

CORPORATE VOLUNTEERING AND JUNIOR EMPLOYEE RETENTION IN SMEs: AN ESG PERSPECTIVE

CARMEN-VALENTINA RĂDULESCU

*PROFESSOR PhD, BUCHAREST UNIVERSITY OF ECONOMIC STUDIES,
BUCHAREST, ROMANIA*

e-mail: carmen-valentina.radulescu@eam.ase.ro

CORNELIUS SECIU

*PhD STUDENT, BUCHAREST UNIVERSITY OF ECONOMIC STUDIES,
BUCHAREST, ROMANIA*

e-mail: seciucornelius17@stud.ase.ro

LIVIU PURCĂREA

*PhD STUDENT, BUCHAREST UNIVERSITY OF ECONOMIC STUDIES,
BUCHAREST, ROMANIA*

e-mail: purcarealiviu21@stud.ase.ro

Abstract

Corporate volunteering sits at the intersection of human resource management, corporate social responsibility and the social dimension of environmental, social and governance (ESG) practice. Yet its contribution to employee retention in small and medium-sized enterprises (SMEs), particularly among junior employees, remains theoretically fragmented and empirically under-specified. This paper develops an integrative framework linking corporate volunteering design to work meaningfulness, organizational identification, perceived organizational support, psychological-need satisfaction, affective commitment and intention to stay. The structured integrative review and documentary ESG analysis are complemented by a descriptive secondary-data component covering 2021-2025. Eurostat indicators show that Romania remained below the EU-27 in the employment rate of recent graduates and above the EU-27 in the NEET rate throughout the period, while European Commission SAFE results show that the share of surveyed firms ranking the availability of skilled staff or experienced managers as their most important problem remained high, easing from 27% in 2021 to 24% in 2025 after peaking at 29% in 2023. These data provide labour-market and human-capital context rather than a direct test of the volunteering-retention relationship. The main contribution is a mechanism-based ESG framework that connects volunteering design, employee interpretation and retention theory while identifying observable contextual constraints relevant to SMEs.

Keywords: corporate volunteering; employee retention; SMEs; ESG; junior employees

JEL Classification: M12, M14, J63, Q56

1. Introduction and context of the study

Small and medium-sized enterprises are central to employment and economic activity, but their people-management systems often operate with fewer formal resources, narrower promotion structures and greater dependence on key employees than those of large firms. This creates a retention challenge: the departure of even a small number of capable early-career employees can disrupt knowledge continuity, customer relationships and team capacity. HRM research in SMEs has therefore emphasized the need to understand how resource constraints, informality and owner-manager influence shape employment practices and employee outcomes [1]. At the same time, junior employees increasingly evaluate employment not only through transactional conditions but also through development, belonging, meaningfulness and perceived alignment between organizational values and lived practices.

Corporate volunteering employer-supported participation by employees in community or social causes - offers a potentially relevant mechanism. It can create opportunities for prosocial impact, cross-functional interaction, skills use and identity expression beyond ordinary job tasks. Research has associated employee volunteering with meaningfulness and work-related attitudes, while studies of volunteering climate suggest that organizational signals surrounding volunteering may matter even for employees who do not participate directly [2-5]. However, the evidence is not uniformly positive. Meta-analytic findings indicate that effects vary according to the level of analysis and the way participation is supported; volunteering can also create tension when employees perceive pressure to participate, image-management motives or conflict with workload [6,7].

The retention question is therefore more complex than the proposition that 'doing good keeps employees'. Corporate volunteering cannot compensate for inadequate pay, weak supervision, limited development, role ambiguity or a poor work environment. Evidence on younger employees similarly suggests that social responsibility and values matter, but alongside core employment conditions and credible development opportunities [8-10,15]. Retention research also cautions against treating intention to stay as equivalent to actual turnover: staying is shaped by organizational attachment, job alternatives, shocks and the employee's broader links, fit and perceived sacrifice associated with leaving [28,29]. For SMEs, this distinction is especially important because a highly visible social initiative may consume scarce time and managerial attention if it is not integrated with workforce needs and operating realities.

The ESG perspective adds a second layer to the debate. The social pillar of ESG concerns workforce and societal impacts, while governance concerns the policies, controls and accountability mechanisms through which commitments are implemented and monitored. In the European Union, the sustainability-reporting architecture has changed substantially in 2026. On 3 July 2026, the European Commission adopted revised European Sustainability Reporting Standards and a delegated act establishing a voluntary sustainability reporting standard for undertakings outside mandatory CSRD reporting and protected by the value-chain cap [11,12,24]. At the time this manuscript was finalized, both delegated acts had been transmitted to the European Parliament and the Council for scrutiny and were not yet in force pending publication in the Official Journal [12,13,24]. Corporate volunteering is not a stand-alone mandatory disclosure item; however, it can be connected analytically to workforce development, employee experience, community impacts and governance safeguards, while the 2026 Voluntary Standard explicitly includes workforce characteristics, training and employee turnover among its social metrics [13].

Against this background, the paper addresses four research questions: (RQ1) How can corporate volunteering affect retention-related attitudes among junior employees in SMEs? (RQ2) Through which psychological mechanisms and boundary conditions are these effects likely to occur? (RQ3) How can SMEs design and measure corporate volunteering as a credible ESG-related practice rather than as a symbolic or isolated initiative? (RQ4) What do 2021-2025 secondary data indicate about early-career labour-market integration in Romania relative to the EU-27 and about skilled-staff constraints in the European business environment? The contribution is conceptual, empirical-contextual and practical. It synthesizes the employee-volunteering and early-career retention literatures, develops a mechanism-based framework, adds a transparent five-year secondary-data evidence base, and translates the framework into a proportionate implementation and measurement scorecard for SMEs.

2. Theoretical background

2.1. Corporate volunteering as an ESG and HR practice

Employee volunteering research distinguishes the individual act of volunteering from the organizational context that enables, rewards or gives meaning to that act. Corporate volunteering may include paid volunteering time, employer-organized community days, skills-based projects, pro bono assignments, mentoring, fundraising or partnerships with non-profit organizations. The HR

significance lies not simply in participation volume but in how the initiative is designed and interpreted. Rodell [3] links volunteering to meaningfulness, while Grant [4] emphasizes work design and sustained participation. Corporate volunteering climate research further suggests that shared perceptions of organizational support for societal causes can mobilize employee passion and future prosocial behavior [5].

An ESG interpretation reframes these activities from discretionary philanthropy to a social practice with governance requirements. The 'S' dimension is represented by effects on employees and communities; the 'G' dimension becomes visible through clear eligibility rules, safeguarding, partner due diligence, health and safety, non-discrimination, data protection, transparent reporting and mechanisms to raise concerns. This perspective discourages the use of volunteer hours as a vanity metric detached from employee experience or community outcomes. It also aligns with the direction of the EU voluntary sustainability reporting framework, which organizes proportionate information around workforce characteristics, health and safety, remuneration, collective bargaining and training, alongside policies and practices affecting workers and communities [11,13].

For SMEs, corporate volunteering may have several structural advantages. Activities can be localized, relationships with community partners can be direct, and senior managers are often visible enough to model participation personally. At the same time, SMEs face tighter capacity constraints. A volunteering day can create real operational pressure when teams are small, and informal selection can unintentionally exclude shift workers, remote workers, caregivers or employees in customer-facing roles. Consequently, the quality and fairness of program design are likely to be more important than the absolute scale of the initiative.

2.2. Junior employee retention in SMEs

In this paper, junior employees are operationally defined as early-career employees with up to approximately five years of full-time professional experience. The category overlaps substantially with Generation Z in today's labor market, but it is not treated as synonymous with a generation. This distinction is analytically useful because career stage, labor-market alternatives, job embeddedness and learning needs can influence retention independently of age-cohort labels. Retention is therefore treated as a process rather than a single attitude: intention to stay and affective commitment are proximal indicators, whereas voluntary turnover is a distal behavioral outcome influenced by additional organizational and labor-market factors [28,29].

Early-career retention is shaped by a portfolio of employment experiences. Studies focused on Generation Z highlight career development, organizational support, job characteristics, managerial relationships and perceived value congruence as relevant to commitment and retention [8,9]. Research on work meaningfulness among Generation Z also indicates that meaningful work can contribute to sustainable human-resource outcomes [10]. More recent evidence suggests that ESG practices may serve as signals to prospective younger employees, particularly when they are perceived as morally meaningful and identity-relevant [14]. Yet CSR-related signals should not be assumed to dominate employment decisions: compensation, working conditions, learning opportunities and interpersonal relationships remain fundamental [8,15]. This is consistent with broader retention research, which emphasizes multiple pathways into staying and leaving rather than any single universal driver [29].

The SME context can intensify both positive and negative employment experiences. Smaller workplaces may provide visibility, rapid responsibility, close interpersonal ties and easier contact with senior managers, but they may also offer fewer formal promotion paths, less specialized HR support and less redundancy when workload increases [1]. Recent comparative evidence confirms that organizational size changes the configuration of retention predictors, while commitment, co-worker relations and the nature of work remain important across firm sizes [30]. Volunteering may therefore contribute to retention only if it complements, rather than substitutes for, credible HR basics. Conceptually, a well-designed program may strengthen the links and perceived organizational

fit that form part of job embeddedness [28], but such effects remain hypotheses to be tested rather than established causal relationships in SMEs.

2.3. Psychological mechanisms and boundary conditions

Four mechanisms are particularly relevant. First, work meaningfulness reflects the perceived significance and purpose of one's activities. Volunteering can allow employees to experience visible social impact and connect their work identity to a broader contribution [3,4]. Second, organizational identification explains how employees incorporate organizational membership into their self-concept. When an SME supports causes that employees view as credible and value-congruent, the organization's social identity can become more attractive, strengthening pride and identification [16]. Third, perceived organizational support captures the belief that the organization values employee contributions and cares about well-being [17]. Providing protected time, resources and managerial support for volunteering can be interpreted as a signal of care, especially when participation is genuinely optional. Fourth, self-determination theory suggests that experiences supporting autonomy, competence and relatedness can improve internalized motivation and well-being [18]. Skills-based volunteering, in particular, can satisfy competence and relatedness needs while contributing to external beneficiaries.

These mechanisms converge on affective commitment - emotional attachment to and identification with the organization - which is closely related to the desire to remain [19]. Corporate volunteering can also influence engagement and employer pride, both of which may reinforce retention intentions. Recent studies show positive links between employee participation in corporate volunteering, work meaningfulness and affective commitment, while research on CSR and volunteering climate indicates that organizational identification can help explain engagement outcomes [20,21].

However, the same activity can produce different responses depending on perceived motives and implementation. Gatignon-Turnau and Mignonac [7] show that the perceived use of employee volunteering for public-relations purposes can undermine organizational commitment. Voluntariness is therefore a central boundary condition: participation that is formally 'optional' but socially expected may reduce autonomy. Managerial support is equally important because employees need workload protection and permission to participate without later compensating through unpaid extra effort. Cause fit and skills fit can strengthen meaning and competence, while excessive role conflict or poorly organized projects can generate stress. Finally, equitable access matters for both inclusion and credibility. If only office-based employees can participate, the program may signal privilege rather than shared social commitment.

3. Methodology

3.1. Research design and methodological rationale

The study adopts a structured integrative literature review combined with documentary policy analysis and a descriptive comparative secondary-data component. This design is appropriate because the research problem spans several partially disconnected streams - corporate volunteering, organizational behavior, employee retention, SME human resource management and ESG - and the primary objective is theory integration rather than estimation of a pooled effect size, while the secondary-data component provides recent contextual evidence on early-career labour-market outcomes and human-capital constraints. Following established guidance for integrative reviews, the procedure makes the search logic, eligibility criteria, analytical domains and synthesis decisions explicit while preserving the flexibility required to connect heterogeneous conceptual, empirical and regulatory evidence [25-27]. The review is therefore more structured than a traditional narrative review but is not presented as a PRISMA systematic review or meta-analysis.

3.2. Review scope, source selection and eligibility logic

The substantive review corpus comprises 27 sources cited in Sections 1-8: 22 peer-reviewed journal articles, one conference-proceedings contribution and four official European Commission/EFRAG documents. Three additional methodological references were used to structure the review process [25-27]. Source identification followed an iterative targeted-search and citation-chaining strategy, finalized on 26 August 2026. Search terms were combined across four concept blocks: (1) 'corporate volunteering', 'employee volunteering' and 'volunteering climate'; (2) 'employee retention', 'turnover intention', 'intention to stay', 'affective commitment' and 'job embeddedness'; (3) 'junior employees', 'early-career employees', 'Generation Z', 'SMEs' and 'small and medium-sized enterprises'; and (4) 'CSR', 'ESG', 'social pillar', 'voluntary sustainability reporting' and 'value chain cap'. Foundational review articles were used as citation anchors, recent candidate studies were checked forward, and bibliographic details were verified against publisher, journal or official institutional records before inclusion.

Eligibility was based on direct relevance to at least one element of the explanatory chain, conceptual contribution and source credibility rather than publication date alone. Peer-reviewed empirical, theoretical and review articles were eligible when they addressed volunteering design or climate, a specified psychological mechanism, commitment/retention outcomes, or SME-specific employment conditions. Seminal studies were retained when they established mechanisms required by the model, including social identity, perceived organizational support, self-determination, organizational commitment and job embeddedness [16-19,28]. More recent studies were prioritized for evidence on corporate volunteering, early-career employees, organizational size and ESG-related employment signals [8,14,20,21,30]. Official European Commission and EFRAG materials were used only for the regulatory and reporting dimension. Generic CSR discussions without an identifiable employee mechanism, philanthropic studies without an employment relationship, non-authoritative regulatory commentary and sources whose bibliographic record could not be verified were excluded from proposition development.

3.3. Analytical procedure and theory synthesis

Analysis proceeded through a staged, concept-centric synthesis. First, each substantive source was examined for the principal construct, unit or level of analysis, theoretical mechanism, reported or proposed outcome, contextual boundary conditions and type of evidence. Second, the evidence was organized into five analytical domains: (1) corporate volunteering design and organizational climate; (2) psychological mechanisms linking volunteering to employee attitudes; (3) commitment, embeddedness and retention-related outcomes; (4) SME-specific HRM constraints and enabling conditions; and (5) ESG governance, measurement and reporting. Third, convergent, complementary and contradictory findings were compared across domains. Particular attention was given to countervailing evidence - including coercion, public-relations motive attribution, workload conflict, self-selection and unequal access - so that the framework would not be constructed only from positive-association studies [6,7].

The final stage used abductive theory integration. Established organizational-behavior constructs were used to explain patterns in the volunteering literature, while retention theory, the SME context and the ESG lens were used to specify sequencing, boundary conditions and managerial implications. A relationship was formulated as a research proposition only when it was supported by a coherent theoretical mechanism and evidence from more than one relevant literature stream. The resulting logic orders the proposed pathway from volunteering quality to employee interpretation, psychological states, affective attachment and intention to stay, while treating actual voluntary turnover as a more distal outcome subject to additional influences [28,29]. The ESG scorecard was derived from the same analytical structure by linking program inputs and safeguards to employee-experience indicators, workforce outcomes and community evidence. Iterative searching was stopped

at conceptual saturation, when additional candidate sources did not materially alter the core mechanisms or boundary conditions in the framework.

3.4. Methodological rigor and limitations

Methodological rigor was pursued through analytical traceability, source verification and explicit treatment of rival or negative evidence rather than statistical aggregation. Each proposition in Section 4 can be traced to defined constructs and source groups, and the framework separates mediators, moderators, governance conditions and background employment conditions. The use of multiple theoretical perspectives also provides conceptual triangulation: meaningfulness, social identity, perceived organizational support, self-determination, commitment and job embeddedness offer distinct explanations for why the same volunteering practice may produce different responses. The design nevertheless has clear limitations. The review is structured but not exhaustive in the PRISMA sense; it does not report database-by-database hit counts, duplicate removal or a formal risk-of-bias score, and its heterogeneous mix of conceptual, empirical and policy sources precludes meta-analytic comparison. Selection remains partly judgment-based, and the literature on corporate volunteering in SMEs specifically is limited. The propositions should therefore be interpreted as theoretically grounded hypotheses for empirical testing rather than as causal estimates.

3.5. Secondary-data component and descriptive analysis

To complement the conceptual synthesis with recent observable context, three annual secondary-data series were assembled for 2021-2025. The first is Eurostat's employment rate of recent graduates aged 20-34 who completed their highest level of education one to three years earlier and are no longer in education or training (dataset *edat_lfse_24*) [31]. The second is the Eurostat NEET rate for persons aged 15-29 (dataset *edat_lfse_20*) [32]. For both indicators, Romania is compared with the EU-27. The third series is drawn from the European Commission's Survey on the Access to Finance of Enterprises (SAFE) and records the EU-wide share of surveyed firms ranking the availability of skilled staff or experienced managers as their most important problem [33,34]. The 2021 starting point also keeps the Eurostat observations within the post-2021 EU Labour Force Survey framework; Eurostat flags 2021 as a break in the relevant series.

The empirical component is deliberately descriptive. Annual levels, five-year changes and Romania-EU gaps are reported for the Eurostat indicators, while the SAFE series is used to show the direction of the reported skilled-staff constraint over the same period. No interpolation is used and no regression or causal inference is attempted on five annual observations. Importantly, the selected indicators do not measure corporate volunteering or employee retention directly and are not treated as proxies for either construct. Their role is to document the labour-market and human-capital context in which SME retention strategies, including corporate volunteering as a complementary ESG practice, are considered.

4. Conceptual framework and research propositions

The proposed model treats corporate volunteering as a bundle of design characteristics rather than a binary practice. The starting construct is corporate volunteering quality, reflected in authenticity, voluntariness, community relevance, managerial support, skills alignment, accessibility and adequate resourcing. These characteristics shape how junior employees interpret the initiative. High-quality design is expected to strengthen meaningfulness, organizational identification, perceived organizational support and satisfaction of autonomy, competence and relatedness needs. These psychological mechanisms can support engagement, employer pride and affective commitment and may also reinforce perceived organizational fit and interpersonal links. In turn, these proximal states are expected to increase intention to stay and, over time, reduce voluntary turnover risk, while recognizing that actual exits remain influenced by shocks, alternatives and other employment conditions [28,29].

Corporate volunteering quality	Psychological mechanisms	Proximal outcomes	Retention outcomes
Authenticity Voluntariness Community/cause fit Managerial support Skills alignment Equitable access	Work meaningfulness Organizational identification Perceived organizational support Autonomy, competence, relatedness	Employee engagement Employer pride Affective commitment	Higher intention to stay Lower turnover intention Potentially lower voluntary turnover

Figure 1. Conceptual framework: corporate volunteering, ESG governance and junior employee retention

Note: Moderators across the pathway: authenticity and voluntariness (+); managerial support and skills fit (+); workload conflict, coercion and PR-motive attribution (-). ESG governance and measurement strengthen credibility.

Source: authors' synthesis based on [2-7,16-22,28-30].

The framework yields seven propositions. First, program design matters before participation intensity. A small SME program that gives employees real choice, protected time and meaningful community contact may create a stronger signal than a large but performative campaign. Accordingly, P1: Perceived corporate volunteering quality is positively associated with work meaningfulness, organizational identification, perceived organizational support and need satisfaction among junior employees.

P2: Work meaningfulness, organizational identification, perceived organizational support and need satisfaction mediate the relationship between perceived corporate volunteering quality and affective commitment/employer pride. This proposition integrates the mechanisms identified in prior volunteering and organizational-behavior research [3,16-20].

P3: Affective commitment, employer pride, employee engagement and perceived organizational fit are positively associated with intention to stay and negatively associated with turnover intention among junior employees. This proposition represents a retention pathway rather than a claim that volunteering directly determines actual turnover. Retention research shows that intention and commitment are important but incomplete precursors of behavior; actual exits also depend on job alternatives, shocks, links, fit and perceived sacrifice [19,28,29].

P4: Perceived authenticity and voluntariness strengthen the positive effects of corporate volunteering, whereas attribution of the program to image-management or public-relations motives weakens them. The proposition follows evidence that employees distinguish between authentic social commitment and instrumental use of volunteering [7].

P5: Managerial support and skills alignment strengthen the positive relationship between volunteering and retention-related attitudes, while workload conflict and role overload weaken it. This is particularly salient in SMEs, where absence from normal duties can have immediate operational effects and where managers often control practical access to participation.

P6: ESG governance quality - including transparent rules, equitable access, partner due diligence, safeguarding, health and safety, data protection and credible measurement - strengthens the perceived legitimacy and sustainability of corporate volunteering initiatives. Governance is therefore not an administrative add-on; it shapes whether the social initiative is trusted.

P7: Corporate volunteering has a complementary, not compensatory, role in junior retention. Its positive relationship with intention to stay is expected to be weaker or absent when basic employment conditions - fair compensation, role clarity, development opportunities, supportive supervision and manageable workload - are perceived as inadequate. This proposition guards against 'purpose-washing' in HR practice and is consistent with evidence that CSR-related values coexist with conventional retention drivers and that retention configurations differ by organizational size [8,15,30].

Table no. 1. Summary of proposed relationships

Prop.	Proposed relationship	Role in the model
P1	Volunteering quality -> meaningfulness, identification, perceived support and need satisfaction	Direct psychological effect
P2	Psychological mechanisms -> affective commitment and employer pride	Mediation

Prop.	Proposed relationship	Role in the model
P3	Commitment, pride and engagement -> intention to stay / lower turnover intention	Retention pathway
P4	Authenticity and voluntariness strengthen; PR-motive attribution weakens	Moderation
P5	Manager support and skills fit strengthen; workload conflict weakens	Moderation
P6	ESG governance and measurement strengthen legitimacy and durability	Governance condition
P7	Volunteering complements but does not replace core HR conditions	Boundary condition

Source: authors' conceptual synthesis.

5. ESG-aligned implementation and measurement framework for SMEs

A retention-oriented volunteering program in an SME should begin with design principles rather than communication. The first principle is employee choice. Management can present a portfolio of causes or invite employees to nominate community partners, but participation should remain genuinely optional and non-participation should not affect performance evaluation or career opportunities. The second principle is protected capacity. Paid volunteering time, shift planning or explicit workload reallocation reduces the risk that social participation simply becomes additional labor. The third principle is relevance. Skills-based projects - for example financial literacy, digital support, mentoring, process improvement or marketing assistance for a non-profit - can combine social impact with competence development, but general community activities can also be meaningful when employees value the cause.

The fourth principle is equitable access. SMEs should check whether the design is accessible to employees across roles, locations, contract types and personal constraints. Alternatives such as shorter micro-volunteering assignments, remote activities or different time slots can reduce exclusion. The fifth principle is governance proportionality. A small firm does not need a large ESG bureaucracy, but it does need a documented purpose, eligibility rules, responsibility for partner selection, basic health and safety checks, consent for employee images and data, and a route for raising concerns. Finally, communication should emphasize verified community outcomes and employee learning rather than promotional volume.

Measurement should connect three levels: inputs and participation, employee experience, and retention/community outcomes. Counting volunteer hours alone can reward activity without revealing whether participation was genuinely voluntary, inclusive or useful. Where primary perception data are not collected, employee-experience safeguards can be documented through opt-in and withdrawal records, repeat participation, workload-protection records and participation-related complaints, while recognizing that such behavioural and governance indicators do not directly measure perceived authenticity or meaningfulness. HR records can track participation, training, junior retention and turnover over time, while community partners can validate outputs or outcomes. The purpose is not to attribute every retention change to volunteering, but to create a traceable evidence chain that management can use for learning and ESG reporting.

Table no. 2. Proposed ESG-aligned corporate volunteering scorecard for SMEs

Dimension	Suggested indicator	Interpretation / use	ESG link
Participation	Junior participation rate = junior volunteers / eligible junior employees	Reach; interpret together with voluntariness	Social / workforce
Time investment	Paid volunteering hours per junior employee	Employer resource commitment; workload planning	Social / workforce
Skills development	Share of volunteering hours that are skills-based	Links community impact with development	Social / training
Employee experience	Documented opt-in/withdrawal safeguards and participation-related complaints	Operational evidence on voluntariness and potential	Social + governance

Dimension	Suggested indicator	Interpretation / use	ESG link
		coercion; does not directly measure perceptions	
Continuity of engagement	Repeat voluntary participation rate across volunteering cycles	Behavioural signal of sustained engagement; not a direct measure of meaningfulness or identification	Social / workforce
Retention	12-month junior retention and voluntary turnover rate	Outcome trend; avoid single-cause attribution	Social / workforce
Development	Training hours plus relevant volunteering-learning hours	Broader development picture	Social / training
Equity of access	Participation by gender, role, contract type and work arrangement	Identifies participation gaps	Social / inclusion
Community outcome	Partner-validated outputs/outcomes rather than publicity reach	Tests external social value	Social / communities
Governance	Policy, partner due diligence, consent/data rules, complaint channel	Controls operational and reputational risk	Governance

Source: authors' proposal, informed by the 2026 EU Voluntary Standard and related Commission/EFRA materials [11-13,24].

For empirical use, SMEs can implement the scorecard as a longitudinal dashboard based primarily on HR records, volunteering participation records and community-partner evidence. Measures such as participation rates, paid volunteering hours, repeat participation, skills-based volunteering hours, voluntary turnover and partner-validated outcomes can be tracked across periods using routinely generated organizational records. The current study uses only public secondary data; the scorecard remains a managerial measurement proposal rather than the empirical dataset analysed below.

This measurement architecture can also support ESG credibility without implying that volunteering itself is a prescribed disclosure metric. The 2026 Voluntary Standard is designed as a proportionate framework for undertakings outside mandatory CSRD reporting and includes, among other social metrics, workforce characteristics, training and employee turnover [12,13,24]. An SME that already tracks these workforce variables can add selected volunteering indicators for internal management without building a parallel reporting system. Narrative information can explain the policy, participation safeguards and community objectives, while quantitative indicators can show whether the initiative is accessible and sustained. The resulting evidence should be presented as complementary information on social practice and workforce experience, not as a substitute for broader responsibilities toward employees or affected communities.

6. Secondary-data evidence: Romania and EU context, 2021-2025

6.1. Data inventory

Table no. 3 consolidates the three selected series and provides a transparent audit trail before any broader empirical extension of the paper. Values are reported exactly at the precision used in the source series. The Eurostat indicators are expressed as percentages of their respective age-group populations; the SAFE series is the percentage of surveyed firms identifying skilled-staff or experienced-manager availability as the single most important problem.

Table no. 3. Selected secondary indicators, 2021-2025

Indicator	Area	2021	2022	2023	2024	2025
Recent-graduate employment rate, age 20-34 (%)	EU-27	79.6	82.4	83.5	82.3	83.0
Recent-graduate employment rate, age 20-34 (%)	Romania	70.1	69.9	74.8	75.0	72.7

Indicator	Area	2021	2022	2023	2024	2025
NEET rate, age 15-29 (%)	EU-27	13.1	11.7	11.2	11.1	11.0
NEET rate, age 15-29 (%)	Romania	20.3	19.8	19.3	19.4	19.2
Skilled staff/experienced managers ranked most important problem (%)	EU SAFE	27	27	29	26	24

Source: Eurostat datasets *edat_lfse_24* and *edat_lfse_20* [31,32]; European Commission SAFE 2021-2025 trend chart and Analytical Report 2025 [33,34]. Authors' compilation.

6.2. Employment of recent graduates

The employment rate of recent graduates increased at EU-27 level from 79.6% in 2021 to 83.0% in 2025 (+3.4 percentage points). Romania moved from 70.1% to 72.7% (+2.6 percentage points), with the highest value in the five-year window recorded in 2024 (75.0%). The Romania-EU gap was 9.5 percentage points in 2021 and 10.3 percentage points in 2025. The series therefore indicates a persistent relative disadvantage in the transition from education to employment, although it does not measure retention after entry into employment [31].

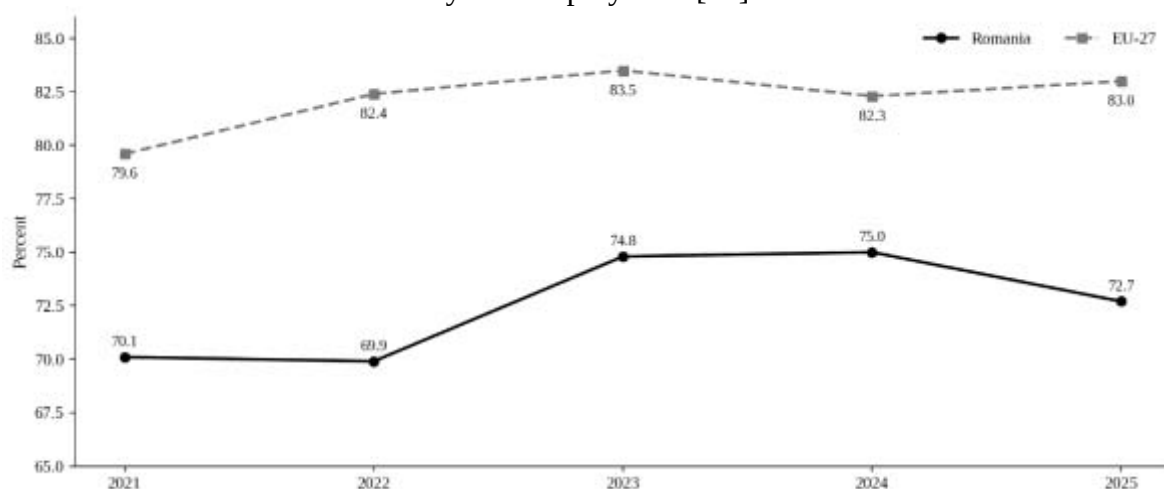


Figure 2. Employment rate of recent graduates aged 20-34: Romania and EU-27, 2021-2025 (%)

Source: authors' representation based on Eurostat, *edat_lfse_24* [31].

6.3. NEET rate

The NEET rate declined in both areas, but the Romanian level remained substantially higher throughout the period. EU-27 fell from 13.1% in 2021 to 11.0% in 2025 (-2.1 percentage points), while Romania declined from 20.3% to 19.2% (-1.1 percentage points). Consequently, the Romania-EU gap widened from 7.2 to 8.2 percentage points between the first and last observations. This indicator is used only as a labour-market transition and disengagement measure; it should not be interpreted as an employee-retention measure [32].

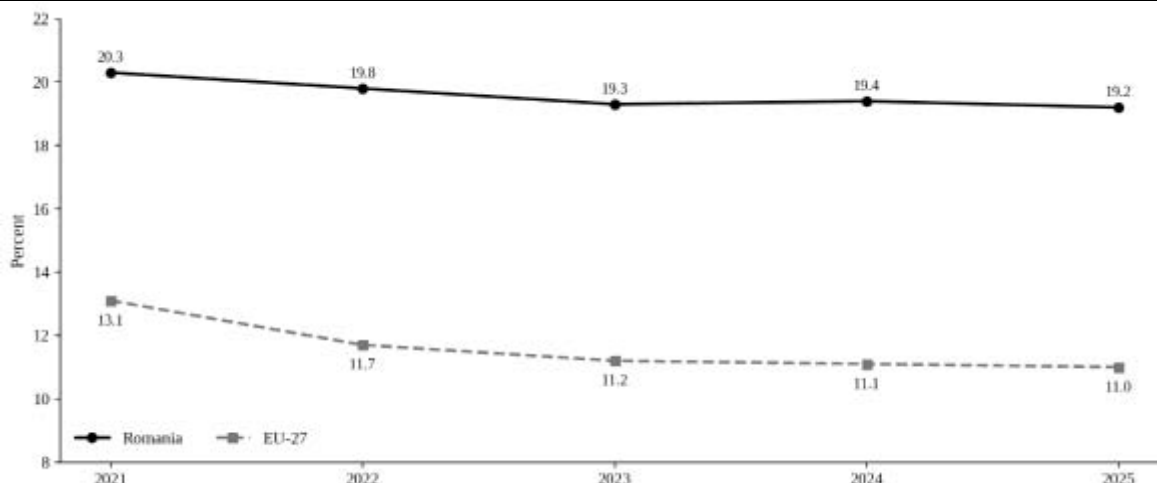


Figure 3. NEET rate among persons aged 15-29: Romania and EU-27, 2021-2025 (%)

Source: authors' representation based on Eurostat, edat_lfse_20 [32].

6.4. SAFE evidence on skilled-staff constraints

The SAFE trend provides a complementary business-side signal. The share of surveyed firms identifying the availability of skilled staff or experienced managers as their most important problem was 27% in both 2021 and 2022, rose to 29% in 2023, and then declined to 26% in 2024 and 24% in 2025. Thus, even after the recent easing, almost one quarter of surveyed firms still ranked this human-capital constraint first. SAFE is an SME-focused European Commission/ECB survey programme, but the published trend chart is labelled for surveyed firms; it is therefore used here as contextual evidence on business human-capital pressure rather than as a firm-level retention outcome [33,34].

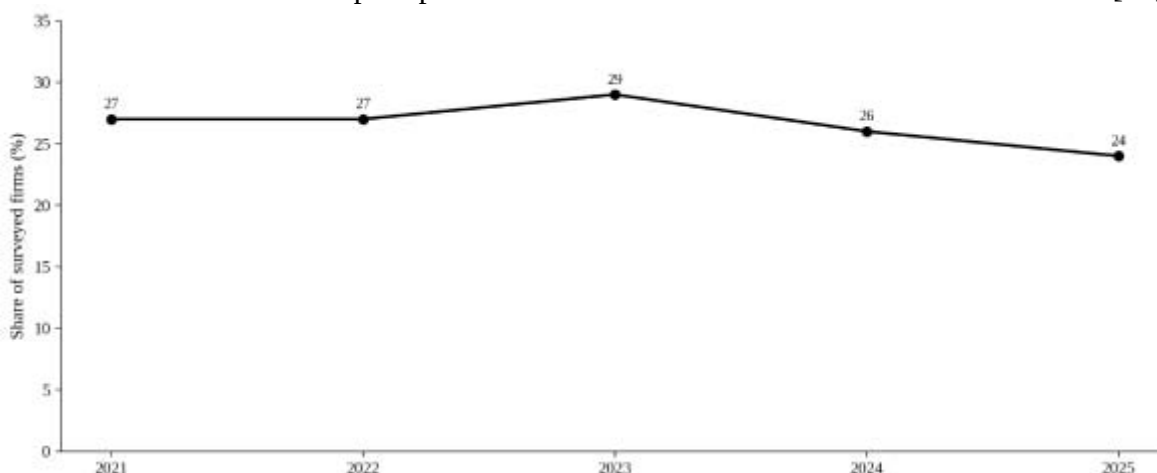


Figure 4. Firms ranking availability of skilled staff or experienced managers as the most important problem, EU SAFE, 2021-2025 (%)

Source: authors' representation based on European Commission SAFE 2025 retrospective trend chart [33].

7. Discussion

The secondary-data evidence does not test the causal effect of corporate volunteering on retention, but it strengthens the contextual rationale for the framework. Across 2021-2025, Romania consistently combined weaker recent-graduate employment outcomes and higher NEET rates than the EU-27, while SAFE continued to identify skilled-staff availability as a major business concern. Taken together, these patterns support the relevance of early-career integration and human-capital retention as management problems, while leaving the specific volunteering-retention mechanism to be tested with firm-level longitudinal data.

The first theoretical contribution is to shift the unit of explanation from participation as a yes/no variable to the quality of the volunteering system and the meaning employees attribute to it.

The same number of volunteer hours can represent very different employment experiences. When participation is freely chosen, supported and connected to a credible cause, volunteering can supply cues of organizational care, identity fit and meaningful contribution; when it is socially compulsory or transparently promotional, it can undermine autonomy and commitment. This distinction helps reconcile positive findings in the literature with meta-analytic and critical evidence showing small, mixed or context-dependent effects [6,7]. It also clarifies why a direct volunteering-to-retention hypothesis is theoretically underspecified.

The second contribution is to connect the volunteering literature to retention theory without reducing junior employees to a generational stereotype. Early-career employees face identity formation, skill development and uncertainty about organizational fit, making volunteering a potentially informative experience about what the employer values and how those values are enacted. In job-embeddedness terms, a credible program may strengthen organizational fit and interpersonal links, but it is unlikely to create retention by itself when employees face attractive alternatives or poor core employment conditions [28,29]. Treating junior status as a career-stage construct therefore makes the framework testable across age cohorts, occupations and labor markets and reduces the risk of overgeneralizing from Generation Z labels.

The third contribution is the integration of HR outcomes with ESG governance in an SME setting. Social initiatives are often discussed as engagement tools, while ESG reporting is treated as a separate compliance activity. The framework instead treats governance quality - clear rules, equitable access, due diligence, safeguarding, workload protection and credible measurement - as part of the employee experience itself. This is particularly relevant for SMEs, where organizational size changes the configuration of retention drivers and where informal practices can be both an advantage and a source of inconsistency [1,30]. A proportionate governance structure can therefore serve two purposes: improve the quality of the volunteering experience and create traceable evidence for internal learning and external sustainability communication. Recent evidence also links employee engagement to corporate sustainability outcomes [23].

For management practice, the implication is not to maximize volunteering volume but to design a credible employee-community interface. Owners and HR managers should ask who can participate, whether choice is real, how normal workload is protected, whether the cause is locally relevant, whether employees can use or develop meaningful skills, and whether community partners can validate outputs or outcomes. The proposed scorecard should be used diagnostically rather than as proof of causality. Improvements in retention following a volunteering cycle may reflect other HR changes, labor-market conditions or self-selection into participation. For future empirical research, the strongest next step is a longitudinal firm-level design that links administrative HR turnover records and volunteering participation or hours with partner evidence and relevant workforce controls, using matched or quasi-experimental comparisons where feasible.

8. Conclusions

Corporate volunteering can contribute to junior employee retention in SMEs, but the relationship is best understood as indirect, contingent and complementary. The literature supports plausible pathways through work meaningfulness, organizational identification, perceived organizational support, psychological-need satisfaction, engagement, organizational fit and affective commitment. These mechanisms are more likely to operate when participation is authentic, voluntary, managerially supported, accessible and protected from workload spillover; they can be weakened when employees perceive coercion, unequal access, public-relations motives or role overload. Volunteering should therefore not be presented as a substitute for fair compensation, development opportunities, supportive supervision or manageable work.

From an ESG perspective, the principal implication is proportionate integration. A concise policy, basic governance safeguards and a small set of workforce, employee-experience and community indicators can turn volunteering from a symbolic activity into a traceable social practice.

The 2026 EU Voluntary Standard provides a relevant contextual reference because it emphasizes proportionate workforce information, including training and employee turnover, but corporate volunteering remains a voluntary management practice rather than a prescribed stand-alone ESG metric [12,13,24]. The proposed framework therefore links HR and ESG without overstating either the regulatory status of volunteering or its causal influence on retention.

The study is limited by the integrative nature of the literature synthesis, the relatively small and heterogeneous evidence base directly connecting corporate volunteering with SME retention, and the predominance of studies conducted in larger organizations or single-country contexts. The added secondary-data component is intentionally descriptive and aggregate: Eurostat and SAFE do not measure corporate volunteering and employee retention jointly, and the five annual observations are not suitable for causal inference. Accordingly, the empirical evidence should be read as contextual support for the relevance of early-career labour-market integration and human-capital constraints, not as validation of the proposed volunteering-retention pathway. Future research can test the framework using longitudinal firm-level administrative data on volunteering participation or hours and voluntary turnover, preferably across multiple SMEs, sectors and countries. Until such evidence is available, the propositions and the ESG-aligned measurement framework should be treated as a disciplined research agenda and a proportionate management tool rather than as causal estimates.

Acknowledgments

The paper was co-financed by The Bucharest University of Economic Studies during the PhD program.

9. Bibliography

- [1] Harney B., Alkhalaf H., A quarter-century review of HRM in small and medium-sized enterprises: Capturing what we know, exploring where we need to go, *Human Resource Management*, 60(1), pp. 5-29, 2021, <https://doi.org/10.1002/hrm.22010>.
- [2] Rodell J.B., Breitsohl H., Schröder M., Keating D.J., Employee Volunteering: A Review and Framework for Future Research, *Journal of Management*, 42(1), pp. 55-84, 2016, <https://doi.org/10.1177/0149206315614374>.
- [3] Rodell J.B., Finding Meaning through Volunteering: Why Do Employees Volunteer and What Does It Mean for Their Jobs?, *Academy of Management Journal*, 56(5), pp. 1274-1294, 2013, <https://doi.org/10.5465/amj.2012.0611>.
- [4] Grant A.M., Giving Time, Time after Time: Work Design and Sustained Employee Participation in Corporate Volunteering, *Academy of Management Review*, 37(4), pp. 589-615, 2012, <https://doi.org/10.5465/amr.2010.0280>.
- [5] Rodell J.B., Booth J.E., Lynch J.W., Zipay K.P., Corporate Volunteering Climate: Mobilizing Employee Passion for Societal Causes and Inspiring Future Charitable Action, *Academy of Management Journal*, 60(5), pp. 1662-1681, 2017, <https://doi.org/10.5465/amj.2015.0726>.
- [6] Howard M.C., Serviss E., The antecedents and outcomes of corporate volunteering: an employee- and organizational-level meta-analysis, *Journal of Managerial Psychology*, 37(2), pp. 93-110, 2022, <https://doi.org/10.1108/JMP-01-2021-0018>.
- [7] Gatignon-Turnau A.-L., Mignonac K., (Mis)Using employee volunteering for public relations: Implications for corporate volunteers' organizational commitment, *Journal of Business Research*, 68(1), pp. 7-18, 2015, <https://doi.org/10.1016/j.jbusres.2014.05.013>.
- [8] Ali H., Li M., Qiu X., Examination of HRM practices in relation to the retention of Chinese Gen Z employees, *Humanities and Social Sciences Communications*, 11, Article 24, 2024, <https://doi.org/10.1057/s41599-023-02472-6>.
- [9] Aggarwal A., Sadhna P., Gupta S., Mittal A., Rastogi S., Gen Z entering the workforce: Restructuring HR policies and practices for fostering the task performance and organizational commitment, *Journal of Public Affairs*, 22(3), e2535, 2022, <https://doi.org/10.1002/pa.2535>.

- [10] Popaitoon P., Fostering Work Meaningfulness for Sustainable Human Resources: A Study of Generation Z, *Sustainability*, 14(6), 3626, 2022, <https://doi.org/10.3390/su14063626>.
- [11] European Commission, Commission adopts revised sustainability reporting standards, Directorate-General for Financial Stability, Financial Services and Capital Markets Union, 3 July 2026.
- [12] European Commission, Implementing and delegated acts - Corporate Sustainability Reporting Directive: delegated acts adopted on 3 July 2026, 2026.
- [13] EFRAG, 2026 Voluntary Standard, ESRS Knowledge Hub, version adopted by the European Commission on 3 July 2026, 2026.
- [14] Kim M.J., Lee S.H., Chang H.J., Signaling Environmental, Social, and Governance Values: ESG Practices and Moral Identity in Attracting Generation Z Prospective Employees, *Business Strategy & Development*, 8(3), e70184, 2025, <https://doi.org/10.1002/bsd2.70184>.
- [15] Kim R.C., Uddin H., Retention of Millennial and Gen Z Employees: Does CSR Matter?, *Academy of Management Proceedings*, 2023(1), 2023, <https://doi.org/10.5465/AMPROC.2023.17140abstract>.
- [16] Ashforth B.E., Mael F., Social Identity Theory and the Organization, *Academy of Management Review*, 14(1), pp. 20-39, 1989, <https://doi.org/10.5465/amr.1989.4278999>.
- [17] Eisenberger R., Huntington R., Hutchison S., Sowa D., Perceived organizational support, *Journal of Applied Psychology*, 71(3), pp. 500-507, 1986, <https://doi.org/10.1037/0021-9010.71.3.500>.
- [18] Deci E.L., Ryan R.M., The 'what' and 'why' of goal pursuits: Human needs and the self-determination of behavior, *Psychological Inquiry*, 11(4), pp. 227-268, 2000, https://doi.org/10.1207/S15327965PLI1104_01.
- [19] Meyer J.P., Allen N.J., A three-component conceptualization of organizational commitment, *Human Resource Management Review*, 1(1), pp. 61-89, 1991, [https://doi.org/10.1016/1053-4822\(91\)90011-Z](https://doi.org/10.1016/1053-4822(91)90011-Z).
- [20] Brzustewicz P., Glińska-Neweś A., Escher I., Fu Y., Józefowicz B., Employee participation in corporate volunteering as the moderator of links between relationships at work, work meaningfulness and affective commitment, *Journal of Organizational Change Management*, 37(1), pp. 214-235, 2024, <https://doi.org/10.1108/JOCM-07-2023-0290>.
- [21] Zuo J., Huang L., Minami C., Perceived Corporate Social Responsibility and Employee Engagement: Organizational Identification and Corporate Volunteering Climate, *Corporate Social Responsibility and Environmental Management*, 32(6), pp. 8125-8143, 2025, <https://doi.org/10.1002/csr.70125>.
- [22] Haski-Leventhal D., Kach A., Pournader M., Employee Need Satisfaction and Positive Workplace Outcomes: The Role of Corporate Volunteering, *Nonprofit and Voluntary Sector Quarterly*, 48(3), pp. 593-615, 2019, <https://doi.org/10.1177/0899764019829829>.
- [23] Leelavathi C.N. et al., Employee Engagement as a Catalyst for Corporate Sustainability: An Empirical Study of Indian Organizations, *Constantin Brâncuși University of Târgu Jiu Economics Series*, 1(3), pp. 95-101, 2026, <https://doi.org/10.65631/jes.3.2026.7>.
- [24] European Commission, Commission Delegated Regulation of 3 July 2026 supplementing Directive 2013/34/EU by establishing sustainability reporting standards for voluntary use by undertakings protected by the value chain cap, C(2026) 5011 final, 2026.
- [25] Snyder H., Literature review as a research methodology: An overview and guidelines, *Journal of Business Research*, 104, pp. 333-339, 2019, <https://doi.org/10.1016/j.jbusres.2019.07.039>.
- [26] Torraco R.J., Writing Integrative Literature Reviews: Guidelines and Examples, *Human Resource Development Review*, 4(3), pp. 356-367, 2005, <https://doi.org/10.1177/1534484305278283>.

- [27] Whittemore R., Knafl K., The integrative review: updated methodology, *Journal of Advanced Nursing*, 52(5), pp. 546-553, 2005, <https://doi.org/10.1111/j.1365-2648.2005.03621.x>.
- [28] Mitchell T.R., Holtom B.C., Lee T.W., Sablinski C.J., Erez M., Why People Stay: Using Job Embeddedness to Predict Voluntary Turnover, *Academy of Management Journal*, 44(6), pp. 1102-1121, 2001, <https://doi.org/10.5465/3069391>.
- [29] Hom P.W., Lee T.W., Shaw J.D., Hausknecht J.P., One Hundred Years of Employee Turnover Theory and Research, *Journal of Applied Psychology*, 102(3), pp. 530-545, 2017, <https://doi.org/10.1037/apl0000103>.
- [30] Gelencser M., Komuves Z.S., Hollosy-Vadasz G., Szabo-Szentgroti G., Modelling employee retention in small and medium-sized enterprises and large enterprises in a dynamically changing business environment, *International Journal of Organizational Analysis*, 33(5), pp. 1006-1038, 2025, <https://doi.org/10.1108/IJOA-09-2023-3961>.
- [31] Eurostat, Employment rates of young persons not in education and training by educational attainment level and years since completion of highest level of education (edat_lfse_24), EU Labour Force Survey, annual statistical dataset, updated 11 June 2026, DOI: https://doi.org/10.2908/EDAT_LFSE_24; Data Browser: https://ec.europa.eu/eurostat/databrowser/product/page/edat_lfse_24; accessed 27 August 2026.
- [32] Eurostat, Young people neither in employment nor in education and training by labour status (NEET rates) (edat_lfse_20), EU Labour Force Survey, annual statistical dataset, coverage through 2025, DOI: https://doi.org/10.2908/EDAT_LFSE_20; dataset: https://ec.europa.eu/eurostat/web/products-datasets/-/EDAT_LFSE_20; accessed 27 August 2026.
- [33] European Commission, Data and surveys - SAFE: Survey on the Access to Finance of Enterprises, Results 2021-2025 and SAFE Survey 2025 retrospective problem-ranking chart, Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs, https://single-market-economy.ec.europa.eu/access-finance/data-and-surveys-safe_en; accessed 27 August 2026.
- [34] European Commission, Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs, and Verian, Survey on the Access to Finance of Enterprises (SAFE): Analytical Report 2025, Publications Office of the European Union, 2026, DOI: <https://doi.org/10.2873/7415919>.