

Thanks Jennifer, Bruce, Robyn and others for inviting me to be here today. It's great to be here and to be a part of what Philanthropy New Zealand is doing.

Organisations like yours are influential in creating a climate of awareness, understanding and desire for philanthropy.

Through this, you're making an incredible difference in the lives of Kiwis everywhere.

Where this has been evident most recently, was the Toolkit for Giving, launched back in June.

I was delighted to be part of the launch in Auckland, and think the toolkit is a fantastic resource for people and organisations all around New Zealand.

I believe it will meet your goal to, "celebrate and cultivate the philanthropic potential of every human being" as Robyn Scott wrote in your Winter newsletter.

We're certainly avid fans of the toolkit at Westpac and, in fact, will shortly be distributing it amongst some key managers to offer guidance on how they may help their staff proactively seek out opportunities to contribute to the communities they're part of.

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Today, my focus will be on embedding a care for communities within the corporate consciousness.

And when I say "corporate consciousness", I'm referring to the thinking and awareness of a corporate's staff contingent – the spread of people across an entire organisation, regardless of role or responsibility.

But there's another question to answer when discussing the matter of a corporate consciousness.

And that's one of heart.

Historically, corporate giving has been about giving to get good PR, and there's an expectation that big companies will always say yes to sponsorship proposals because, "it will make them look good".

We have to shift these expectations by creating a sense that corporates can give from the heart. Because, when you're giving from a values base, and realigning your community support accordingly, it ceases to be a matter of just chucking money at anything to look good. That's when it becomes meaningful and real.

But, is it possible to "give from the heart" in a corporate sense?

It's difficult to talk about giving from the heart when talking about corporates, because most people feel we don't have one!

Can corporates actually have a soul? Can they have a heart, a personality? Is it naïve to think we can achieve this?

And is the heart and soul of an organisation created by the collective attitudes and thinking of its people... or by an underpinning set of values that drive the organisation and its activities?

If we agree it's possible to create a corporate heart, how do we go about doing so? I believe the answer is found across a range of different factors, ranging from the values the organisation believes in, to the opportunities it creates for its people to live those values and contribute to their communities.

Over the next twenty minutes or so I'll flesh out this thinking and outline some of the key learnings from our experiences at Westpac.

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Before addressing my topic in more detail, I want to take a few moments to focus on this word, "philanthropy".

I want to discuss what it is, what it means and what it does.

Then I'd like to paint a picture of how philanthropy can become even more meaningful in the corporate context.

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To set the scene, I believe philanthropy – or nurturing a concern for others and encouraging an active response to meet a recognised need – is part of a much bigger picture called corporate social responsibility

For Westpac, corporate social responsibility means taking account of all the positive and negative environmental, social and economic impacts that we have on our surroundings right now, and in the future.

It's about ensuring that in our business day to day, we are 'doing the right things'.

This means focusing on the relationships between the economic, social and environmental aspects of our business to ensure our profitability and shareholder value is sustainable over the long-term.

We started our corporate social responsibility journey in 2003 by engaging a wide range of external and internal stakeholders, including close to 100 of our staff, to gain their feedback on what exactly they thought a socially responsible bank should look and feel like.

The result of that process was, 'I Never Knew You Cared' – a booklet that became our stake in the ground and set the scene for our ongoing commitment to corporate social responsibility.

It summarised all the feedback from our stakeholders, and told us what form our philanthropic actions should take to make Westpac's community support meaningful.

One of the clearest messages to come through was that a bank should be looking to help people before they actually need to be rescued. This means it's about being proactive. About knowing your communities and understanding their needs fully and completely so that you're not just giving for the sake of giving and in the hope of looking good.

We were also left in no doubt that money by itself simply wasn't enough.

There had to be in-kind contributions as well: contributions of time, of our people and the knowledge, enthusiasm, educational possibilities and intellectual grunt they could bring to a community alliance.

So, when embedding a care for communities within the corporate consciousness, it's the involvement of real people – of warm bodies – that really drives the maximum possible, sustainable, positive impact on the largest number of people.

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One area commonly associated with a “care for communities” is sponsorship.

Westpac believes that sponsorship should be a happy amalgam of both community interest and company interest.

One of our most prominent sponsorship arrangements, which meets this criteria, is the Westpac Rescue Helicopter. We're justifiably proud of their profile around the country; of both the service the Rescue Helicopters give to the community and the profile they give to us.

But for us it is the smaller, quieter, more everyday things that a bank can do that are more important to the on-going health of a whole community. And our communities are saying, “This is how we want you to show us that you care.”

The challenge is to find issues or subjects where we can have some effect and that will have deep penetration into all the communities where we operate.

Dealing with these issues within each community allows us to add a unique Westpac flavour to what happens in people's lives at a local level. In this, initiative and local knowledge come into play – but only when our people are engaged and involved.

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One example of a great local initiative has been our work with Te Uri O Hau hapu from northern Kaipara.

Many iwi and hapu have strong capabilities in the pre-settlement phase of the Treaty of Waitangi process, but have had differing experiences and results from the post-settlement phase.

Westpac and the New Zealand Council for Sustainable Business Development saw an opportunity to develop a blueprint for Maori enterprises to follow in the post-settlement phase, with benefits for both Maori self-determination and the

wider New Zealand economy.

The blueprint was based on case studies and information available from iwi and hapu already in post-settlement mode, including Te Uri O Hau, which received a \$15.6M settlement in 2002.

As such, Te Uri O Hau was one of the first opportunities we had to put the blueprint into practice. The aim is that what comes out of it will help iwi and hapu currently in the claim pipeline, or about to enter it, to develop their policies and governance practices to ensure they manage the proceeds of settlements for the best long-term advantage of their people.

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Before we attempt to get our people motivated toward a care for communities, we must first define what we believe and how we're going to act as a corporate.

Ideally, this should be evident in the corporate's core values, which form the foundation for the actual investments the company makes and the engagements it drives in its communities.

For example, in Westpac's view, corporate social responsibility in the community is not donating \$100 to a school speech competition. It's deciding that your core values can be applied to fostering leadership skills among New Zealand's young people. Donating to speech competitions or other examples of community relations are the applications of that, but the reason for doing each is transparent, and part of a bigger investment in the community and country as a whole.

Another example of this principle at work is in Westpac's agreement to partner with Auckland University in establishing the New Zealand Leadership Institute.

The Institute will encourage, stimulate and nurture leadership across all sectors of New Zealand life, from business, government and education to sports, arts, charity and the community in New Zealand.

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For principles like this to work, though, it is vital that staff first buy in to the value set and believe that their employer is genuine in its intent to do business that way.

This buy-in and belief can only ever be inspired by action. It happens when their engagement with the community is supported directly by company policy and such things as paid charity work. It happens when their actions are not hopelessly undermined when their employer operates unscrupulously or uncaringly. There is tremendous power in values if they are subscribed to, and acted upon, in this way. And when a company displays integrity like that, its people are more ready and willing to invest their own time, skills and money in their communities. They can see there is a reason for it; that the company is truly behind them, and that will be mirrored by similarly motivated initiatives in neighbouring communities and the country as a whole.

Westpac's values are Teamwork, Integrity and Performance. The real challenge of corporate social responsibility – and how we act philanthropically in the community – is to harness those values to do lasting good for the most people in the greatest number of communities.

The challenge is taking something that is 'nice' to do and making it better by thinking harder about how it could be done.

With this in mind, we encourage community groups that ask for our support not to think about how they can get money from us but to think about what, in partnership with each other, we can offer the community together.

After all, it is our strength, our expertise and experience, and our presence across the country that are the real assets, not the depth of our pockets – and throwing money around shouldn't be the only way we become widely recognized for supporting the community.

By relying fully on traditional sponsorship models we neither motivate nor inspire nor encourage the staff of the organisation to get involved.

And this motivation of staff is vital, because it's only through its people that a corporate can be represented in the community and be truly seen to care.

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So what challenges and opportunities are inherent in capturing the hearts of staff in a corporate toward community engagement?

The first challenge is to develop a clear view of exactly what it is you're trying to get your people to believe in and be part of.

They need to understand exactly what a "care for communities" is, reinforcing the theme that it doesn't have to be about how much you give in a dollars sense...that it's more about the idea that you give of yourself, in the process of contributing.

I was struck by something else Robyn said in your Winter newsletter: that giving can help transform society – after all, wealth and philanthropic potential do not have to be intertwined, because daily life is full of opportunities to act in a spirit of generosity.

When this attitude is clear across your corporate consciousness, barriers that may have prevented your people from getting involved crumble and fall. It ceases to be a matter of your staff not feeling they can do something – and shifts to being a matter of whether they want to do something.

And that's the next challenge. Attempting to motivate your staff and capturing their hearts.

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In this, you first need to create a desire within to act philanthropically and develop an attitude of giving. The challenge in this selfish world of ours is having people wanting to be involved in the first place.

Ultimately, we need to engage our staff and persuade them that practising generosity is a natural part of our humanity; that when we act generously it gives us a sense of contribution, self-esteem and engagement within the community.

There's a great quote that, to me, sums it up nicely. This is from the Richard B Gunderman article, Giving and Human Excellence:

"Give a person a fish, and you feed him for a day. Teach a person to fish, and you feed him for a lifetime. Share with a person the joy of helping others learn to fish, and you enable him to participate in a goodness that transcends any particular lifetime."

This is all very well, but how exactly do you get your people excited about wanting to be there for others? How do you get them to care? How do you embed a care for communities within their consciousness?

I think it's important that we lead by example. Often, just seeing someone doing something for others can of itself create a desire among an audience to join in and emulate the good work being done.

Corporates lead by example when they take ownership and make a commitment to philanthropy or public support. When they stop just talking about supporting local communities and start actively doing something and making it visible across the organization, they're well on the way to creating a sense of purpose among their staff.

I believe that when you get this right, the heart motivation follows naturally.

We have some evidence of how this happens at Westpac in the results of our annual Staff Perspectives Survey.

One of the categories measured in this survey is Corporate Responsibility and Community Involvement.

For the last two years running, this category has performed higher than any other, scoring an 81% favourable response rating.

One key question contributing to this score asks our staff if our corporate social responsibility activity makes them feel good about working for Westpac. Clearly it does, which is something we're very proud and excited about.

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The second issue is how you seek to grab their attention and ignite interest in particular types of involvement, after you've created a desire to act philanthropically.

In a practical sense, I think it's important you give examples and demonstrations of what philanthropy is, by letting your staff know exactly what it is you're doing in their communities and creating a sense of the opportunities that may exist for them to get involved.

At Westpac we are constantly bringing our community activities to the attention of our staff. We present opportunities for them to be involved. For example, one of the local Life Education Trusts recently had a special event called “Harold’s Big Day Out”. As sponsor of the National trust, we took the opportunity to encourage staff in the area to attend on the day and act as volunteers.

The day itself featured on our staff intranet – we posted teaser articles, in which we encouraged people to get involved on the day as volunteers, giving details of who to contact for more information on how to be part of the day.

We had quite a strong presence on the day itself, which we followed up with post-event coverage on the staff intranet.

That’s just one example of how we take a proactive approach in ensuring our people are aware of the opportunities that exist to take part and get involved.

Of course, the things you’re supporting themselves act to grow awareness, given their wider community profile. I’m talking about the Rescue Helicopters and Life Education Trust, in particular. We’ve also recently entered into a relationship with the Sir Peter Blake Memorial Trust - established in memory of the late Sir Peter Blake, the Trust aims to help New Zealanders make a positive difference for the planet through activities that encourage environmental awareness and action, and leadership development. As the Trust’s profile grows, so will knowledge and awareness of our involvement with it.

Our commitment to bringing information about our philanthropic involvement in our communities to our staff’s attention is further expressed in a brochure we’ve produced summarising our Social Impact Report, “How We Measure Up” – I’ve brought along some copies of that for delegates to take away with them today, to give an idea of the investment we’ve made in keeping our people informed.

Keeping the information out there and accessible is key to ensuring our people are engaged, interested and motivated.

This is a “top-down” approach.

Meanwhile, from a “bottom-up” perspective, some challenges exist that may make it harder for corporates to capture the imagination of their people.

The first is time. After all, it’s a busy world. How do our people find the time to get involved in their community against conflicting personal priorities? How do we help them find the time? Can we actually help them make the time?

At Westpac, we believe the answer is yes, and have two ways of doing this.

The first, is to create interest and motivation by making community involvement and personal philanthropy worthwhile and meaningful.

The second, is empowering them to really make a difference by helping them to not just find time to do it, but helping them make time. We have actually found a way to create more time...but more on that in a moment.

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Westpac has just completed a comprehensive review of its approach to community involvement and support and will shortly be implementing some significant changes.

Central to this is a move toward allowing our staff to make their own choice of charities to support, either as individuals or teams, that we will match their support for.

This is how we make it meaningful.

But it doesn't end there. We have also made a serious financial commitment to this concept in what we're calling our "staff matching gifts" programme.

Under the programme, staff that fundraise for, or donate to, charities will have donations matched dollar for dollar by Westpac, which is what makes it worthwhile.

Staff are empowered to make the decision about which charity they want to support and consequently whom they want Westpac to support by matching of funds, rather than the decision being made at head office level.

From the word go, this approach makes community involvement more personal, more intimate and more meaningful for the people involved.

From this, comes a better feeling among people about how they're contributing to society which, in turn, can lead to increased staff morale, advocacy, loyalty and employee commitment.

And when you're feeling good about what you're doing, and what your employer lets you do, that feeling can become infectious and slowly but surely influence an entire organisation for good.

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Associated with our staff matching gifts programme, is "volunteer days".

One day per annum paid leave will be available for all staff to use to undertake volunteer work in their communities.

Staff will be encouraged to use their volunteer day to either fundraise for their chosen charity (which will then be matched under the matching gifts programme), or as a team building exercise supporting their local community or for in-kind assistance.

It's how we help our people make time to be involved.

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The total value of our investment in these programmes is yet to be determined, as it will be influenced by the extent to which our people take the opportunity to participate.

But they're valuable in other ways, because they add substance and credibility to our claim that we support our communities and seek to encourage our people to do the same.

They are where the rubber meets the road in embedding a care for our communities within the corporate consciousness.

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Sometimes, though, people still ask why a company would bother with the idea of corporate social responsibility and philanthropy – it's often seen as a veneer of respectability for the pursuit of profit as usual.

But we don't give to our communities just for PR and profile. If that were the case, our community engagement programme would end at helicopters and giraffes.

We give at the local community level because it is where we live as a bank.

The local community is the touchpoint, the interface, the place where we share our lives with our customers and the community they are part of.

This is where our corporate heart beats – at the places our corporate operates, in the places our corporate consciousness (our people) blends and melds with our customers, their needs and their relationships with us.

It's here where we build our relationships with the people in our communities who, as well as being our customers are our neighbours, our friends, our whanau, the teachers of our children and so on.

As we continue to build these relationships, we build loyalty, trust, respect, advocacy and support among our communities, leading to what we hope will grow into a committed, heartfelt link; a relationship.

This is where it becomes more a matter of the long-term intangible benefits to be gained from a community engagement approach, and moves beyond economic or financial gain.

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So... if you were only going to remember a handful of points from the last 20 or so minutes, what would I want them to be?

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- Community care encompasses a wide range of activities, from fundraising to in-kind contributions to give support where it's needed in our communities.
- Embedding that care within the corporate consciousness – promoting attitudes and encouraging a passion for community among your people

can only happen successfully when that attitude and passion are at the heart of your corporate values and beliefs. At the end of the day, you can't be what you're not.

- Once you've got the values right, it becomes a matter of working to educate your people, encouraging them to take a personal interest.
- Above all, you must create opportunities for them. Give them plenty of information, and allow them to become more involved by developing systems and programming that facilitate their involvement.
- And, again...whatever you do, make sure you're always, always living the values you expect them to.

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To close, I'd like to spend a moment on taking a long-term view.

Corporates need to take a long-term view of the intangible value that can come from supporting sustainable communities.

It's not just about getting "bite-size PR".

It's about supporting generations of people and families who may have once needed support. It's about leaving a legacy of care and integrity in the community that will continue to be served by "the corporate" for years – decades, even – after the people there today have passed on.

This builds loyalty among your communities and customers. It is deeper and richer than "bite-size PR".

You see, the people who "do" the caring will change, while the corporate – and its care for communities – should not. Embedding that care for communities right now, will set in motion a chain of events that will continue delivering care and support well into the future, further cementing those local relationships for mutual benefit.