

employees **building** communities

- | **The Home Depot Canada**
- | **Habitat for Humanity Canada**

- | **Employee Volunteering**
- | **Partnering With Non-Profits**

The Home Depot Canada has formed a unique partnership with Habitat for Humanity Canada that allows both organizations to leverage their respective strengths. Habitat for Humanity provides affordable housing solutions, and The Home Depot associates (employees) assist in building the housing in partnership with low-income families. As part of a broader partnership built on financial and in-kind contributions, Home Depot's employee volunteer program has generated significant corporate impact *and* community impact.

Corporate Social Responsibility

Increasingly, corporations are expected to demonstrate good corporate citizenship that values all stakeholders through a number of areas such as ethical business practices, community engagement, and sustainable production.¹ Companies are realizing that these positive practices have direct and indirect effects on their bottom line – and are investing in corporate social responsibility (CSR) strategies to manage these issues.

The Home Depot is the world's largest home improvement retailer, with 165 stores employing over 28,000 people across Canada.² The Home Depot Canada's CSR strategies are built on its core values of "Doing the Right Thing" and "Giving Back" – both of which demonstrate a corporate commitment to community. As its CSR strategy has evolved, The Home Depot has strategically aligned its CSR activities with areas in which the existing core business and corporate infrastructure can have a greatest social impact.

Employee volunteering is a CSR strategy that

corporations are increasingly utilizing in seeking to become more socially responsible corporate citizens. Many of these types of corporate volunteer programs address basic community needs. The Home Depot's successful associate (employee) volunteer program, Team Depot, encourages employees to engage with their local communities to tackle important social issues. In the area of affordable housing, The Home Depot Canada has teamed up with Habitat for Humanity Canada, leveraging the core strengths of each organization to confront a vital social concern.

Cross-sectoral Partnerships

Habitat for Humanity Canada mobilizes volunteers and community partners in building affordable housing and promoting home ownership as a means to breaking the cycle of poverty.³ Founded in 1985, the organization now deploys over 30,000 volunteers through 72 Affiliate organizations across all parts of the country.⁴ Habitat manages volunteer labour and tax-deductible donations of money and materials to build and rehabilitate decent houses, together with the "sweat equity" of homeowner

¹ GlobeScan (formerly Environics) (2005) "Corporate Social Responsibility Monitor"

² The Home Depot Canada (n.d.) "Our Company", http://www.homedepot.ca/communityaffairs/content/en_CA/CAOurCompany.html

³ Habitat for Humanity Canada (n.d.) "About Habitat", <http://habitat.ca/abouthabitatc1.php>

⁴ Ibid.

“The partnership demonstrates how large corporations can engage with non-profits to synergistically tackle social issues.”

(partner) families.⁵ Habitat houses are sold to partner families at no profit and financed with affordable, no-interest mortgages, homeowners’ monthly mortgage payments go into a revolving fund which is used to build more houses.⁶

Corporate donations have been an important component of the partnership, and The Home Depot Canada has been the leading supporter of Habitat for Humanity in Canada since 1996, with annual donations exceeding \$3 million in cash and in-kind contributions.⁷ An important component of the partnership is leveraging The Home Depot Canada’s associate (employee) volunteer program, Team Depot. Team Depot has inculcated a culture of volunteerism among employees, and The Home Depot Canada associates contribute more than 60,000 hours of volunteer service on an annual basis.⁸ Associates provide support to the partnership with Habitat by building affordable housing in local communities, sharing their skills and expertise in home construction and renovation. In addition, many are actively engaged in local Habitat affiliates.

Multiple Tiers of Giving

The Home Depot Canada has been proactive in identifying ways in which different groups – customers, vendors, associates, and management – can engage in community activities. Customers are now engaged in fundraising in-store to support Habitat builds. The Home Depot Canada has successfully engaged its vendor partners to provide financial and in-kind resources to support Habitat. Associates volunteer their time and expertise to build homes in their communities, and the “Grand Opening program” now connects new Home Depot stores with local Habitat affiliates from Day 1. The “Return to Vendor” program donates returned building products and supplies, which are sold through Habitat for Humanity ReStores, with all revenue supporting the building program.

Management engagement in volunteering can

be a tremendous asset to CSR efforts, and can amplify the impact of existing initiatives. The Home Depot Canada supports the importance of corporate volunteerism, and has a leadership role in Canada’s largest corporate volunteerism initiative.⁹ Annette Verschuren, President of The Home Depot Canada is Chair of Habitat for Humanity’s National President’s Council and is spearheading Volunteer Canada’s Corporate Council on Volunteerism. The Home Depot’s senior management have “opened doors” to community leaders and corporate leaders (particularly The Home Depot vendors), and have provided local Habitat affiliates with valuable opportunities to engage other firms in corporate giving. Many managers and associates are also actively engaged in leadership roles in local Habitat affiliates, and help facilitate local chapter organizational development.

Multi-tiered partnerships require significant investments of time and effort, especially in scaling up the activities undertaken within the partnership. To better manage this relationship, The Home Depot Canada has provided the unique solution of funding a dedicated staff member who splits his time between the two organizations in order to manage deliverables and expectations and ensure that both sides benefit from their partnership. This is a way of The Home Depot “investing in their own investment” – and it has contributed to increased achievement of targets and objectives, and a greater financial investment by The Home Depot into the partnership.

Return on Investment

The partnership demonstrates how large corporations can engage with non-profits to synergistically tackle social issues. The Home Depot Canada invests financial support, in-kind donations, and associate (employee) volunteer hours in building affordable housing. The partnership with Habitat for Humanity Canada allows The Home Depot to achieve its CSR objectives in a streamlined and focused

⁶ Ibid

⁷ The Home Depot Canada (n.d.) “Our Company”, http://www.homedepot.ca/communityaffairs/content/en_CA/CAOurCompany.html

⁸ The Home Depot Canada (n.d.) “Habitat for Humanity”, http://www.homedepot.ca/communityaffairs/content/en_CA/CAHabitat.html

⁹ Volunteer Canada (2005) “Volunteering and the corporate world”, <http://www.volunteer.ca/en/volunteercanada/evolution/december05/POPUPS/ENGLISH.html>

manner. Both organizations can scale up the reach and impact of their existing efforts – for instance, The Home Depot’s presence in rural communities provides valuable financial and leadership support for Habitat affiliates, many of which are entirely volunteer-driven.

The Home Depot Canada has strategically harnessed its associate (employee) volunteering programs, which provide benefits to its employees, the corporation, and the community. Employees get an opportunity to be involved in tangible projects that address an important social issue, using the skills and expertise from their “day job”. They are also given the opportunity to enhance their leadership and management skills, while fostering the teamwork culture that has been a key to The Home Depot’s success.¹⁰ Employee recruitment and retention gains can be evident when employees feel that their employer is committed to investing in their personal and professional development, and a recent study has found positive correlations between employee satisfaction and corporate performance.¹¹

In aligning their CSR work with their corporate vision, the reputational gains for The Home Depot have also been important. The Home Depot brand is strengthened through an association with Habitat for Humanity Canada, a well-respected non-profit organization. This, in turn, allows Habitat to amplify the scale of its activities and impact, and also provides legitimacy for The Home Depot’s CSR work. The message of “building homes, building communities” resonates immediately. Volunteers working on highly visible projects help build brand reputation. Local stores are seen as being “connected” to the community through their donations of volunteer, financial, and in-kind contributions to build sites.

Partnering to Build Communities

The Home Depot’s partnership with Habitat

for Humanity Canada provides an innovative example of how corporations can collaborate with non-profits to tackle important social issues. By collaborating at multiple levels, both organizations can maximize the value of financial, in-kind, and employee volunteer contributions. For The Home Depot Canada, their partnership with Habitat for Humanity Canada has been integrated as part of business strategy in the areas of customer engagement, sustainable build practices, vendor relationship management, and community investment. There are also synergies with other areas of CSR – for instance, The Home Depot’s commitment to sustainable build practices has translated into savings for low-income households in houses built with Habitat for Humanity.

The business case for corporate volunteering is straightforward and appropriately business-like: it is good for the community; good for those who volunteer; good for the company itself.¹² The Home Depot has aligned its CSR strategy with its core expertise in an effort to address important social concerns. In partnering with Habitat for Humanity Canada, they are able to leverage their existing human, financial, and organizational assets towards building housing – an area that is a core component of their business. The Home Depot has also connected its financial and in-kind donations of building materials to its associate (employee) volunteer contributions, creating a holistic commitment to affordable housing, and important synergies in corporate giving. By strategically investing in CSR, The Home Depot has magnified the social impact of employee volunteering.

In order to form sustainable partnerships, it is important to align the needs of the corporation and the non-profit’s activities. The lesson is that the social issues addressed by the non-profit must resonate with the organization’s values, mission, vision, and culture. This is a fundamental condition to provide mutual benefit. It may be necessary to invest

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¹⁰ Five Winds International (2003) “Corporate Social Responsibility: Lessons Learned”, <http://www.fivewinds.com/publications/publications.cfm?pid=63>, p.36

¹¹ Alex Edmans (2007) “Does the Stock Market Fully Value Intangibles? Employee Satisfaction and Equity Prices”, http://papers.ssrn.com/sol3/papers.cfm?abstract_id=985735

¹² Kenn Allen (2003) “The social case for corporate volunteering”, *Australian Journal on Volunteering*, Vol. 8, No. 1, p.57-58

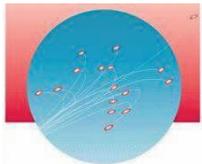
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time and resources in developing such a partnership, including bridging the “cultural gap” that frequently exists between non-profits and corporations. Over the long-term however, the results of such a focused investment are likely to be of substantial impact.

Increasingly, corporations seek to be more actively engaged in the causes that they give to, rather than just provide undesignated funding. They want non-profits to be more sophisticated and aligned with the needs of the business, and to provide tangible opportunities for corporate involvement. In a nutshell, corporations aim to increase the “economic and social return for their CSR investment.” Employee volunteering programs offer an important way for corporations to invest their resources and expertise in tackling social issues. When conducted strategically, they can target multiple levels of return, with high corporate impact *and* high community impact.

Selected Resources

The Home Depot Canada: www.homedepot.ca

Habitat for Humanity Canada: www.habitat.ca

Centre for Voluntary Sector Research and Development: www.cvsrd.org

Volunteer Canada (n.d.) “Employer-supported Volunteerism”, <http://www.volunteer.ca/volcan/eng/content/employ-support/employ-support.php>

Michael H. Hall, M. Easwaramoorthy, and Wynne Sandler (2007) “Business contributions to Canadian communities: findings from a qualitative study of current practices”, Toronto: Imagine Canada, http://nonprofitscan.imaginecanada.ca/files/en/misc/business_contributions_en.pdf

Carleton Centre for Community Innovation

The Carleton Centre for Community Innovation (3CI) brings together superior academic research and knowledge dissemination to Canadian communities in ways that promote long-term growth and sustainable development. One of Canada’s leading sources of expertise in social finance, 3CI has also played a leadership role in grant-making, evaluation and policy analysis in the fields of community economic development and social enterprise. From 1997 to 2008, the Centre managed the Community Economic Development Technical Assistance Program (CEDTAP), with the support of The J.W. McConnell Family Foundation, The Ontario Trillium Foundation, Bell Canada and other partners. Other action-research priorities for 3CI include local governance, community learning and community-university partnerships.

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