Inquiry into volunteering in Queensland

Submission No: 479

Submitted by: Sustainability Focus

Publication: Making the submission and your name public

Attachments: See attachment

Submitter Comments:



SUBMISSION TO THE INQUIRY INTO VOLUNTEERING

1. Introduction

Sustainability Focus welcomes the opportunity to provide a submission to the Inquiry into Volunteering. We commend the Queensland Government for taking the lead on addressing the decline in volunteerism, and for recognising the immense value that volunteering adds to productivity, social cohesion and health.

Our consultancy, Sustainability Focus, specialises in strategy, risk management and governance, with a strong focus on supporting regional and remote Australia.

This submission is informed by research we conducted in 2023, **Social investment strategy: Insights into the for-purpose sector's perspective**. This qualitative research with leaders of for-purpose organisations explored how corporate investment can be better structured to optimise sustainable community outcomes. Our findings highlight critical challenges facing the volunteer sector and propose solutions that strengthen and sustain volunteering.

2. The importance of volunteering in regional communities

- Volunteering is the backbone of essential services in regional Australia but is experiencing significant decline and strain.
- Many for-purpose organisations (FPOs) struggle to attract and retain volunteers, placing pressure on already limited resources.
- Ensuring the sustainability of volunteering requires better resourcing, simplified governance processes and structured corporate-NFP partnerships.

3. Key challenges identified in our research

3.1 Barriers to volunteer engagement

- Declining volunteer numbers: Formal volunteering has been in steady decline since 2010, with 83% of FPOs stating they need more volunteers.
- Administrative complexity: At the same time, volunteers and organisations are burdened
 by increasingly complex compliance and governance requirements. That is, they need to do
 more, requiring greater skills and knowledge, but with less people.
- Lack of coordination: Rural and regional organisations struggle with limited collaboration opportunities, making it difficult to share knowledge and resources.

3.2 Funding challenges

 Lack of operational funding: Corporate and government funding is typically project-based, leaving FPOs without essential resources to maintain core services.



- Short-term funding cycles: The reliance on one-off grants rather than multi-year partnerships prevents strategic planning.
- Mismatch in value propositions: Funding partners often require ROI-driven metrics that don't align with the way we measure social impact.

3.3 The role of corporates in supporting volunteering

Our research found that corporate support is most effective when it:

- Provides long-term funding security through multi-year partnerships;
- Supports volunteer recruitment and retention by offering corporate volunteering programs;
- · Encourages skill-based volunteering, allowing professionals to contribute expertise; and
- Invests in collaboration and capability-building, enabling NFPs to share resources, knowledge and training.

4. Practical solutions: Lessons from NFP House in Gladstone

NFP House in Gladstone is a **leading example of practical**, **place-based support** for the volunteer sector. It provides:

- A shared hub where NFPs can access administrative support, reducing the burden on volunteer-led organisations;
- Training and governance development to build volunteer capacity; and
- A centralised volunteer coordination system, helping to match volunteers with organisations in need.

This model could be exapanded to or replicated in other regional areas to strengthen the volunteer ecosystem and improve sector-wide collaboration.

5. Recommendations to strengthen volunteering

5.1 Policy and funding reforms

✓ Make volunteer governance easier

- Volunteerism should be <u>aligned</u> across government portfolios, including community services, business, and education. Currently, volunteerism is considered and managed in silos within several government portfolios, leading to a fragmentation and inefficiency.
- Support Volunteering Australia's National Volunteer Strategy, to align efforts, and to standardise and streamline volunteer governance requirements.

✓ Standardise and remove the cost of volunteer compliance checks

 Police checks, working with children checks and other volunteer screening processes should be free and consistent across Australia.



✓ Introduce financial incentives for volunteers

In an economy of rising costs, volunteers are increasingly faced with the dilemma of increasing their balance of paid to voluntary hours. This financial burden on volunteers could be lessended by fiscal measures such as (but certainly not limited to):

- · Allowing volunteers to claim expenses incurred during volunteering as tax deductions; and
- Considering rebates for volunteers who contribute over a set number of hours per year.

✓ Multi-year funding commitments

- Make long-term funding models the standard. Multi-year funding agreements provide FPOs with financial security and enable strategic planning.
- Allow funding to cover essential operational costs, including wages, to sustain core services.

✓ Simplified grant and funding processes

 Reduce administrative burdens by streamlining funding application and acquittal processes.

5.2 Strengthening corporate support for volunteering

✓ Encourage businesses to commit to the 1% Pledge

 The 1% Pledge encourages businesses to dedicate 1% of employee time to volunteering, providing a structured mechanism for corporate engagement.

Corporate volunteering policies

- Encourage businesses to offer paid volunteer leave and flexible work arrangements.
- Establish tax incentives or subsidies for companies that implement structured volunteering programs.

Skill-based volunteering and capability development

- Support skill-based volunteering programs where professionals offer in-kind expertise, such
 as those run by Volunteering Australia and its state branches.
- Provide funding for governance and leadership training to build capability within FPOs.

Regional collaboration initiatives

 Fund and support regional hubs (like NFP House) to foster sector-wide governance support, collaboration and resource sharing.



6. Conclusion

Volunteering is a critical pillar of regional and remote communities, yet it is increasingly under strain. Based on our research and the success of initiatives like NFP House in Gladstone, we believe that:

- Smarter funding models, including multi-year partnerships, capability-building and operational support, are needed to sustain FPOs;
- Making volunteer governance easier by reducing red tape, treating volunteerism as a crossportfolio issue and standardising compliance processes is essential;
- Encouraging corporate engagement, such as through the 1% Pledge and skill-based volunteering, will help bridge capability gaps; and
- Providing financial incentives for volunteers and for companies that encourage volunteerism can counter rising living costs and help reverse the decline in participation.

We encourage the Inquiry to consider these recommendations and look forward to further discussions on how government, industry and community organisations can work together to support and sustain volunteering in Australia.



We're for people, planet and prosperity

Sustainability Focus is a Western Australian owned and operated management consulting firm. Our team of experienced professionals have worked with a range of SME and multinational clients in mining, construction, ports, logistics, utilities, retail, and not-for-profit sectors, across Australia.

Sustainability Focus offers a range of consulting services, to support sustainable triple bottom line performance. We specialise in strategy, risk management and governance, and building clients' capability in these areas. We pride ourselves on delivering projects that directly serve your strategic objectives and are clear, fit for purpose, and sustainable.

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Insights into the community's perspective:

Are community investment initiatives hitting the mark?

Research in brief

We invited leaders of for-purpose organisations (FPOs) across Australia to participate in semi-structured interviews, seeking to answer the question:

How can support from corporate proponents be structured to optimise sustainable community outcomes?

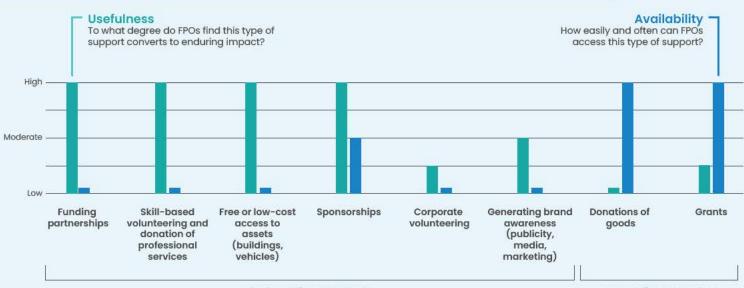


The research in brief: We deliberately sought the involvement of leaders from a cross-section of regional Australian FPOs: from tier 1 to tier 3, charities to social enterprises, and start-ups to mature organisations. Corporate social investment strategy needs to accommodate them all, so we aimed to present a wide view.



Insights into the community's perspective: Are community investment initiatives hitting the mark?

The types of support FPOs are receiving from the corporate sector



Under-delivered support

Over-delivered support

Note: This is a graphical representation only, seeking to illustrate the themes that were heard in the interviews. Where types of funding are represented as low usefulness, this is purely in the context of the creating enduring impact.

What's proving helpful?



Being in it for the long-haul.

Significant, sustained investment through multiyear funding partnership agreements. These provide security and the ability to plan, execute, evaluate and continuously improve social impact programs.



Connecting with community.

Corporate proponents who make effort to understand, build and maintain connections with FPOs are highly regarded. This may be as formal as having well-resourced communities teams embedded in the regions, or as informal as senior leaders volunteering for local FPOs.



Keeping it simple.

Simple, streamlined funding application and acquittal processes.



Formalising structures to support volunteerism.

Enabling a residential workforce, communityfriendly rosters, community service leave, volunteer policies and financial incentives.



Helping where you can.

FPOs don't always need "stuff". Oftentimes, they need advice and professional services. The flexibility and usefulness of in-kind support, particularly that received from SMEs, is highly appreciated by FPOs.



Corporate volunteering.

Mobilising large teams of volunteers to execute once-off projects helps FPOs to save their (very stretched!) internal volunteer resources for business-as-usual activity.

What's not so helpful?



Getting a foot in the door.

FPOs are finding it difficult to know who, how and when to ask for support. Once they do, the hoops required to be jumped through can be prohibitive.



Grants are great... but their application is limited.

Grant programs are hyper-conditional and exclude many FPOs and projects. To fit grant criteria and timeframes, FPOs often find themselves asking for sub-optimal resources. Grants are also an irregular and unpredictable form of income, making it difficult for FPOs to plan and act strategically.



You can't get work done without people.



Corporates rarely provide operational funding, and rarer still, fund wages. As cost-of-living increases and volunteerism declines, FPOs need support to close this gap on human resources.



Your value proposition doesn't match ours.

Funding is often conditional to a clear return on investment (ROI) that supports the proponent's social goals, not necessarily those of the FPO. By their very nature, FPOs exist for purpose, not profit, and social impacts can be difficult to quantify in terms that are understood by the corporate sector.



Difficulty collaborating in the regions.

Rural and regional FPOs have limited opportunities to coordinate, collaborate, share knowledge, build capability, and access resources across the sector.



Insights into the community's perspective: Are community investment initiatives hitting the mark?

Learnings and recommendations

Suggestions for how corporates can more effectively channel investment through FPOs towards enduring community benefit.



Spend time in and with community organisations, to really understand their visions, purpose, impact and needs. Your social licence to operate hinges on your ability to prioritise community perspectives... and relationships are central to doing just that1.



Community-centred practice.

Understand the needs of the communities in which you operate. Identify the FPOs who are meeting these needs, and ask them what they need to help them fulfil that purpose. Use that to inform how you support them.



Many interviewees felt that when senior corporate-sector positions are held by community-minded leaders, those individuals have a greater influence on outcomes than any community investment strategy. This has significant implications for recruiting, incentivising, measuring, and developing senior leaders who take on residential roles.



Fund for innovation, over and above reimbursement.

Corporate funding rarely provides financial reward - at best, it reimburses the true cost of delivering a welfare project. This significantly hampers FPOs' ability to innovate and realise strategic opportunities. Let's break the model of funding to reimburse, and fund "white space" for growth and innovation2.



Make it easy.

It takes great courage to ask for help! Ensure the community knows how, when and where to engage with your business. Ensure they can do so easily, confidently and in a culturally safe way. If you have a grant or sponsorship program, make it easy for FPOs to apply for, report on and acquit. The less red tape, the better (for both parties!).



Encourage volunteerism.

As volunteerism declines3,4, there is a significant opportunity for the corporate sector to reverse the trend. Make it easy and rewarding for your employees to give back to their community. Think: increasing your residential workforce, family and sport-friendly rosters, and policies and rewards for volunteers.



Build capability.

FPOs rarely have the luxury of a full complement of the professional skills it takes to run and govern a business. Skill-based volunteering, providing funding for capability building, or simply allowing FPOs to access surplus training capacity are simple ways that the corporate sector can bridge this gap.



Re-think how you define success.

Not everything can be measured by numbers, nor does it necessarily need to be⁵. When establishing funding criteria and agreements, work closely with the target FPO(s) to understand what success looks like and how that can best be measured.



Enable collaboration, coordination and sharing.

FPOs are time-poor and resource-constrained. Collaboration is the key to achieving the scale we need for transformational change^{6,7}. We need to find opportunities to enable FPOs in the regions to collaborate, share knowledge and resources, realise synergies, and optimise the use of their limited resources.

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