Sharing the value and impact of generosity across New Zealand

April 2015
Summary

This report is the first in a programme of work that Generosity NZ, Business and Community Shares (BACS) and the London Benchmarking Group (LBG) have collaborated on to inform the generosity sector on Business Giving. Its aim is to contribute to effective and efficient decision-making, whether the reader is involved in delivering a Business Giving programme, considering such involvement or contemplating engaging a business in their community activities.

Through this report, we hope to grow an understanding of the contribution companies make to communities, increase awareness of the importance of measuring the quality of those contributions both in the communities and in the companies and, encourage the growth of Business Giving in New Zealand.

This is the beginning of a bigger body of work. Our intention is to grow the data behind the report and bring more and new information into the sector that enables and continues to activate the potential that is Business Giving. A five year programme of work is in planning to establish a definitive commentary, complete with qualitative and quantitative data on Business Giving in New Zealand.

Business Giving is a challenging prospect for companies and a number of questions have been canvassed in the collection and consultation of the information contained within the report.

There are many reasons why companies engage in Business Giving activities. Those reasons are varied - some are connected to the bottom line, others are connected to staff retention. Most describe their giving programmes as the ‘right thing to do’.

Companies are using a variety of methods to measure their Business Giving activities. Larger companies can avail themselves of the LBG products and some do. Some multi-national companies are using their parent company’s measuring tools, whereas others make a distinction in the way they operate their Business Giving activities without systematic measuring tools.

This report does not comment on what tools should be used. Rather it recognises the challenge that different tools present when we come to comparing apples with pears.

The New Zealand business landscape is dominated by small and medium enterprise. This report has canvassed predominantly large companies and multi-nationals. Future reports will bring the perspective of the SME Business Giving cohort.

There are any number of community projects for businesses to choose to support. Getting a good match is a challenge and more of an art than a science. Many communities are yet to understand the company imperatives in a Business Giving programme and often miss out on opportunities to engage companies.

Having communities understand how to engage with companies is important. It is different to writing a funding application. The input to the community may be providing in-kind, volunteer time, funding or some other resourcing method.

1 Business Giving – A Roadmap for Development 2013
Companies also have varied methods for finding communities to support. The most common anecdotal method is through employee interest. Payroll Giving lever off this almost entirely.

We hope that through the stories in this report, the questions posed, and the ongoing work programme, we will build an enduring legacy of the achievement of Business Giving in New Zealand.

What Who How

• We looked at the metrics that were available, which were minimal. Companies do report to their shareholders on their Business Giving activities but these reports seldom move out of the company concerned.

• We looked at the LBG data as it stands across their member companies in New Zealand.

• We interviewed 54 recent graduates about their ethical aspirations in the company where they might choose to be employed.

• We developed a set of questions on Business Giving and allowed a select group of companies to choose six that they wanted to respond to.

• We asked a group of companies to give us their stories to illustrate their understanding of their Business Giving programme.

• We consulted with businesses to gain and incorporate feedback.
It is now business-as-usual for companies to invest in the community. It is expected by stakeholders and an integral part of what being a good corporate citizen means. Many companies do not measure what they invest in communities and the impact of those investments often remain a mystery.

The general public in New Zealand has a growing expectation that businesses will reinvest in their community to some extent. The term ‘good corporate citizen’ is no longer a foreign concept and is now embraced by many.

Business naturally expects a return on investment. By implication, it follows that investment in community activities should also deliver a return. The challenge facing businesses is how to understand that return.

Clearly, the lack of public reporting is not a reflection of the Business Giving activity occurring. This indicates that shareholders understand their level of investment and are happy with their return. The question remains: how do those businesses and shareholders measure the impact on their business and correlate that with community impact.

The range of measurements used to assess return on investment or impact in the community are diverse. Metrics used may include impacts on:

- People
- Community organisations
- The environment

Measuring the impact on the company is also a legitimate measure. The most commonly measured impacts upon a business are the impact on employee participants and the impact on the business itself. The quality of that impact can be further measured as the system of measurement becomes more sophisticated.

Understanding the outputs, or the activities delivered, can address questions about how the programme is delivered and how impacts are secured. Community outputs might include:

- The number of individuals participating
- The characteristics of participants
- The organisations supported
- The types of environments supported
Business outputs also form part of the measurement picture. Data that might be gathered here could include numbers of:

- Employees involved
- Media coverage achieved
- Customers involved
- Suppliers involved
- Other stakeholders involved

Other measurements that help round out the picture of a company’s Business Giving programme is the inclusion of inputs such as cash, time, in-kind and management costs. Overall, a picture emerges about how well the Business Giving activities are meeting the strategic intent of the Business Giving programme.

What New Zealand businesses are contributing to the community is largely unseen and unexplained. This publication takes the first step in collating Business Giving information for New Zealand companies. In doing so, it starts a dialogue focused upon good corporate citizenship and places it in the public arena. By establishing a place for collecting and reporting information, we can deliver a greater understanding of the impact of Business Giving in New Zealand.
Benefits of Participating

**Sharing**

The vignettes in this report showcase flagship partnerships that demonstrate what has been achieved in the community and in the donor company as a result of the giving programme. Sharing these stories also provides an insight for other companies and for communities to understand the value of Business Giving and the mechanisms that enable it to operate.

**Growing**

For some businesses, developing a Business Giving programme is tantamount to climbing Everest. Some of the stories and question sessions in this report unpack ways to approach a giving programme to simplify and demystify the processes and practices associated with a Business Giving programme.

**Measuring**

A key theme in this report is measuring the impact of Business Giving. Whether that impact is social, environmental, cultural or something else, shareholders and stakeholders are keen to understand how Business Giving makes a difference in the lives of New Zealanders.

Some companies have inherited systems from parent companies while others use LBG tools. A vast number of companies have set their own giving programme metrics. A number of companies struggle to quantify the value of their Business Giving programme.

Growing and understanding measurement across Business Giving activities through participation in this report is an intended benefit.

**Improving**

If, by reading this report, a light bulb goes on for a company about how they plan, manage and measure their Business Giving programme, then this report will have met one of its key objectives.

Future iterations of this report are expected to build on this body of knowledge and contribute to the growth, measurement, management and participation of companies in Business Giving activities.
Definition

Companies engage in activities that can have a positive impact on society by creating wealth, employment, paying taxes, delivering goods and services, and driving innovation. Over and above these activities, companies can contribute to addressing a range of issues in the communities where they do business. Voluntary engagement with community organisations, beyond a company’s core business activities, is broadly what is meant by Business Giving.

The types of support companies provide to communities vary considerably. It ranges from one-off donations to sustained, long-term partnerships. Companies also engage in commercial activities that directly support community organisations.

Other terms are used to describe Business Giving activities such as Corporate Community Investment, Corporate Social Responsibility and Community Investment. The report “Business Giving – a Road Map for Development” explains these definitions more fully.
Next Steps

Companies from Wellington and Auckland consulted on an early draft of this report and their feedback included. Beyond that, some ideas coming from these companies have informed the future work planned for this report.

Some companies weren’t able to provide feedback before this report was published. We will continue to collect their input for incorporation in the next report.

A five year plan for producing this report is in development. At the very least, we intend to publish the report annually. As the report grows, incremental online commentary may also be added.

An overwhelming response to evocative and illustrative case studies compels us to collect more. They epitomise what Business Giving is about and provide a picture that is often more valuable than a set of numbers.

Future reports may include useful information for companies to understand benchmarking and measurement methods. The conversations a company has at a senior level when considering a Business Giving programme could prove useful to those companies that have not yet landed on a strategic fit for any proposed giving programme. Insights into the ways companies consider their approach to Business Giving is likely to also provide a guide for communities hoping to engage companies in their activities. Further insights will come from a section about the outcomes of the BACS annual Good Business Eggs Awards.

As the body of work grows, consideration will be given to bringing an academic overview to the work. The collection of case studies and questions can be enhanced by a thorough and methodical look at the quantitative data we are able to collect through this work programme.

Over the next year, we will continue to engage with the companies that have already participated in this report and continue to recruit more companies, particularly in the SME sector to participate.
What We Need

We need companies to participate in this work as much as it is possible for them to do so. We would like them to share their stories and as much of their information about why they run the programmes they do, how they measure and report those programmes, the challenges, the highs, the lows and the metrics.

We are keen to know of any constraints companies may have in sharing data with us so we can make accommodation in our data collection methods.

As always, we invite feedback and collaboration in the production of these reports. Our contact details are on the back of the report.
## What we Know

| $100 M+ | $100 M plus has been given by businesses in cash and kind to the community annually* |
| 1.46% | On average, 1.46% of pre-tax profit is given to communities by international business |
| 100 | 100 businesses have been asked to participate |
| $567 | Average contribution per employee by LBG member |
| 98% | 98% of surveyed graduates answered YES to this question: “Do you think it is important that businesses in New Zealand demonstrate Corporate Social Responsibility?” |
| 80% | 80% of graduates said YES when asked: “Did you take into consideration whether the business you were seeking to employ you had a sustainability or community engagement strategy?” |

*GNZ Corporate Citizens Research Project 2009
What we don’t Know

How do we compare, report and map the value and differences between multi-national, corporate and SME Business Giving?

What do companies include in their Business Giving figures?

What influences New Zealand companies to see value in Business Giving?

How many Business Giving measurement systems are available to companies? – What are the challenges in getting them to talk to each other?

Are there companies who don’t see value in having a Business Giving programme?

Is it possible to develop a process of collective reporting on business giving across New Zealand companies?
Business Giving Stories
Growing Social Enterprise in New Zealand

NZ Post Group and Ākina Foundation have been working together since 2012, to grow the next generation of social enterprise in New Zealand.

The partnership focuses on building resilience in New Zealand communities, by providing social enterprise workshops and clinics across the country. NZ Post Group’s annual cash contribution ensures the events are free to attend for social entrepreneurs and social enterprises at all stages.

Employees from NZ Post Group have the opportunity to volunteer as part of the programme, offering fresh perspectives on the challenges or opportunities facing these purpose-driven enterprises and contributing a wide range of business skills.

In 2014/15, the goal is to reach more than 75 social enterprises through workshops and clinics in locations across New Zealand, and for social entrepreneurs to report that the experience has been effective in building their capacity.

In addition, NZ Post Group and Ākina have agreed impact indicators relating to the impact of the program on both employees and the business as a result of being involved.
In-store fundraising at The Warehouse enabled children from local low decile schools to visit Wellington Zoo through The Warehouse Wellington Zoofari.

With over $25,000 raised in 2013, The Warehouse and Wellington Zoo are hoping to raise more money this year to help send even more kids to the Zoo.

The first year of The Warehouse Wellington Zoofari has been wildly successful with more than 1,700 students from 16 low-decile schools in the Wellington region visiting the Zoo for a special, conservation-based learning experience.

The Warehouse Wellington Zoofari enables students from local low-decile schools to visit Wellington Zoo for a hands-on, nature-based learning experience. NZ Bus supports the project providing discounted transport for the schools to get to the Zoo. All transport and learning costs are covered by The Warehouse Wellington Zoofari.

In 2014, fundraising will be extended to the Tasman region to enable low-decile students from the Upper South Island to experience learning at Wellington Zoo, and participate in a special Zoofari Sleepover.

Amy Hughes, Wellington Zoo’s General Manager Community Engagement, says “The Warehouse partnership is a wonderful project. It has been wonderful to see so many local kids coming in – and for many of the students it is their first time visiting the Zoo. You can spot the excitement and wonder on the faces of the students participating in a Zoofari session as soon as they walk through the doors. ”

“Both The Warehouse and NZ Bus have been enthusiastic supporters of the project. It’s exciting to be working with organisations that share our community focus,” said Ms Hughes.

Nearly 12,000 students visited Wellington Zoo in the past year to participate in Ministry of Education Learning Experiences Outside the Classroom (LEOTC) programme.
Now in its fourth year, Countdown’s Food Rescue programme has grown to provide more than $3.4 million worth of food to food banks around the country last year. The programme partners nationally with The Salvation Army and helps supply food parcels weekly to local Salvation Army centres and other regional food banks. Food donations combine Countdown and customer donations of perishable and non-perishable food items that can no longer be sold but are still fit for consumption.

Originally stemming from Countdown’s desire to reduce waste, the programme has a dual benefit for both the company and its communities, giving food a second life to Kiwi families who need it the most and reducing waste at the store. Countdown has close to halved its waste to landfill over the last 7 years, despite growing in shop space by 33% over that time.

The Salvation Army Director for Manukau Ministries, Pam Hughes, says that the Countdown programme helps to support more than 56,000 food parcels provided to families every year around the country.

“Countdown’s Food Rescue supports many thankful families, especially when facing unexpected bills. Parents are very grateful for this assistance – particularly as knowing that their children will have adequate food through a difficult time reduces much of their anxiety. Continued rising weekly living costs mean those on limited incomes face increased financial pressure. Some are paying up to 70% of their weekly income in rent and bills, leaving little for food, something that many of us take for granted,” says Pam.

Countdown Food Rescue is continuing to expand with new Countdown stores coming on board with the programme when they’re opened. Recent additions include Countdown Whitianga, Amberley in North Canterbury, and Ferrymead, Christchurch who have all partnered with their local Salvation Army centres this year.

While Countdown Food Rescue runs throughout the year, Countdown increases its collections at Christmas, when the need for food parcels is the strongest. Last Christmas, the donations received from the generosity of Countdown customers, as well as store donations, helped feed 17,000 Kiwi families over Christmas alone. To kick off the Countdown Food Rescue Appeal every Christmas, Countdown also donates $500 worth of groceries in every store adding up to $86,000 of groceries nationwide. In addition to Food Rescue, Countdown stores also provided more than $1.1 million of food to farmers in the last year, to be used as stock feed.

Countdown is now one of the biggest food bank contributors in New Zealand and supports the company’s commitment to giving back to the communities it lives and works in, and helping make life better for New Zealanders.
6 Quick Questions
1 Who comes up with the bright ideas for funding your community partners?
   National partnership (Sealord Swim for Life) via our marketing team and partner agencies; smaller community support is via individual staff members.

2 Name one way that being involved with community organisations has impacted on your business.
   Staff engagement – more than 12,000 free swimming lessons provided to staff and their children over four years, bringing to life our ‘safety first’ value.

3 What has been the most fun/moving/interesting event you have engaged in with your community partners?
   Making awareness adverts with Oscar Kightley (himself a novice swimmer) and real kids involved in the Sealord Swim for Life programme (including some of our staff’s children). http://sealordswimforlife.org.nz/parents/#videos

4 How do you celebrate success with your community partners?
   They take us fishing from time to time! We have annual get-togethers with other partners to celebrate, review and renew.

5 How do you encourage your employees to get engaged with your community initiatives?
   Each staff member can nominate their child, a friend’s child or themselves to receive 10 free swimming lessons each year – making our Sealord Swim for Life initiative real and beneficial for our people.

6 Do you think NZ businesses are currently ‘giving’ enough to make an impact on social needs?
   There will always be more to do – especially at the ‘tough-end’ of community needs.
1 Does your business get involved with ‘hands on’ activities in the community and, if so, how?
Our staff support various charities through ‘mufti-days’ – and by offering to collect for charities during their appeal weeks. We also provide space within our centres for charity appeal weeks.

2 Who comes up with the bright ideas for funding your community partners?
We have a community programme charter with members who are representatives of various areas of the business who govern.

3 Name one way that being involved with community organisations has impacted on your business.
Everyone knows someone with a challenge and knowing your organisation gets behind those in need demonstrates a caring relationship.

4 What has been the most fun/moving/interesting event you have engaged in with your community partners?
A number of executive and staff are attendees at various fundraising functions. This allows for networking and colleague engagement.

5 Do you think NZ businesses are currently ‘giving’ enough to make an impact on social needs?
I think that more understanding of the real needs come first. Giving is something that we are all learning to do.

6 How do you measure/report your investment in the community?
Annual report and recent participation in LBG’s benchmarking model.
1 Does your business get involved with ‘hands on’ activities in the community and, if so, how?
Yes - as well as sponsorship, the smelter provides in-kind support for our major partnership, Kakapo Recovery. Our employees volunteer to assist on the kakapo inhabited islands with maintenance, supplementary feeding and nest minding of kakapo – almost 1,100 volunteer days to date.

2 Who comes up with the bright ideas for funding your community partners?
Usually we are contacted directly by various community organisations, plus of course we look for opportunities ourselves. Our Community Relations Officer will assess the opportunities and make recommendations to the General Manager. The GM has final signoff.

3 Name one way that being involved with community organisations has impacted on your business.
These opportunities definitely improve employee engagement – and also give our people the chance to participate in things they wouldn't normally be able to do, e.g. to travel to sanctuary islands that are not open to the public to look after kakapo (a critically endangered species).

4 What has been the most fun/moving/interesting event you have engaged in with your community partners?
Within the last year we have held four events with students from the Southern Institute of Technology (SIT). Our Employee Activities Group organises events which are aimed at bringing our employees together on a social basis, as well as to improve morale. SIT students have helped to organise and host the events for us. It has been great for everyone – fun for our employees to work alongside local students, and of course fun for everyone who comes along to each event. It is beneficial for students also as these events form part of their curriculum.

5 How do you encourage your employees to get engaged with your community initiatives?
Participation is entirely optional – as with everything, some people are interested and some are not.

6 How do you measure/report your investment in the community?
A Sustainable Development Report is prepared on an annual basis. Community initiatives and donations/sponsorships are also reported to the NZAS board each year, as well as to Rio Tinto via their annual Social and Environment Survey.
1 **Does your business get involved with ‘hands on’ activities in the community and, if so, how?**

Yes, every employee is entitled to one day’s paid leave to do voluntary work for a charity or community group. We also often include volunteering as part of a Bayer conference or as a team building exercise. In addition, we sponsor the Motutapu Island Restoration Trust which has set aside an area of land, named the Bayer Block, for Bayer employees to plant trees on as part of volunteering. Furthermore, we get behind one national fundraising day per month, e.g. City Mission, Cancer Society, Loud Shirt Day, Breast Cancer etc.

2 **Who comes up with the bright ideas for funding your community partners?**

A group of Give Champions made up of representatives from all parts of the Bayer business group, including corporate.

3 **Do you have a workplace giving programme and, if so, what percentage of contribution is made?**

Yes, it’s called the Give Program and is made up of four components – Matched Giving, Sponsorship, Give As You Earn and Volunteering. All employees are eligible to apply for all aspects of Give.

4 **Name one way that being involved with community organisations has impacted on your business.**

This area of business is known as Corporate Social Responsibility and is part of our core sustainability philosophy. It’s our licence to operate and globally sees us ranked among the world’s sustainable companies. In recognition of its achievements in reducing greenhouse gas emissions and its strategic handling of the consequences of climate change, Bayer has once again been included in ‘The A List: The CDP Climate Performance Leadership Index.’

5 **What has been the most fun/moving/interesting event you have engaged in with your community partners?**

The release of kiwi on Motutapu Island; the showcasing of Sparky the one-legged kiwi through our sponsorship of the Whangarei Native Bird Recovery Centre; doing Relay for Life for the Cancer Society.

6 **How do you measure/report your investment in the community?**

Through a global Bayer online reporting portal where we input data on all our donations and sponsorships. Total worldwide amount involved is about 50 million euro per year (over NZ$80,220,000).
1 Does your business get involved with ‘hands on’ activities in the community and, if so, how?
Each Spark New Zealand employee is gifted one paid day per annum to volunteer in the community. It’s up to the individual how they use the day. Hands-on activities (such as tree planting and beach clean-ups) are very popular and skills-based volunteering is also encouraged – meaning that community organisations can borrow our Spark brains!

2 Do you have a workplace giving programme and, if so, what percentage of contribution is made?
The Spark Foundation encourages the generosity of Spark people. We run a strong payroll giving programme. 18% of our people participated in the programme last year and in total we have donated almost $2.5million through our programme (in three and a half years), which includes employee donations and Spark’s matching of donations.

3 Name one way that being involved with community organisations has impacted on your business.
Spark people tell us how proud they are of their Foundation, of our internal programmes, our ownership of Givealittle and the generosity it’s enabling, as well as our partnership with the Manaiakalani Education Trust. So we believe our community engagement helps to contribute to our positive culture as an employer – and potentially to help attract talent to join our company.

4 What has been the most fun/moving/interesting event you have engaged in with your community partners?
Givealittle causes move us every day. There’s a great deal of need in New Zealand and we’re proud to power a platform that all New Zealand charities, schools and individuals can make use of it at zero fees. Likewise, we are inspired by the students of the Manaiakalani schools. The engagement with their learning, creativity and zest for life is contagious!

5 How do you celebrate success with your community partners?
Social media is a key means for us to share and celebrate our generous Spark people, generous New Zealanders and our partners.

6 How do you encourage your employees to get engaged with your community initiatives?
Sharing and telling stories is our key means of engagement with our Spark people. We also have a network of Spark Foundation Ambassadors (72 employees) across the country who are ‘fans of the Foundation’ and actively promote our programmes to their colleagues. At Spark we believe giving is a personal choice and we allow our people to choose what they support (how they use their volunteer day or payroll giving) and our people also have the flexibility to tailor activity at a local community level.
Sources

For the purposes of this report, information about the NZ 50 companies was provided by CAER PTY Ltd during August and September 2014. Website: www.caer.org.au

BACS also offered a handful of companies to report a small story or complete the BACS Quick 6 Questions to get a sense of what is happening in the New Zealand community. The value of Business Giving in New Zealand is undoubtedly higher as this only includes the 23 NZ businesses for which data was available. Only four of the 23 stated they were involved with payroll giving.

BACS Graduate Survey was conducted between July-August 2014 in New Zealand with 54 recent graduates. Website www.bacshares.org.nz

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