

Thursday, 7 August 2008  
2:00 pm WST

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## PILBARA SMALL BUSINESS VITAL LINK FOR STRONGER COMMUNITIES

The findings of a recent research report exploring small-to-medium enterprises' attitudes and practices to giving, community investment and philanthropy were presented to Pilbara businesses in Karratha today.

The breakfast event, co-hosted by Western Australian Community Foundation and the Karratha & Districts Chamber of Commerce & Industry, also demonstrated the importance of community-business partnerships in creating sustainable, resilient and vibrant communities across the state.

Western Australian Community Foundation is an independent, community benefit organisation created to build community capacity through the growth of support of endowed funds through a program of sustainable investment and constructive distribution of funds. Its key aim is to assist communities establish financial models for funding in a framework that promotes collaboration and coordination of resources.

The research, commissioned by Western Australian Community Foundation and Western Australian Council of Social Services, found that community support by small-to-medium enterprises (SMEs) in WA is high, with 74% of businesses claiming to currently support community-based organisations in some form. The level of support is higher in regional centres than in the metropolitan area, where there appears to be a stronger focus on contributing to the local community.

The social areas that currently attract the highest levels of support in WA are the more 'well known' areas including children or youth, disability and education causes, where businesses feel that they are contributing to "socially healthy" communities. Support that SMEs provide in these areas usually comes in the form of a financial donation, with a typical donation being approximately 1% of annual turnover.

Further, supporters tend to be larger organisations (20-100 staff); established (4 years+) and well resourced (turnover > \$100k pa).

The research, funded by Lotterywest, explored how SMEs in WA currently engage in partnerships with community organisations, and identified barriers and opportunities to foster further relationships between the community sector and small business.

A major finding from the data is the sector's belief that there is opportunity to increase the levels of effective giving for community based organisations from SMEs.

SME representatives articulated a desire to make a real and long term difference within the community. Of established supporters, 45% of those businesses surveyed would be open to increasing involvement; and of current non-supporters, 32% were interested in exploring the idea of community business partnerships.

Survey results of WA SMEs indicated increasing support to community organisations was a matter of more information on who to give to, including information on specific programs, organisations and specific community needs. SMEs also called for more practical information on establishing agreements, and process of getting involved. Further, information is sought by SMEs as to why giving will benefit their business, including details of success stories and examples of other community business partnerships.

Community organisations therefore need to demonstrate value, outline opportunities, make it real and explain the parameters of the partnership in terms of enhancing community connectedness. The research highlighted the underlying driver of community support by SMEs is a desire to make a difference and opportunities that create connectedness, enabling business to be connected to their local community, is very important to encouraging further support from the sector.

“Western Australian Community Foundation can support SMEs with their giving by connecting passion with purpose through a sustainable model based on local community business partnerships,” said Tonia Swetman, Chief Executive Officer, Western Australian Community Foundation.

“The Foundation works to build community capacity across WA, providing an effective tool to assist community organisations become less reliant on out-of-date, hand-to-mouth funding practises. The research clearly indicates a desire from both communities and SMEs for a business partnership approach to community support. It is the Foundation’s mandate to facilitate this approach.”

Irina Cattalini, Director Social Policy, Western Australian Council of Social Service believes SME support is crucial saying “Opportunities to form partnerships at a local level with local partners are essential to the work undertaken in providing much needed support by community service organisations.”

“Through research initiatives such as this, interesting opportunities for the community sector to build on are identified for practical use when establishing community business partnerships,” Ms Cattalini said.

The study was guided by a volunteer reference group, with representation from the Entrepreneurship Unit at Curtin University, Myer Foundation, Our Community, Geraldton Resource Centre, Wesley Mission, Chamber of Commerce & Industry WA, Smith Family, Treadway Shoes, Philanthropy Australia, West Australian Council of Social Service, Western Australian Community Foundation and Lotterywest.

To download a copy of the report, please visit <http://www.wacf.org.au/Publications.asp> or contact Western Australian Community Foundation on (08) 9224 6000.

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