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Five Reasons Why An Employer Would Offer Payroll Giving

1) Your staff are asking for it.

Research conducted in New Zealand found that:

72% of employees have a strong sense of loyalty to the company they work for; when the company supports a charity

63% feel proud of the values that their company stands for; when the company supports a charity

And

39% believe their company should support a charity; where they don't already

In Australia over 70% of companies believed it enabled employees to engage with the community and make a difference.

Participation rates might be between 10 to 25 percent.

2) Your consumers are asking for it

82% say they would be more likely to buy products and services from a company that supports a worthy cause they care about

65% would buy products or services from a company that supports worthy causes, even if slightly more expensive

73% would be prepared to change their brand or service to a similar brand that supported a worthy cause

3) New Zealanders are asking for it

94% believe it is a good idea for companies to support charities

85% think more highly of companies that support charities

59% believe it should be standard practice for companies to financially support charitable causes.

In Australia 63% of companies with payroll giving believed it was an efficient way to support the community and 56% said it reinforced the company's positioning as a good corporate citizen.

4) Your competitors are already doing it

Half of companies are already contributing financially to charities and community organisations.

In Australia about \$18 million is raised each year from payroll giving and the average donation is about \$190 per annum.

Australian companies participating in pay roll giving programmes regard the opportunity as a relatively low cost, and relatively straightforward to administer.

5) The benefits outweigh the costs

In New Zealand there is no obligation for the use of an intermediary company which could be argued is a simplification of the process.

Employers will deduct the donation, check for eligibility on the IRD website, give the staff their tax deduction, pass the contribution to the non profit and notify them that a donation has been received. The company will obtain a receipt directly from the non profit.

Payroll software companies will provide the necessary changes to the software to enable the process from January 2010.

For charities this is a low cost way of fundraising, albeit passive way of fundraising.

Summary

Your benefits are:

- Staff support and loyalty
- Consumer support and brand positioning
- Demonstration of good corporate citizenship
- Achieving competitive advantage