm when they see what their employees are capable of in the field without technology. Face-to-face communication, regular catch ups and end-of-day handovers between staff at Splash can enlighten everyone to new ways of working

"Back in the workplace...it is noticeable that the teams in the business are more cognizant of handover. So we see better handover between the new business to the customer team to the collection teams for example," said Hill.

Daniels explains that Splash is now working with organisations to make the projects more lasting. "Over time, the improved engagement between staff dissipates. What I call the 'antibodies' of the organisation – emails, meetings and bureaucracy – all come back," he said. Now that companies are getting more involved in community work, Daniels believes the next stage should be for them to pay more attention to embedding the skills learned and insights attained on community projects back into the organisation. This can be done, he says, by doing a team debrief six to eight weeks after the project to discuss how barriers were brought down on the project and how they can be kept down back in the firm. Project-like behaviours can also be brought into everyday routines, such as "no e-mail afternoons", regular 5-minute meetings to align on work, and handover briefings.

Community projects are capable of creating a virtuous cycle within companies and their communities. Useful skills learned outdoors can generate lasting benefits to corporations and enhance their standing in the community, but only as long as leaders are committed to rolling up their sleeves and embedding the learning into their organisations.

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Disclosure: INSEAD is a client of Splash Community Projects in both MBA and staff volunteer projects.

To view a video of the latest INSEAD Splash projects in Fontainebleau and Singapore, click **here**.

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https://knowledge.insead.edu/responsibility/virtuous-cycle-community-projects

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