

**A submission by  
The Smith Family**  
to the  
Parliamentary Joint Committee on  
Corporations and Financial Services

Inquiry into

**Corporate Responsibility**

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*everyone's family*



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## Preface

The Smith Family welcomes the opportunity to respond to the Parliamentary Joint Committee on Corporations and Financial Services Inquiry into Corporate Responsibility.

The Smith Family is a national, independent, social enterprise established in 1922. Our mission is *that, together with caring Australians, The Smith Family will unlock opportunities for disadvantaged families to participate more fully in society* and in the contemporary context we have a particular focus on children and education. The Smith Family is working to achieve its vision of a more caring and cohesive Australian community in two ways – by increasing the participation in society of those who have previously been marginalised on the one hand, and through the engagement of those who have the capacity to give of time, talent and dollars, on the other. As an evidence-based organisation, The Smith Family researches different forms of disadvantage to propose preventive responses to them, and to promote social change.

The Smith Family is a progressive Australian social enterprise, intent on forging strong and mutually beneficial relationships and ultimately partnerships with Australian businesses. Many companies now recognise that they have obligations not only to their shareholders, but also to the communities in which they operate. The Smith Family supports businesses by sharing ways to use social responsibility as a competitive advantage so that real results may be achieved of benefit to the businesses, their staff and most importantly, the local communities with whom we work. Together we tailor programs that will build stronger links with businesses' customers and suppliers while working towards our aim of unlocking opportunities for those disadvantaged Australian children and their families to create a better future through education.

## Terms of Reference

In responding to the Corporate Responsibility Inquiry, The Smith Family's Submission reflects on the following terms of reference:

- (a) The extent to which organisational decision-makers have an EXISTING regard for the interests of stakeholders other than shareholders, and the broader community;
- (b) The extent to which organisational decision-makers SHOULD have regard for the interests of stakeholders other than shareholders, and the broader community;

These terms of reference have relevance to The Smith Family's agenda for societal change in enabling educational access, workforce participation and advancement among disadvantaged communities and families, thereby strengthening their capacity to contribute as active citizens. This Submission will discuss the partnerships we have cultivated through corporate responsibility, the impact these have had in facilitating societal outcomes, and the ways in which these relationships could be enhanced in the future.

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## 1. Executive Summary

The Smith Family is a national independent social enterprise with a strong portfolio of community business partnerships which have developed in some cases since the early 1990s. Many companies now recognise that the business sector has obligations not only to its shareholders and staff, but also to the communities in which it operates – obligations most commonly understood today as Corporate Social Responsibility (CSR).<sup>1</sup> The Smith Family supports businesses by sharing ways to turn social responsibility into a competitive advantage so that real results may be achieved which benefit both business partners and their staff and, more importantly, the local communities in which we work. Together we tailor programs that will build stronger links with businesses' customers and suppliers while working towards our aim of helping disadvantaged Australian children and their families to create a better future through education.<sup>2</sup>

Corporate Social Responsibility in Australia is receiving increasing attention both within and outside the corporate sector for several reasons. Firstly, companies have faced external pressures from non-governmental organisations to provide greater transparency and accountability, especially in the areas of environmental impact and human rights. Secondly, alongside these movements, governments have proposed changes to the means of support for the provision of social services and for non-profit organisations, including an increased emphasis on increased collaboration with the corporate sector through alliances and partnerships. Thirdly, shareholders and potential consumers have contributed to the development of interest in CSR through increasingly sophisticated demands for accountability and transparency to facilitate their purchasing and investment decisions, giving rise to new methods of reporting corporate activity (The Smith Family, 2001a). Finally, employees have begun to demand that their workplaces have sound ethical values and positive community interactions. Despite these pressures, a survey of 76 of Australia's largest companies in 2000 found that only half had policies related to community involvement, social responsibility or stakeholder engagement (CCPA/BCA, 2000).

CSR is often given practical expression through instances of corporate philanthropy (the donation of large sums of money). While this approach has societal value, if it is unrelated to an appreciation of core community values and needs, the effect is one of a dilution of efforts lacking true commitment and sustainability (Durie, 2004). Many companies are reluctant to move beyond this model because of a deep-rooted belief that CSR is inherently incompatible with business interests, and that a corporate's social spending comes at the expense of its economic results. Recent evidence has found this to be untrue, with companies who engage in CSR benefiting from improved financial performance, enhanced brand image, increased sales and reduced costs, among other things (Morgan, 2005; BSR, 2003). In the words of Dr David Morgan, Chief Executive Officer of Westpac Banking Corporation,

Corporate social responsibility is central to sustainable profit creation. Leaders who successfully manage social, ethical, environmental and other non-financial drivers help ensure a stable, resilient company that is better placed to deliver sustainable shareholder value. (Morgan, 2005)

<sup>1</sup> Corporate Social Responsibility is often used interchangeably with the terms Corporate Citizenship, Corporate Social Performance, Corporate Sustainable Development, Corporate Philanthropy, Corporate Community Involvement and Corporate Engagement. While each term implies different theoretical perspectives and business practices, CSR will be used as an all encompassing term in this review with Corporate Community Involvement (CCI) as a specific area of interest for the community sector.

<sup>2</sup> The Smith Family currently has a number of strong long-term partnerships tailored to harness the goals and synergies with businesses. These include partnerships with AMP Foundation, ANZ, BHP Billiton, Cisco Systems Australia, Mallesons Stephen Jaques, Microsoft, Westpac, Stuart Alexander's Rosella Foundation, Colgate - Palmolive, Fogarty Foundation, The University of Sydney and Centennial Coal to mention but a few.



Morgan's emphases are echoed by a number of other global corporations operating in Australia, including Shell and Rio Tinto, to whom 'involvement in the community is a critical element of successful business practice' (Walsh, 2005). Being subject to the scrutiny and pressures of the international stage has evidently contributed to the stronger embracing of CSR among these companies who must respond to a worldwide corporate citizenship dialogue that is as yet more prominent and developed than Australia's. A regularly prominent feature on the agenda of the World Economic Forum, CEOs surveyed from around the globe have agreed that CSR is 'vital to the profitability of any company' (PwC, 2002), and in 2002 a Task Force of Forum Members (including Australia) signed a joint statement on Global Corporate Citizenship, including a recommended framework for action.<sup>3</sup>

These international developments have been accompanied by a progressive blurring of the distinction between company *shareholders* and community *stakeholders* – increasing investment by superannuation funds has effectively transformed average citizens into investors, many of whom are expressing more and more interest in company policies and performance, thereby increasing a company's accountability and reporting responsibilities. Recent analyses of consumer perceptions have shown that today more than ever, people expect companies to play an active role in addressing societal needs, and they are changing their actions to reward socially responsible companies (CONE, 2004). This has encouraged many companies to accept CSR as a fact of life, and strengthened the transition of CSR from what is legally required and charitable to what is financially justified and, finally, to what is morally expected based on emerging ethical norms (White, 2005).

Although Australia still lags behind Europe and the USA in many ways, there have been great strides forward in the last few years in terms of flagging the importance of CSR on the national social and economic agenda. The Smith Family has played a strong leadership role in this development, having incorporated the need to work with and through other organisations as a Guiding Principle in its strategic transformation to meet the needs of the 21<sup>st</sup> century.<sup>4</sup> As this Submission will show, we have advanced a range of progressive and dynamic models of community-business partnership based around strategic investment and the promotion of population-based impacts. With over 10 years experience shaping community-business partnerships, our approach has evolved in tandem with changing societal needs and aspirations, facilitating companies to support their local communities in relevant and sustainable ways.

In 2001, The Smith Family was awarded the Prime Minister's Award for Excellence in Community Business Partnerships for its work with Cisco Systems Australia in opening up opportunities for disadvantaged Australians to learn and realise their potential through technology. In 2002, The Smith Family was one of the three founding partners of Social Ventures Australia, an initiative which facilitates social entrepreneurs to work with venture capitalists on devising solutions to contemporary social problems which have previously proved intractable.<sup>5</sup> Since then, The Smith Family has also led the way in learning to stretch the Australian dollar further through our leveraged approach to Workplace Giving, strategically applying growth capital from our corporate partners to enhance the scalability of our flagship *Learning for Life* suite of programs and social impact. Through these actions, The Smith Family is able to unlock opportunities for disadvantaged families to participate more fully in society, and promote the value and potential of community-business partnerships to Australia as a whole.

<sup>3</sup> For more, see World Economic Forum web site, [www.weforum.org](http://www.weforum.org).

<sup>4</sup> The Smith Family's eight Guiding Principles were drawn up in 1999 to shape the evolution of the organisation into the 21<sup>st</sup> century. They are that we will (1) Be about societal change; (2) refocus on disadvantaged children within the family context; (3) work with and through other organisations; (4) be evidence-based and community focused; (5) move steadily along the change continuum to the prevention and early intervention end; (6) diversify our sources of funding; (7) be national in presence as well as spirit; and (8) enhance our internal capacity particularly using technology.

<sup>5</sup> Social Ventures Australia (SVA) was set up in 2002 by The Smith Family, The Benevolent Society and WorkVentures Australia with the AMP Foundation. For more information, see the SVA web site, [www.socialventures.com.au](http://www.socialventures.com.au)



In responding to the first Term of Reference, this submission expands upon this argument by exploring evidence regarding the potential for long-term CSR strategies to contribute to sustainable population-based outcomes, including lifelong learning. It provides insight into the range of pathways through which corporate partners have contributed to The Smith Family's short, medium and long-term outcomes, and elucidates some of the critical values and characteristics involved in these successful community-business relationships. In Australia, these practices have been celebrated most prominently as the Prime Minister's Community Business Partnership, with similar international standards operating abroad. Through their work with The Smith Family and other community organisations, many of our corporate partners have found recognition within these CSR ranking and award systems (see Appendix B).

In responding to the second Term of Reference, the need for Australia to integrate CSR more fully is discussed in light of more finely tuning its potential contribution to long-term societal change. The capacity of CSR to unlock educational opportunities is then examined, followed by a set of recommendations as to how community organisations, corporate bodies and government authorities may work together in taking this agenda forward. Finally, Appendix A, 'The Smith Family's Corporate Strategy in Action', provides a detailed overview of how business sector support is strategically channelled and utilized to maximize our short, medium and long-term outcomes for a more caring and cohesive Australia.

## 2. Introduction

We are not just training people to run companies, but to handle some of society's most important and complex tasks. After all, the private sector will be the engine of economic growth and job creation everywhere; it will increasingly create and manage the social safety nets; it will have the most powerful voice in setting global regulations and technical standards; it will rearrange political and social relationships.

Jeffrey E. Garten, Dean, Yale School of Management<sup>6</sup>

Corporate Social Responsibility (CSR) means many things to many people, and despite years of debate and discussion worldwide, it is still relatively poorly understood in Australia – particularly in terms of why and how it may best be implemented (Hewson, 2003; The Smith Family, 2001a). At its most basic, CSR may be defined as 'a mechanism for an organisation to voluntarily integrate social and/or environmental concerns into its operations and its interactions with stakeholders, over and above the company's legal responsibilities' (Dent, 2003). In other words, it encapsulates the notion that companies have obligations to consider the interests not just of shareholders, but of all stakeholders, including investors, suppliers, consumers, employees and the community in going about its business.<sup>7</sup> In this way, CSR may be viewed within a company as either a minimum standard to be met or an ideal for which to strive.

CSR in Australia is receiving increasing attention both within and outside the corporate sector for several reasons. Firstly, as markets have opened up and technologies - particularly communication and transport technologies - have advanced, the global reach, influence and wealth of business have grown, creating a new public awareness and pressure for greater business responsibility. Political liberalisation which is often a driver for market liberalisation and privatisation, has also prompted the creation of a more politically aware, organised and vocal civil society, which holds the view that with the increase in wealth, opportunities and influence, business should also take on greater public responsibility (Bowman, 2004).

Secondly, alongside these movements, governments have proposed changes to the means of support for the provision of social services and for all non-profits, including an increased emphasis on increased collaboration with the corporate sector through alliances and partnerships. As the Prime Minister remarks,

Working in partnership not only has the potential to enrich people's lives but it can also deliver tangible results for all Australians. Community and business partnerships are a driver to accomplish better outcomes than any group acting alone could achieve.<sup>8</sup>

A range of tax incentives to encourage philanthropy and promote such partnerships has recently been introduced in Australia,<sup>9</sup> most notably the Workplace Giving initiative (discussed later).

Thirdly, the distinction between company *shareholders* and community *stakeholders* has become progressively blurred – increasing levels of investment by superannuation funds has effectively transformed average citizens into investors, many of whom are expressing more and more interest in company policies and performance, thereby increasing a company's accountability and reporting responsibilities. As one commentator remarked in addressing the Australian business sector,

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<sup>6</sup> Quoted on the Corporate Social Responsibility Forum web site, [www.csrforum.com](http://www.csrforum.com).

<sup>7</sup> Refer to footnote 1 for an overview of CSR definitions.

<sup>8</sup> Quoted on the Prime Minister's Community Business Partnership web site, [www.partnerships.gov.au](http://www.partnerships.gov.au)

<sup>9</sup> For a comprehensive list of taxation incentives, see [http://www.partnerships.gov.au/philanthropy/philanthropy\\_incentives.shtml](http://www.partnerships.gov.au/philanthropy/philanthropy_incentives.shtml)



Stakeholders are not only your shareholders but also employees, customers, members of the government and communities where you operate, media and civil society representatives, and business partners, suppliers, competitors, trade associations and unions (Bowman, 2004).

Recent analyses of consumer perceptions have shown that today, more than ever, people expect companies to play an active role in addressing societal needs, and they are changing their actions to reward socially responsible companies (CONE, 2004).

Finally, employees have begun to demand that their workplaces have sound ethical values and positive community interactions. 81% of Americans surveyed in 2004 confirmed that a company's commitment to a social issue is important in making their decision where to work, while 67% suggested that failure to commit in such a manner would result in them being less loyal to their job at that company (CONE, 2004).

These developments have encouraged many international companies to accept CSR as a fact of life, and have strengthened the transition of CSR from what is legally required and charitable to what is financially justified and finally, to what is morally expected based on emerging ethical norms (White, 2005). However, in relative terms, however, the CSR 'movement' in Australia is still in its infancy and far behind Europe, where CSR occupies a prominent place in both the business and policy agendas (Jackson, 2005). Some progress has been made around the issue of reporting on CSR, with The Smith Family playing an important role in early attempts to rank companies by their social responsibility through the 'Good Reputation Index', first published in 2000.<sup>10</sup> This was followed by the first official Corporate Responsibility Index (CRI) of Australian companies launched by the Australian firm Reputex in 2003 and later coordinated with its UK precedent in April 2005. Through these increasingly high-profile efforts, the concept of CSR has slowly begun to make headway into the national corporate psyche, motivated strongly by the recognition of reputation as arguably the most important asset of any company – something that takes years to build and that can be lost within minutes. This focus on safeguarding reputation has prompted a largely 'knee-jerk' reaction to CSR in Australia through instances of corporate philanthropy (the donation of large sums of money). While this kind of interpretation of CSR has societal value, if it is unrelated to an appreciation of core community values and needs, the effect is one of a dilution of efforts which also lack true commitment and continuity (Durie, 2004).

The body of data tying CSR to longitudinal and sustainable societal change is slowly growing however, with The Smith Family leading the way in developing flexible and dynamic community-business partnership models. The increasing profile of these in the corporate and community sector has begun to demonstrate the multiple benefits of this strategy for corporations, helping to broaden the understanding and practice of CSR employed both internally and externally by companies (Durie, 2004; BSR, 2003; Hewson, 2003; The Smith Family, 2001a). Some of these advantages of engaging with CSR include:

- **Improved financial performance:** One of the more recent analyses exploring this area showed that the overall financial performance of the 2001 *Business Ethics* Best Citizen companies was significantly better than that of the remaining companies in the S&P 500 Index, based on the 2001 *Business Week* ranking of total financial performance (BSR, 2003). Philanthropy can often be the most cost-effective way for a company to improve its competitive context, enabling companies to leverage the efforts and infrastructure of nonprofits and other institutions (Porter & Kramer, 2002)

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<sup>10</sup> As part of Reputation Measurement's wider investigation into the social responsibility of Australian companies for the Good Reputation Index, The Smith Family was asked to assess the social impact of companies across four indicators: Strategic Vision, Organisational Leadership, Employee Involvement and Financial Investment (cumulatively termed Corporate Community Involvement or CCI). For a full list of the 100 companies ranked by The Smith Family for the Good Reputation index, see The Smith Family, 2001b.



- **Enhanced brand image and reputation:** 91% of Americans surveyed in 2001 said that they have a more positive image of a product or company when it supports a cause, compared to 84% in 1993 (CONE, 2004). According to another survey of over 25,000 citizens of 23 countries across 6 continents, over one in five consumers report either rewarding or punishing companies in the past year based on their perceived social performance, and almost as many again have considered doing so (EnviroNics, 2000).
- **Increased sales and customer loyalty:** A number of studies have suggested a large and growing market for the products and services of companies perceived to be socially responsible. 90% of Americans surveyed in 2004 answered that they would consider switching to another company's products or services if they found out about a company's unlawful or unethical practices (CONE, 2004), while value-based consumer criteria such as 'child-labour free' and 'sweatshop-free' clothing and environmental issues are all now high profile (BSR, 2003)
- **Improved employee recruitment and retention:** In the contemporary employment market, employees are increasingly seeking job satisfaction through assessing corporate values beyond salary (Dent, 2003). One survey found that a company's commitment to a social issue is important for 81% of Americans in deciding which company to work for, while 75% would refuse to work at a company with unlawful or unethical practices (CONE, 2004).

In the light of heightened media attention on corporate scandals and the growing ability of watchdog groups to report corporate wrongdoings to the public, the benefits summarised above are only likely to increase. As a result, applying CSR as a tool for strengthening community wellbeing is now gaining greater currency and value, with more and more companies recognising the value of contributing to the capacity of their local contexts (IBLF, 2005; Hoggett, 2003; Porter & Kramer, 2002). This Submission will therefore explore some of the ways in which The Smith Family currently engages with corporate partners to achieve these outcomes, and, in response to the second Term of Reference, highlight the areas where the impact of CSR community-business relationships may be strengthened in the future.

### 3. Response to Terms of Reference

#### **The extent to which organisational decision-makers have an EXISTING regard for the interests of stakeholders other than shareholders, and the broader community**

##### *The Smith Family and Community Business Partnerships*

Over the past five years, CSR in Australia has taken on distinctive characteristics when compared to developments in Europe, the UK and the USA. One of the most distinguishing features has been its expression through the Prime Minister's Community Business Partnership scheme, formed in 1999 and designed to encourage and enhance relations between the community and business sectors through the concept of "social coalition". It is a form of CSR that moves beyond isolated instances of corporate philanthropy to strategic, longer-term and active partnerships that combine resources and talents to achieve mutual goals, develop creative solutions to local and regional problems and most importantly, to strengthen community ties.<sup>11</sup>

At The Smith Family we believe that the achievement of real benefit to businesses, staff and the community requires a partnership based on a relationship among equals and grounded in sound business principles. Our considerable experience in building relationships with our various supporters has allowed us to evolve a range of partnership models with dimensions reflecting: a shared development of direction; flexible and long-term commitment; complementary values and synergies; and an emphasis on societal outcomes involving a panoply of cash, goods in-kind, staff expertise, networks and more. We know that successful partnerships are based on a cultural and business fit, with clear direction and the capacity to develop a matrix of relationships with active management of results. In other words, we know that one size does not fit all.

For example, The Smith Family's partnership with Colgate Palmolive started in 1995 and is based on supporting local communities, while developing regional Australia has been the foundation of the partnership with Westpac/Challenge Bank. Harnessing both knowledge and financial capital underpins our work with Mallesons Stephen Jaques, while opening up opportunities for disadvantaged Australians to learn and realise their potential through technology has been the focus of our partnership with Cisco Systems Australia, with whom we won the Prime Minister's Award for Excellence in Community Business Partnerships in 2001.

Partnerships can open up amazing possibilities for longer-term strategic corporate investment. For example, Perth is home to the national office of a most exciting endeavour – the Australian Research Alliance for Children and Youth (ARACY). Its aim is to promote the life-chances and the well-being of our children and young people and by so doing to add to the health and wealth of the nation. Currently, ARACY is an alliance of 200 to 300 groups (including The Smith Family) of researchers, policy-makers and practitioners. It is being assisted by business, trusts and foundations, governments and the WA Lotteries Commission, and represents one of the first real macro opportunities to evaluate what we currently know about human development and learning pathways and how to apply this knowledge to effect positive responses in particular circumstances with particular people. With levels of investment comparable to the scope of the Alliance, it could have an unparalleled impact on our society, and opens up a further level of involvement for corporates in community business partnerships.

Another contemporary expression of good corporate citizenship in Australia is Social Ventures Australia (SVA). Founded by The Smith Family, The Benevolent Society and WorkVentures Australia in 2002 with the support of the AMP Foundation, this initiative facilitates social entrepreneurs to work with venture capitalists on devising solutions to contemporary social

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<sup>11</sup> For more on The Prime Minister's Community Business Partnerships, see [www.partnerships.gov.au](http://www.partnerships.gov.au).



problems which have previously proved intractable. Since its inception, SVA has been inundated with support from companies such as McKinsey and from hundreds of business executives who are volunteering their time and expertise as mentors, assisting the social entrepreneurs to construct compelling business cases to attract support from the venture capitalists.

Corporate partnership is also at the heart of The Smith Family's flagship *Learning for Life* suite of programs, which contributes to the costs of education for disadvantaged children from primary school to tertiary level and provides educational and personal support to their families and carers. The program has grown considerably since its commencement in 1988 with just 60 students enrolled, and the strategic use of growth capital from our corporate partners has been extremely important in its to a national program currently reaching more than 22,500 students and their families.

### *Expansion through growth capital*

The raising of capital for growth from our corporate partners in many cases allows The Smith Family to address the time lag which typically exists between the development and commencement of a program and the attraction of sustainable donor funding for its ongoing operation. An early example of this occurred in 1995 when we entered into a low key five year partnership with Colgate-Palmolive which provided growth capital to meet program support costs of the then quite small *Learning for Life* program, funding up to five Education Support Workers and allowing us to recruit sponsors for an additional 360 students, effectively expanding the program by almost 15%. The partnership has subsequently been extended by two three year terms but with a more deliberate focus by the company, in part as a result of wishes expressed by its employees, on funding program growth in and otherwise supporting communities in which it has its operations. This in turn has encouraged staff to become involved through volunteering and workplace giving.

A similar approach has been taken by BHP Billiton over the last 20 years, with focus initially on program development in New South Wales, but more recently in communities in Western Australia and Queensland where the company has significant commercial operations. The value of this in engaging staff to participate is significant and multiplies the overall benefit to The Smith Family and those we assist. In 2000-01, substantial contributions were received from Westpac through its Foundation which allowed The Smith Family to expand its rural Learning for Life presence to an additional ten locations in Victoria, New South Wales and Queensland, and at the same time furthering our goal of becoming truly national by funding our start-up costs in Western Australia. A jointly branded national advertising campaign funded directly by Westpac raised the profile of Learning for Life and facilitated the recruitment of several thousand new sponsors for the program.

Other partnerships have focused more on capacity building, both internally and externally, with support from Cisco Systems Australia over a five year period directed at projects identified through a workshop involving staff from both organisations which addressed The Smith Family's need for an enhanced technology capability as well as for support in addressing the Digital Divide among students on Learning for Life. The approach taken in developing this partnership was recognised formally in our receiving the Prime Minister's Award for Excellence in Community Business Partnerships in 2001. The partnership has enabled The Smith Family to build a national 'state of the art' technology network at a relatively small cost which would otherwise have been totally out of reach to us. Numerous other examples exist of successful corporate engagement with The Smith Family for the benefit of communities in which we work. Support from our corporate partners will undoubtedly continue to play a strong contributing role in meeting our goal of increasing this number to 70,000 before 2010, thereby reaching 1 in 10 disadvantaged children in Australia.



Despite the range of evidence underscoring the benefits of community-business partnerships, it would appear that Australian companies still need encouragement in utilising this approach to CSR. A survey of 76 of Australia's largest companies in 2000 found that more corporate dollars are allocated to sponsorship than to any other community involvement initiative, with community partnerships attracting just 16% of the budget (CCPA/BCA, 2000). This is not to say the motivation is not there, for the same survey pointed out that CEOs were keen to increase their community partnerships, if a little unsure as to how to go about it. Organisations such as The Smith Family with long-term experience of successfully managing corporate relationships are therefore critical in bridging this gap and bringing Australian CSR to a more productive level.

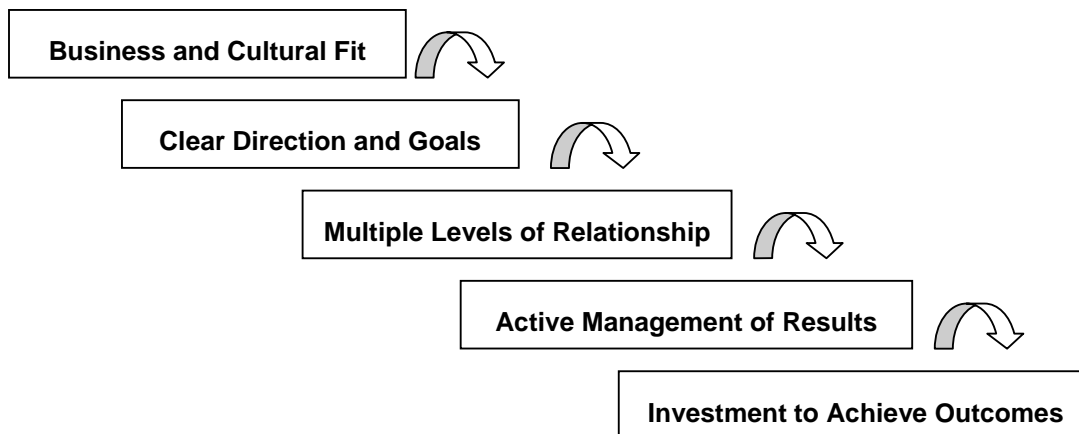
*Features of successful community-business partnerships*

Most companies feel compelled to give to charity.  
 Few have figured out how to do it well.  
 (Porter & Kramer, 2002)

In order to achieve the range of societal outcomes discussed above, The Smith Family places great emphasis on building positive, appropriate and sustainable relationships with its corporate partners. We have moved beyond the limitations of traditional approaches to CSR partnerships to embrace a more dynamic and responsive structure, with some of its key features summarised in the table below.

Traditional Approach	The Smith Family's Approach
Fragmented and short-term relationships with supporters	Coordinated, multi-faceted partnerships
Fundraising team manages all relationships, with ad-hoc partnership management	Dedicated Partnership team with structured evaluations against Reviews and Plans
Draws on experience built in the community sector	Draws on skills from a variety of business and community backgrounds

The Smith Family selects its partners based on five interrelated elements (see diagram overleaf):



The Smith Family’s partnerships are also cultivated in accordance with the key principles identified from research and outlined in our ‘CSR Engagement Toolkit’.<sup>12</sup> These include, among others:

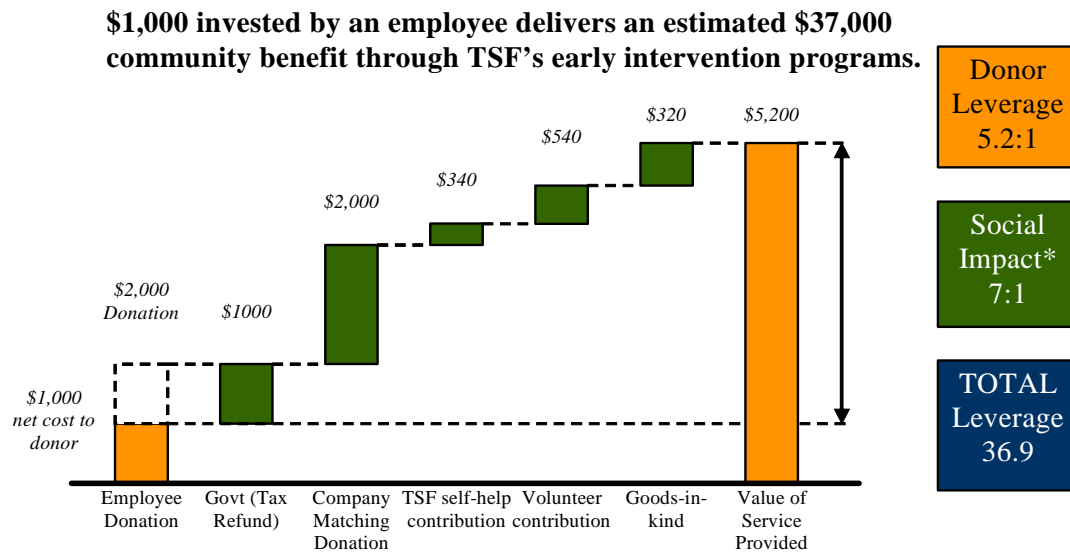
- Shared objectives, shared values, mutual respect
- Genuine, broadly equal, benefits for each partner
- Genuine commitment from each partner
- Partners that complement one another and tend to be a natural ‘fit’
- Equality in the partnership relationship
- Clearly understood and realistic expectations of what the partnership can achieve
- Clearly defined and understood roles and responsibilities of each partner (for example, through a Memorandum of Understanding)
- Integration of the community organisation into the business’s strategic plan
- Openness to change – partnerships evolve over time and in response to lessons learned
- A way to provide a solution to a need in the community
- Strong communication and engagement at all levels
- Flexibility in collaboration – the business may provide in-kind support, financial assistance and technical expertise, for example, and the community organisation may provide training and mentoring as well as expanding networks for the business.

Community-business relationships with these characteristics are better able to meet the longitudinal challenges of contributing to the kind of sustainable, population-based outcomes discussed above. Of course, this does not discount the value of corporate philanthropy in the form of untied funds for organisation program delivery, nor does it suggest that all CSR strategies need necessarily be long-term to be fruitful. Short-term, sporadic engagement with corporate partners around immediate practical issues can prove just as valuable if they are contextualised within a broader strategy.

<sup>12</sup> The Smith Family CSR Engagement Toolkit is a resource currently being finalised by the Corporate and Community Fundraising team. For further information contact Kate Frost [kate.frost@smithfamily.com.au](mailto:kate.frost@smithfamily.com.au)

*WorkPlace Giving - Using corporate partnerships to stretch the dollar further*

It is possible to model a donor leverage effect arising from non-profit organisations being able to ‘stretch’ the value of the funds they receive. More importantly, however, evidence points to the multiplier effect resulting from expenditure targeted at the sorts of early interventions which are undertaken by The Smith Family in maximising the value of every donated dollar. The graph below explains these effects in simple terms as they relate to The Smith Family’s Workplace Giving program when it is supported by matching employer donations.



In broad terms, the value of a net contribution by a donor of \$1,000 can be increased by \$4,200 by taxation concessions, employer contributions and value added by The Smith Family through our access to volunteer support and goods-in-kind. Measures of the social impact multiplier of that \$4,200 being appropriately targeted at early years interventions range from 7.1 (\$1,000 spent on early intervention saves \$7,100 in future services and treatment costs – Rand Corporation) to 17.15 in the Perry study. The lifetime value to society as a whole of that additional \$4,200 investment therefore ranges from approximately \$37,000 to \$89,000.

The financial value of Workplace Giving is also accompanied by the benefits of this initiative in contributing to what The Smith Family refers to as the ‘virtuous circle’. Participation in pre-tax Workplace Giving opportunities encourages supportive employers to match employee contributions, and to commit to CSR in other ways. Similarly, employee Volunteering Programs give staff the chance to learn more about their community needs and bring this new consciousness and awareness back into the corporation with them. The culture of CSR and community partnerships then becomes more widely propagated internally, impacting the employer’s view of how their company situates itself within the community. This then contributes to the creation of a supportive environment for the broader and fuller adoption of CSR within the company’s operations, leading to greater community involvement and thus completing the virtuous circle between businesses, their staff and their communities.

## **The extent to which organisational decision-makers SHOULD have regard for the interests of stakeholders other than shareholders, and the broader community**

### *The need to integrate CSR more fully*

In a 1970 issue of *New York Times Magazine*, the economist Milton Friedman argued that the only 'social responsibility of business' is to 'increase its profits'. In his book *Capitalism and Freedom*, he wrote:

The corporation is an instrument of the stockholders who own it. If the corporation makes a contribution, it prevents the individual stockholder from himself deciding how he should dispose of his funds.<sup>13</sup>

Friedman's reluctance to embrace CSR is reflected in the contemporary practices of corporate philanthropy today, which are predominantly diffuse and unfocused, consisting of small cash donations given to local causes or national charities in the hope of generating goodwill among the local community (Porter & Kramer, 2002). It is also in line with the implicit assumption that a corporation's social spending comes at the expense of its economic results, and that a company's need to make profits is a necessarily competing interest against its broader social goals (if these exist).

However, recent research has suggested that this assumption is no longer valid, and that integrating CSR structures within a corporation can actually prove to be a good business decision, leading to improved financial performance, enhanced brand image and reputation, increased sales and customer loyalty, greater productivity and increased ability to attract and retain employees (Morgan, 2005; Williams, 2005; BSR, 2003; BCA, 2003). In the words of Dr David Morgan, Chief Executive Officer of Westpac Banking Corporation,

Corporate social responsibility is central to sustainable profit creation. Leaders who successfully manage social, ethical, environmental and other non-financial drivers help ensure a stable, resilient company that is better placed to deliver sustainable shareholder value. (Morgan, 2005)

Although Australian companies have been slow to harness relationships with the non-profit sector to boost profits, the number of partnerships is increasing (Williams, 2005). It is no longer feasible for corporations to avoid CSR as a 'bad' business decision. The future of Australia is inextricably linked to its corporate future, and as such, CSR is less of an option and more of a reality. On a global scale the sheer weight of the corporate role in wealth creation and the footprint associated with this creative process makes responsibility inevitable (White, 2005).

Moreover, corporations do not operate in isolation from their communities. In fact, business success is now more than ever tightly intertwined with the quality of local institutions and customer demographics (Porter & Kramer, 2002). It is therefore to the benefit of the company to deploy CSR as a strategy to improve their *competitive context* – the quality of the business environment in the location or locations where they operate (Porter & Kramer, 2002). This involves (a) discarding the traditional idea of CSR as an 'add-on' brought into play at sporadic intervals; (b) assessing how the company's distinctive strengths can be applied to maximising social and economic value in their community; and (c) integrating these societal considerations into decision-making structures across the corporation. Put another way, it is a matter of adopting a longer-term perspective on CSR in recognition of its ability to strengthen community capacity in a sustainable manner.

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<sup>13</sup> Quoted in Porter & Kramer (2002).

### *The need to connect CSR to long-term societal outcomes*

As mentioned in the Introduction to this Submission, there is a variety of reasons behind the increased interest and promotion of CSR in Australia, most of which revolve around issues of reputation and accountability to a broader audience. Legal obligations to shareholders aside, many companies struggle to see CSR as anything more than a 'one-off' event tied to promoting the organisation's public image, and very little attention has been paid to the potential of CSR to contribute to positive and sustainable societal change. If a longitudinal perspective is applied at all, it is usually internally-oriented and focused on business sustainability strategies instead of external impact (Dent, 2003). In these instances, CSR is used merely to appease different stakeholders, and the resultant changes will only affect the surface rather than penetrating to the core of how the company actually does business (Durie, 2004).

The problem is exacerbated by frequent 'turbulence' in corporations resulting from takeovers, mergers and collapses. Research by the Business Council of Australia has shown that the average tenure of a CEO in Australia is approximately four years, significantly below the global average of 7.6 years (BCA, 2003). This has pushed the corporate focus more and more towards the short-term bottom line, resulting in one-off CSR strategies which are out of sync with long-term community needs.

Due to its focus on societal change and population-based outcomes, The Smith Family promotes longitudinal and sustainable CSR partnerships based on the shared understanding that social and economic goals are integrally connected. Research has shown that 'Long-term, sustained partnerships are not only interactive and mutually beneficial, but also have a greater chance of addressing complex social issues and are less likely to create dependent, unequal relationships between partners' (Bowman, 2004). Unlocking educational opportunities for disadvantaged families to participate more fully in society leads to greater productivity, employment and consumer capacity (Australian Government Productivity Commission, 2005; Spierings, 2003). Our preventive emphasis on early childhood support is therefore aligned with the future interests of corporations in both employing and servicing a skilled and productive community, particularly in the context of a knowledge and technology-based market dependent more than ever on worker capabilities (Porter & Kramer, 2002). In this way, we recognise that the relationships which The Smith Family builds with corporate partners are beneficial to all stakeholders, most of all the children and families with whom we work.

### *Unlocking Opportunities for Education / Lifelong Learning through CSR*

Research has shown that education is the key to achieving sustainable development, unlocking opportunities and promoting equality of opportunity and prosperity in all societies. Ensuring educational access for all families and children, regardless of their SES status or cultural heritage, is an undeniable challenge requiring strong and effective partnerships across the public and private sectors. For business, as a prominent sector of society, the case for engagement is as simple as it is important: education is fundamentally connected to the needs and aspirations of all its stakeholders, employees, customers, suppliers and shareholders. To be able to compete and to thrive, both countries and companies need more highly educated, informed and skilled populations to compete and to thrive, and as a continuous process with many stages, education provides corporations with various levels at which to enter, forge ties, and make a difference (CSRF, 2003). Education also tops the list of issues communities wanted companies to support, with literacy being a key element of this (CONE, 2004), and yet while education remains the largest beneficiary of community involvement funds from Australian businesses (CCPA/BCA,



2000), relatively few companies are embracing the longer-term sustainable partnerships that this form of CSR requires for maximum societal impact (Bowman, 2004).

As demonstrated in this Submission, corporations in partnership with The Smith Family have the opportunity to move beyond traditional models of philanthropy and take on more embedded roles in helping to build productive and prosperous communities through education. Our *Learning for Life* suite of programs provides a range of entry points for corporate involvement reflecting business interests, and is aligned to community concerns in building literacy in three key skill areas: reading, financial and technological. Corporate partners who support us in this mission therefore complete a three-fold shift in CSR commitment from what is legally required and charitable to what is financially justified and finally, what is morally expected based on emerging ethical norms (White, 2005). Given that research has now disproved the deep-rooted belief that CSR is incompatible with a business perspective, the argument that organisational decision makers *should* have regard for the interests of stakeholders other than shareholders is logically complete. The next move is for corporations to begin integrating CSR more deeply within their practice and across all sectors of their work. The extent to which companies take up the challenge will, however, depend largely on the pressure and support for such a transition from their operating environments. The view of the corporation as a profit-seeking machine with a disregard for long-term consequences is now a thing of the past (Jackson, 2005), and despite some resistance, CSR is now seen as an imperative for large sectors of Australian business (Durie, 2004). The will and intent within Australia's corporate sector to deliver meaningful outcomes for the community is growing stronger all the time, and the parallel debate around methodology to monitor and report on CSR is expanding accordingly.<sup>14</sup> Community organisations, government, corporate bodies and society at large all have an important responsibility therefore in taking this agenda forward.

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<sup>14</sup> At the time of writing, a new benchmarking system has just been launched in Australia that companies can use to assess their CSR contribution and its impact. The system was created by Positive Outcomes, which brokers partnerships between corporations and community groups. For more, see Positive Outcomes web site, [www.positiveoutcomes.com.au](http://www.positiveoutcomes.com.au).

## 4. Recommendations

The Smith Family is ultimately concerned with societal change. At a program implementation level, The Smith Family aims to increase the personal and collective resources of individuals, families and communities to help them develop the skills and capacities which they need to respond to challenges and to participate more fully in society. Furthering opportunity for Australians to access and participate in education may be seen as an asset-building, rather than a deficit-bridging, response to the incidence of financial disadvantage and social exclusion in our community. Furthermore, it constitutes a vital foundation in enabling Australians to become lifelong learners, sufficiently equipped to adjust to changing circumstances across the life course.

Corporations have an important role to play in helping to provide and support educational opportunities for disadvantaged groups in society. Engaging more deeply with CSR has been shown to result in multiple benefits not only for communities, but for community-focused organisations and the corporate partners themselves. The Smith Family therefore presents the following recommendations in the spirit of working together with different stakeholders to maximise the impact of these collaborations among those with greatest need.

### *The Smith Family recommends:*

- That companies in Australia recognise that they all have obligations not only to their shareholders but also to other stakeholders and the communities in which (and for whom) they work;
- That companies in Australia move to embrace the concept of CSR more strongly in light of the evidence base that presents CSR as compatible with and advantageous to business interests;
- That companies in Australia embed CSR as far as is appropriate and practicable within a comprehensive set of policies, practices and programs which are integrated into business operations and decisionmaking processes throughout the company, wherever it may do business. This includes taking responsibility for current and past actions as well as future impacts.
- That companies and community organisations recognise the important potential of applying CSR as a tool for strengthening community wellbeing and sustainable population-based outcomes.
- That companies and community organisations move beyond one-off philanthropic donation relationships and explore the full range of partnership opportunities for maximising social impact in accordance with their shared priorities and goals.
- That community organisations develop their capacity to attract and engage a range of corporate partnerships to support the planning, delivery, impact and sustainability of their programs.
- That State and Federal Governments continue and expand their public promotion of social coalition, rewarding the use of cross-sector collaboration to support social services previously provided primarily by government and the community sector.

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## APPENDIX A

### The Smith Family's Corporate Strategy in Action

The Smith Family's mission is that "Together with caring Australians, we will unlock opportunities for disadvantaged families to participate more fully in society." Research has shown that this kind of sustainable societal change cannot be achieved through isolated interventions, but through comprehensive and coordinated efforts across a range of community groups, including corporate entities. This necessity of working with and through other organisations is reflected in our eight Guiding Principles<sup>15</sup>, and our corporate partners present an important opportunity for The Smith Family to engage the time, talent and financial contributions of local, national and international businesses who are seeking to raise their level of community participation.

The rise in prominence of CSR and community-business partnerships has played an important part in strengthening the capacity of The Smith Family to fulfill its short, medium and long-term population-based goals in supporting disadvantaged families and their children. These objectives are evidence-based and centred on improving opportunities for children and young people to participate in education and gain the knowledge, skills and confidence to exercise realistic and positive life choices as they transition between home and school, school and work and/or school and further study. In line with research emphasising the importance of early childhood development on active adult citizenship (OECD, 2001; Shonkoff & Meisels, 2000; Shonkoff & Phillips, 2000), our focus is preventive in nature, facilitating numerous forms of support to children and their families at key points in their development in order to mitigate the likelihood of intergenerational transmission of disadvantage. The active participation and support of our corporate partners has been, and continues to be, invaluable in this work, with a variety of touch-points for partnership engagement (e.g. brand use, staff volunteering).

Our **short-term outcomes** are directed towards facilitating the participation of greater numbers of disadvantaged children and young people and their families in education and learning through the *Learning for Life* suite of programs. The Smith Family offers a range of initiatives through which corporate partners may contribute to these outcomes in a rewarding and sustainable manner:

1. **Workplace Giving** – Employees are encouraged to make a pre-tax financial contribution from each pay packet to The Smith Family, with in some cases the employer matching that contribution. This is a simple, low cost and highly visible way of showing to a company's staff its support for their local community.
2. **Events and Promotions** – these play an important role in raising funds and raising the profile of both The Smith Family and the corporate partner. They are also effective in harnessing community support and building team morale in an organisation.
3. **Learning for Life** - The Smith Family's *Learning for Life* program provides personal support and financial scholarships to almost 22,500 financially disadvantaged students across Australia each year. Individual corporate staff may choose to become individual sponsors on the LFL program, or their broader business as a whole may support the efforts of our Education Support Workers, who provide personal support, advice and feedback in the communities where The Smith Family works.<sup>16</sup>

<sup>15</sup> See footnote 4 for details of The Smith Family's Guiding Principles.

<sup>16</sup> BHP Billiton is one of The Smith Family's long-standing corporate partners and has invested over \$2 million in the *Learning for Life* suite of programs since 1999. In the last six months alone, it has introduced matched giving, funded the development of an Indigenous Scholarships Program and provided for the expansion of *LFL* in Mackay, Queensland. In July 2005 it was named



Corporate financial contributions to these programs contribute in many ways to unlocking educational opportunities for disadvantaged families and their children. Our research (The Smith Family, 2003) has shown that low-income households devote much less of their budgets to education than medium and high-SES groups, and the potential costs associated with school excursions and materials can present significant financial challenges. Many students are forced to miss out on school excursions and special events because of these costs, with parents feeling anxious about not being able to provide the uniform and 'extras' that other children can enjoy (The Smith Family, 2002a). This has been highlighted in a recent report by the Senate that found current student income support schemes to be inadequate (SEWREC, 2005). Avoiding the marginalisation of low SES students from mainstream school communities has been a key objective of *Learning for Life*, based on evidence which shows that students who are able to participate more fully in these additional-cost activities show signs of better adjustment and academic progress, with the improvement mainly due to increased self-esteem (The Smith Family, 2002b).

Our **medium-term outcomes** focus on successful transitions from school to work, and corporate partners are here encouraged to offer their time and talent in mentoring positions for disadvantaged youth preparing for university or participation in the workforce:

1. **I-Track** – This is an online mentoring initiative where Senior high school students are matched with professionals drawn from The Smith Family's corporate partners, and engage in a 15 week long relationship that takes place largely online. There are three face-to-face meetings which help build rapport between student and mentor, but regular contact takes place in The Smith Family's IGNITE! web site chat rooms and IBM's MentorPlace site.
2. **Next Steps** - This is a joint initiative of The Smith Family's *Learning for Life* program and Westpac's People and Performance Group. It is designed to help young people from disadvantaged backgrounds improve their confidence and their chances of securing a job. Next Steps consists of a one-day workshop followed by a virtual job search exercise, aimed at developing students' essential recruitment skills to prepare them for the workforce. As part of the program, participants are assigned a professional coach who provides additional one-on-one instruction giving the students the extra assistance they need to successfully enter the workforce.
3. **eXLR8** – This is a new and innovative mentoring program designed to assist young people in gaining employability and enterprising skills. It is currently in its pilot phase in both Canberra and South Australia and is available to students undertaking vocational training. It provides participants with financial assistance and the support of a mentor who can offer career and study advice. Employed and tertiary educated members from local corporations are encouraged to apply to be mentors.<sup>17</sup>

Secondary school students looking to progress their learning are today faced with a multitude of options and pathways that present a considerable challenge to negotiate. A large proportion of students, particularly those from disadvantaged backgrounds, experience difficulty in navigating

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"Company of the Year" by the UK group Business in the Community. The award recognises building business success based on the values of sustainable development and responsible business practice. It is the first time the award has been made to a resources company. For more information on any of these programs and related CSR strategies, see The Smith Family web site, [www.smithfamily.com.au](http://www.smithfamily.com.au)

<sup>17</sup> For more information on either of these programs, see The Smith Family web site, [www.smithfamily.com.au](http://www.smithfamily.com.au)



these paths, and do not appear to interpret and apply information provided on career pathways to their best advantage, or at least with comparably positive outcomes as more advantaged students (The Smith Family, 2004; NCVET, 2000). Our research has also shown that at least a third of junior secondary school students themselves have difficulty in matching their educational paths to their preferred career (The Smith Family, 2005). Providing these students access to corporate mentors with the experience and expertise to guide them is therefore invaluable.

The Smith Family's **long-term outcomes** speak to the importance of investing early in children's developmental pathway to ensure the best outcomes for their future adult lives. Hence, our long-term outcomes focus on more successful home to school transitions. The rollout of one of our newest programs in the field of early childhood, *Let's Read*, has been facilitated through the support of a corporate partner:

1. **Let's Read** – This is an initiative that has been designed to promote reading with young children 0-5 years, based on evidence that promoting specific literacy-related activities during the years prior to school entry can improve future literacy outcomes for children in disadvantaged communities. A initial literature review on early childhood literacy, funded by The Telstra Foundation, was carried out in early 2004, and the program has since been developed by The Centre for Community Child Health in partnership with The Smith Family. Officially launched on and a sponsorship arrangement with The Shell Company of Australia will enable Let's Read to be delivered to 50,000 children over the next 3 years.<sup>18</sup>
2. **School-to-Work Transitions** – The AMP Foundation has funded The Smith Family's latest research into the role of part-time work, school-based work experience and enrolment in TAFE and VET subjects on educational and occupational plans among students in Years 10, 11 and 12. This report, *What do students know about work?*, was officially launched at Parliament House in Canberra on 5 September 2005 by the Minister for Employment and Workplace Relations, Kevin Andrews. Along with its antecedent report, *What do students think of work?* (which examined Years 8 and 9), this research is particularly relevant in relation to how Australia begins to more effectively address problems of skills shortages in the workplace.<sup>19</sup>

Within the context of long-term outcomes, the concept of lifelong learning<sup>20</sup> has become increasingly important as a strategy to promote positive adult wellbeing and active citizenship. 'Learning' is here construed in the broadest possible terms and relates to learning undertaken in both formal and informal education settings. The key factor in defining a lifelong learner is not, however, the type of education or training in which they are involved, but the personal characteristics that lead to such involvement. Lifelong learners must have the motivation and capacity to learn, in any type of setting, with any type of teacher, or simply by themselves. Their development begins in early childhood (0-5 years), when individuals undergo significant transformations in their physical health and wellbeing, social knowledge and competence, emotional health, language and cognition, and communication. Research has shown that supporting children during this period greatly increases their chances of better learning outcomes and more successful life transitions later on (Shonkoff & Phillips, 2000; Shonkoff & Meisels, 2000; Keating & Hertzman, 1999). This has informed The Smith Family's involvement in early childhood

<sup>18</sup> For more on the Let's Read program, see The Smith Family web site, [www.smithfamily.com.au](http://www.smithfamily.com.au)

<sup>19</sup> Both of these reports are available from The Smith Family web site, [www.smithfamily.com.au](http://www.smithfamily.com.au)

<sup>20</sup> From the perspective of The Smith Family, 'lifelong learning' refers to an orientation that encourages engagement with learning, and the development of characteristics that will make learning an integral part of the learner's life (Bryce & Withers, 2003, quoted in The Smith Family, 2004).



intervention as a component of lifelong learning for a number of years, and our commitment to this developmental phase has been most recently expressed in our role as a facilitating partner for the Australian Government's *Communities for Children* initiative.<sup>21</sup> Longitudinal business partnerships will prove critical to the sustainability of these early childhood programs, and provide corporate partners with an excellent opportunity to invest in the creation and support of child-friendly communities.

Expanding this culture of lifelong learning across an entire community (including adults) to ensure a supportive and productive environment for children presents a significant challenge. The concept may be variously unfamiliar, unattractive and intimidating to many, particularly among those from disadvantaged backgrounds who have had negative learning experiences. The key lies in understanding how to help people relate to and absorb the concept of lifelong learning in relation to their everyday lives, promoting lifelong learning as a contemporary tool rather than a luxury. One of The Smith Family's major corporate partners, Microsoft Australia, has been instrumental in helping us achieve this through the 'Unlimited Potential' (UP) ICT network of Community Technology Learning Centres (CTLCs):

1. **Unlimited Potential** – This program, part of a global initiative by Microsoft, works by encouraging people who attend the CTLCs to pursue their own personal interests (or 'fields of fascination') and by teaching them ICT Literacy skills along the way as the means to achieving goals relevant to these interests or their lives in general. Both young and old are able to participate, support and learn from each other through the relaxed and informal environment of the CTLCs, leading to a diverse range of activities and people within any one centre. However, as valuable as this variety is in giving participants the chance to pursue anything from typing a letter to designing a PowerPoint presentation, the specific ICT skills absorbed are all largely incidental to the overriding aim of helping them believe they can learn (again) and see themselves as learners. It is the cultivation of this mentality, in addition to the portfolio of ICT skills they may develop along the way that we believe is most significant in helping them approach new challenges and overcome them through learning.

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<sup>21</sup> The Smith Family manages Communities for Children initiatives in seven locations in New South Wales, Western Australia, Victoria and the Northern Territory, providing support for an extra 12,000 babies and toddlers. For more information, see The Smith Family web site: [www.smithfamily.com.au](http://www.smithfamily.com.au).

## APPENDIX B

### Award-winning Corporate Partners with The Smith Family

#### **BHP Billiton**

*Company of the Year at the 2005 International Awards for Excellence ceremony, 5 July 2005.*

BHP Billiton is the world's largest diversified resources company, with some 35,000 employees working in more than 100 operations in approximately 20 countries. BHP Billiton's support for The Smith Family dates from 1984. Today we are working in partnership with BHP Billiton in Western Australia (Port Hedland and Collie) and Queensland (Rockhampton and Townsville) to implement the *Learning for Life* program. This will ensure that we are able to unlock educational opportunities for over 1500 financially disadvantaged students in these regions.

#### **Cisco Systems Australia**

*Winner of the Prime Minister's Award for Excellence in Community Business Partnerships with The Smith Family, August 2001.*

Cisco Systems is the worldwide leader in networking for the internet. Cisco and The Smith Family are working together on a number of projects around digital inclusion, which have included a new voice and data network for The Smith Family and a website for students on the *Learning for Life* program. Cisco staff are also actively involved, as mentors, advisors and volunteers in a variety of programs including and beyond these projects.

#### **Westpac Banking Corporation**

*Ranked No.1 in Australia and the UK in the 'Business in Community's International Corporate Responsibility Index'; Ranked No.1 in Australia's top 100 companies in the 'RepuTex Social Responsibility Ratings'*

The Westpac Foundation is a long-term supporter of The Smith Family and our *Learning for Life* program. Donations from the Westpac Foundation have helped us establish the *Learning for Life* program in 13 new locations throughout the country, enabling us to support more than 3,000 new students on the program. The funding has also helped us provide 50 four-year tertiary scholarships for students from rural and regional Australia.

#### **Mallesons Stephen Jaques**

*Winner of the Prime Minister's Special Award for Impact on the Community as part of the Prime Minister's Awards for Excellence in Community Business Partnerships.*

Mallesons Stephen Jaques partners with The Smith Family as part of its 'Mallesons in the Community Program', which works to alleviate poverty, improve community welfare and support children and young people through providing free legal services, staff volunteering and workplace giving.