

The Community and The Corporation - Partners in Engagement?

by Wendy Campbell

Why should an organisation engage with its community? Is positive engagement possible? And is there any benefit for the community in this engagement?

Consider Woodside's Corporate Citizenship Program of 1999-2004¹.

When Woodside's corporate citizenship program was designed in 1999, Woodside was experiencing considerable growth and had embarked on a new internal direction focused on positive behaviours and values. This provided the focus of the program - to encourage an ongoing supply of competent, enthusiastic and loyal staff, sourced from the community, who "bought" the Woodside corporate culture and values.

Approved by the Board in 2000 the corporate citizenship initiative was launched, based on a theme of "Making a Difference for Young Australians". It aimed to build on existing partnerships, actively involve employees and to provide links to different paths for young people to become involved in their communities. It included principles of five years of guaranteed forward funding, employee champions (staff) in partnerships with community organisations and cooperation between partners to leverage impacts.

Since the Program's inception, Woodside's expansion into international markets has required Woodside to make multiple changes to the Program to ensure it is aligned to its business, underpinned by a strong governance framework, is transparent and meets the needs of its Australian and international partners.²

The Woodside Corporate Citizenship Program was ahead of its time in following the Australian Standard for Corporate Social Responsibility (CSR)³:

Firstly, the definition of CSR - *"A mechanism for entities to voluntarily integrate social and environmental concerns into their operations and their interaction with their stakeholders, which are over and above the entity's legal responsibilities."*

The Program aimed to align Woodside's external corporate profile with its internal vision and values. There was no legal requirement for the Program; rather the Board viewed it as "good business". In 1999 Woodside's vision was:

"Woodside will meet society's energy needs in ways that make us proud".

The Company's values reflected this vision in terms of striving to care for and respect each other; acting with integrity; trust, responsibility and freedom; being creative; and working together to create a sense of community.

¹ "Creating the Links in Corporate Citizenship – A Case Study - Woodside 1999-2004" by Erica Smyth, Sandra Jamieson, Danicia Dutry.

² Update from Sasha Pandal, Corporate Affairs, Woodside, Energy Limited.

³ "Corporate Social Responsibility, AS 8003-2003" published by Standards Australia.

The corporate citizenship programme was designed to reflect the vision and values and to recognise the organisation's core business, the work employees were already doing in the community and to provide an appropriate community profile for the Managing Director⁴. This later matured into assisting project teams operating in diverse environments around Australia and internationally. Throughout Woodside focussed on how to make shareholders, employees and contractors proud of how they were doing business.

Secondly, the CSR structural element - *"The CSR policy should include a clear statement of the business commitment to CSR that is actively communicated to all employees and other stakeholders."*

Criteria, exclusions and areas of focus were developed and an approvals process based on these was put in place. Extensive use was made of Woodside's existing communication channels to allow communication to and from staff worldwide; the Board reporting system, the global e-mail system, the internal publication "Trunkline", posters in the lift and work place, the Woodside website and word of mouth.

In addition, communication with the community partners was ongoing, including facilitating links between partners. For example Woodside developed a program with community partner Earthwatch on Kangaroo Island where young adults from other partners Surf Life Saving, Youth Focus and Awesome Arts Festival could nominate youth to attend an Earthwatch expedition to investigate reptile populations for two weeks. These links were without doubt one of the more "value-add" components that the Program enabled.

Thirdly, the CSR operational element - *"The entity should have policy and procedures to ensure the entity behaves ethically towards all stakeholders."*

Here again Woodside's Program excelled. The Program was aligned with Woodside's Standards of Conduct and Business Ethics, and the policy and procedures were imbued with Woodside's values. In addition extensive reporting, and later auditing (by tertiary students, ensured that the framework of the program was met. Additional value was added to this area through the positive engagement of the Program management team with all stakeholders, encouraging feedback and ongoing improvements.

Has this Program been of benefit to Woodside and the community?

1. The 2004 staff surveys showed that using the 2003 score (out of possible 7) as a base, an increase occurred in all 5 areas surveyed. This demonstrated that positive action could translate into detectable attitude change after only a year, validating the Program's mandate.
2. Having clear strategic guidelines for the community organisations which Woodside is willing to support has been beneficial to all community partners.
3. Having such a professional program - supported by the Managing Director - which involves grass roots' commitment from Woodside's staff validates the crucial role that community organisations play in our society. Jenny Allen,

⁴ Vision Conference 2001, by D. Quinlan.

CEO of Youth Focus since its inception, speaks of pride at being one of the first charities to take part in the Program, and of gratitude that the Program has allowed Youth Focus to make such a difference in the WA community.

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