

Mitsubishi UFJ Research and Consulting (Japan)¹

A corporation's circle of giving

MURC is the think tank arm of the Mitsubishi UFJ Financial Group – Japan's largest financial group, the world's second largest bank holding company, and one of the main companies of the Mitsubishi Group. MURC, with bases in Japan's three largest cities: Tokyo, Nagoya and Osaka, offers corporate management consulting, strategic support for global businesses, policy research and consulting, economic research, employee training and business seminars.

In 2013 MURC launched a Social Business Support Programme to support the company's social responsibilities. The programme adopts an approach derived from venture philanthropy and works in partnership with the giving circle, Social Venture Partners Tokyo.² MURC has long played a role in addressing social challenges through its research and consulting business, yet its employees, particularly the more junior staff, have expressed a strong desire to

¹ This is an edited version of a case study, prepared by Rob John and Ken Ito, to be published in June 2017 in the Working Paper Series on Entrepreneurial Social Finance, Asia Centre for Social Entrepreneurship & Philanthropy, NUS Business School, Singapore.

² SVP Tokyo is an affiliate of the Social Venture Partners Network.

volunteer for initiatives that would have a direct, positive impact on society.

After researching several socially oriented initiatives, the company began the Social Business Support Programme to offer both financial and consulting support to nonprofit organisations. Through this programme, the company donates one million yen (US\$8,000) which is distributed equally to six nonprofits selected by polling MURC employees. The nonprofits ranking in the top three receive an additional 500,000 yen (US\$4,400) each. MURC employees then sign up to donate their time and skills to the portfolio of selected nonprofits with each organisation receiving between five to 10 volunteers. The volunteers are drawn from all parts of the company – junior and mid-level staff from consulting, research and back office. The programme aims to be a win-win initiative with nonprofits and MURC employees benefitting from working with each other.

The inspiration for the programme originated when Naoyuki Ieko proposed a CSR initiative based on his experience as a partner with SVP Tokyo. Ieko had been an active member of the giving circle since 2011 and wanted to see his workplace benefit from the impact he witnessed at SVP Tokyo. "By just using their daily work skills, I believe my colleagues can create a positive social impact," he said.

However, the concept of volunteering time and skills took a while to be fully understood with employees unclear about the distinction between their paid work and volunteering. There was even some early scepticism that people would participate in consulting assignments that were unpaid. Eventually MURC's

managers agreed to launch a two-year pilot programme from 2013-2014. This has since been adopted as an official company CSR activity. Over the last three years, the company contributed seven million yen (US\$61,500) with 79 employees volunteering their skills to nine nonprofit projects.

One of the selected nonprofits supported by a donation and volunteering is Kizuna Message Project which sends out a daily email to pregnant women and those who have recently given birth to help address social isolation. The project's vision is to encourage women and their partners to stay positive and healthy after delivery, working in partnership with the local council and medical institutions. As a result of the support from MURC the nonprofit doubled its annual revenue to over 14 million yen (US\$112,000), and the number of partnering local councils increased nine-fold over two years.

The nonprofit Chance for Children (CFC) received support from MURC in the form of policy research. CFC aims to reduce the educational gap in areas affected by the Great East Japan Earthquake by distributing tutoring and education vouchers to affected families living under the poverty line. In 2014, the nonprofit's revenue was 140 million yen (US\$1.2 million) of which 60 million yen (US\$500,000) was allocated for vouchers. A white paper policy report prepared by MURC to support CFC became a catalyst for social change by raising awareness of children living in poverty in Japan.

The MURC programme differs from the SVP Tokyo model in one distinct way. SVP Tokyo encourages its partners to volunteer in such a way that it is completely separate from the individual's

professional life whereas MURC volunteers find they are engaged with nonprofits in activity that is more closely aligned with the core business of the company. Their participation offers new insights, experience and extended networks, and consequently benefits their professional work at MURC as well as increases motivation. Members of SVP Tokyo advise MURC from time to time on the running of the programme as a mutual commitment to learning.

Two years after the pilot started, the programme manager Ms Okuno says that MURC employees are positive about participating in the programme which "gives an opportunity to get to know co-workers better and benefit from hands-on volunteering."

However, there have been internal challenges in matching the expertise of volunteers with the needs of the nonprofits, getting all departments to participate equally, and striking the right geographic balance. MURC made effort to avoid geographic bias by selecting the appropriate nonprofit organisations in Nagoya or Osaka where its offices are located. MURC also launched a voting system to give those employees who cannot participate the opportunity to vote for the nonprofit organisation to be given a grant. This system has succeeded in engaging over 10 percent of the company's 700 employees in the screening of potential grantees.

The success of the initiative at MURC may be extended to other parts of the group. "We are planning to influence and mobilise other affiliate companies of MURC as part of Mitsubishi UFJ Financial to implement similar programmes," Okuno explained. She also plans to deepen the programme as well as expand [it] across the company, but focusing more on outcomes rather than just measuring volunteer activities and outputs. "Continued communication and engagement with the nonprofits will be more beneficial and fulfilling for employees," she added.