

Giving Australia 2016

BUSINESS GIVING AND VOLUNTEERING

Overview

What is business giving?

Business giving is the giving of money, goods or services by business to nonprofit organisations (NPOs).

Giving behaviours vary according to business size:

- ❖ Small and Medium Enterprises (SMEs) employ less than 200 people
- ❖ large businesses employ more than 200 people:
 - ❖ mid-tier business employ between 200-1000 people, and
 - ❖ corporations employ more than 1000 people.

Value of business giving in 2016

Businesses prefer to give money (66% of total giving) rather than goods (17% of total giving) and services (18% of total giving).

In 2015–16, businesses gave \$17.5 billion during their last financial year. This comprised:

- ❖ \$7.7 billion in community partnerships (80 per cent of which came from large business)
- ❖ \$6.2 billion in donations, and
- ❖ \$3.6 billion in (non-commercial) sponsorships.

Large business tends to give more

Even though they make up only 0.2% of Australia's business population, larger businesses are more likely to give and in greater amounts.

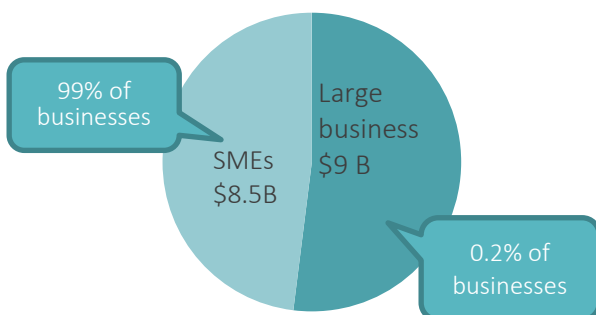


Figure 1: Business monetary giving, last financial year

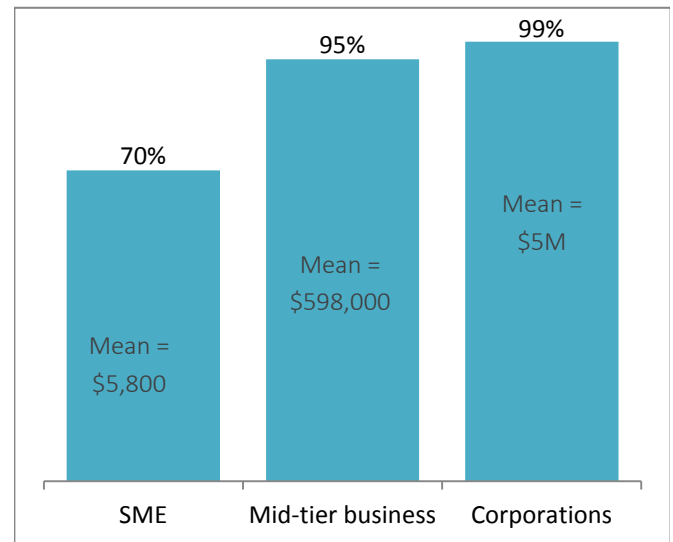


Figure 2: Percentage of businesses that gave

Top modes of giving by business

Businesses differ in their preferred modes of giving.

Larger businesses are more likely to partner with NPOs compared with SME who are more likely to give donations.

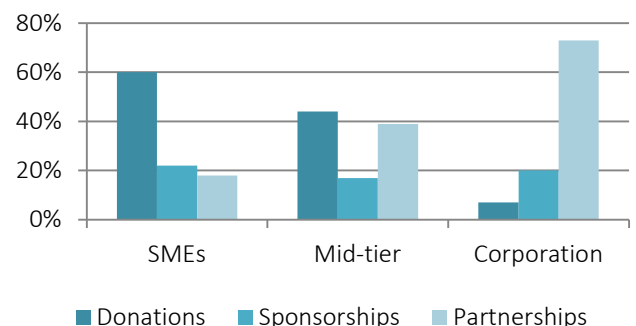


Figure 3: Business giving modes

Workplace giving and volunteering

Workplace giving has become an important component of giving by large business. Of those businesses that reported giving in their last financial year:

- ❖ 85% facilitated payroll giving, whereby employees make regular donations from their pre-tax pay
- ❖ 56% provided payroll matching programs, where an employer will match the giving of their employees, and
- ❖ 46% had a formal workplace volunteering program.

What drives business giving?

Businesses reported that giving is driven by an ethical imperative to give back to the community in which they operate. Businesses also recognised the benefits of giving for bolstering the employer brand and competitive employee recruitment, retention, and engagement.

The top reason for all business giving is because it is a good thing to do, irrespective of business returns.

The top reasons for SME giving were:

- ❖ demonstrates commitment to the local community, and
- ❖ a personal connection (owner or staff) to the NPO or cause.

The top reasons for large business giving:

- ❖ improves employee engagement
- ❖ strengthens social licence to operate, and
- ❖ desire to achieve social impact.

Recipients of business giving

The education and research sector benefited most, receiving 22% of all total business giving, followed by the culture and recreation (19%), social service and health sectors (12%).

Key trends in business giving

All businesses are seeking:

- ❖ more workplace volunteering opportunities
- ❖ improved technology to strengthen giving administration, and
- ❖ innovations in online payroll systems to facilitate both volunteering and giving.

Large businesses are:

- ❖ increasingly engaging with social enterprises
- ❖ focused on generating social impact, and
- ❖ investing in fewer, better resourced NPOs partnerships to maximise social impact.

Giving Australia 2016 report series

- ❖ *Giving Australia 2016: a summary*
- ❖ *Philanthropy and philanthropists*
- ❖ *Giving and volunteering – the nonprofit perspective*
- ❖ *Business giving and volunteering*
- ❖ *Individual giving and volunteering*
- ❖ *Giving Australia 2016 Literature review summary report*
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For more information:

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