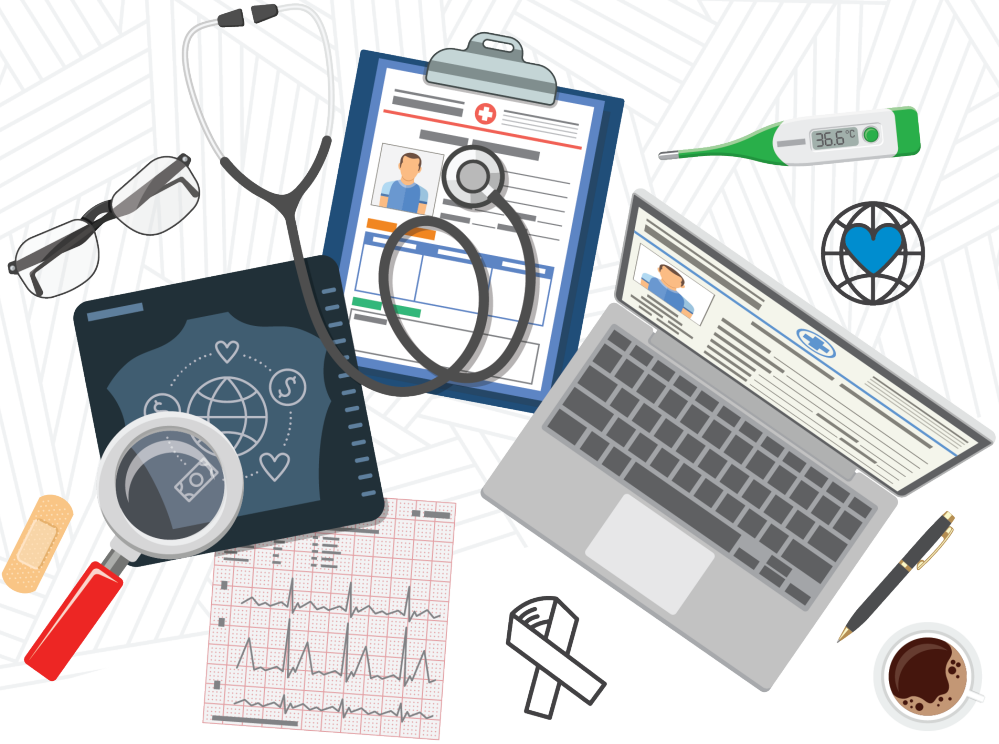

ForMomentum
CREATIVE CAUSE CONNECTIONS

Managing National Corporate Partnerships
National/Local Dynamics

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Study Objectives

There are many varieties of National Corporate Partnerships and most require strong collaboration between HQ and Chapters to be successful. Yet, we know from experience, that nonprofit organizations struggle with ongoing and challenging dynamics between the national and field offices.

For Momentum's study gathers data on important aspects of the most successful nationwide partnership collaboration across the nonprofit landscape. The findings equip nonprofit professionals with actionable insights based on data and best practices shared by 50+ leading nonprofits.

THIS STUDY IDENTIFIES:

- Snapshot of the state of play across NPO's today.
- What are we doing right?
- What opportunities exist for improvement?
- Guidelines for best practice elements.

5 Key Elements of Partnership Dynamics

1. **Cultivation**
2. Stewardship
3. Revenue Sharing
4. Rights & Benefits
5. Execution

Our survey uncovers best practices and policies typically employed for each of the five key areas of collaboration between HQ and Chapters as well as opportunities for improving these dynamics.

Survey Reveals Focus on Cultivation, Revenue Policies and Implementation are Priorities

1. **Cultivation**
2. Stewardship
3. Revenue Sharing
4. Rights & Benefits
5. Execution

These areas represent the greatest opportunity to improve the pipeline, build deeper relationships with corporate partners, and improve staff satisfaction.

Inconsistent awareness or lack of organization-wide practices may lead to:

- Missed opportunities
- Confusion with regard to roles
- Inconsistent implementation across markets

Key Findings: Cultivation

- Nationwide Corporate Partnerships start with relationship building. Cultivation is the critical front end of this process.
- Our research shows that a large proportion of respondents do not report having recognized policies and practices to guide cultivation.
- There is a significant disparity between perceptions of HQ and Chapter staff about roles they each play during cultivation which may result in missed opportunities and/or poor handoffs.

Key Findings: Revenue Sharing

Revenue sharing is thought to be a critical motivator for Chapter participation in National Corporate Partnerships.

- In fact, respondents whose organizations have revenue policies in place tend to be significantly more satisfied with national corporate partnerships than those who believe revenue policies are not in place (64% vs. 42%)

Most staff are aware of some policies. However:

- Approximately 30% of all staff (both HQ and Chapter) involved in corporate partnerships do not believe policies exist today.
- And of those that report having policies:
  - 20% don't know what the referral fee is
  - 30% don't know what the backyard fee is

Key Findings: Execution

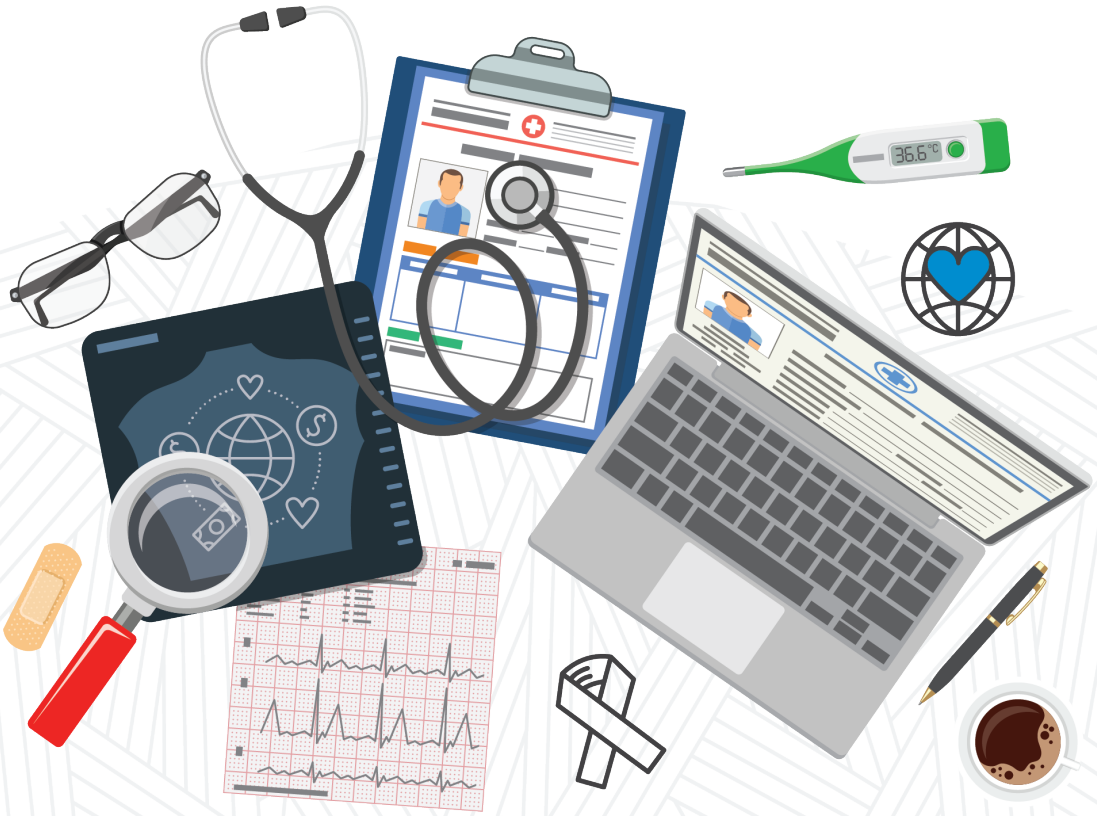
More than half of partnerships have multiple activations.

- This is good news as multiple touch points lead to deeper, stickier relationships with corporate partners

But, there is opportunity to ensure a more cohesive and consistent experience, particularly at the Chapter level where staff indicate they are not getting the support from HQ that they desire:

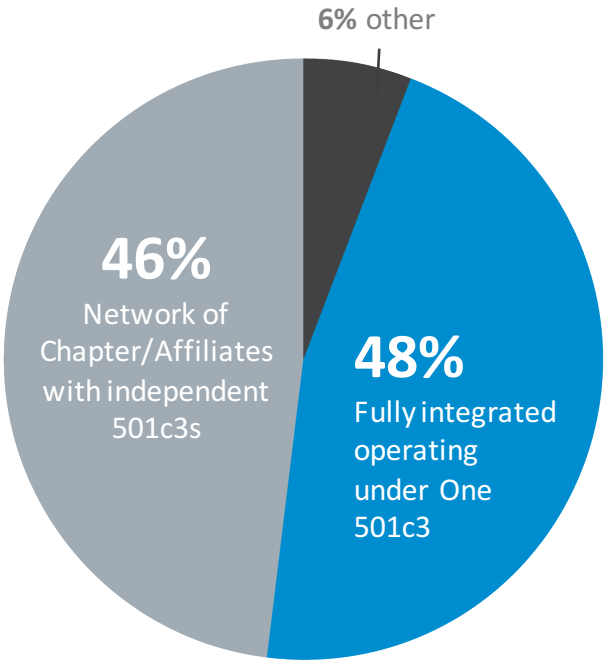
- Nearly half of Chapter respondents do not believe ongoing education or training about partnership opportunities exists but rank it as the #1 desired support
- The availability of a Task Force to develop policies and procedures around partnerships was the #2 desired support at 44%
- The #3 item on the wish list (at 32%) is clear policies for the delivery of national sponsorship benefits at the local level

Firm-O-Graphics

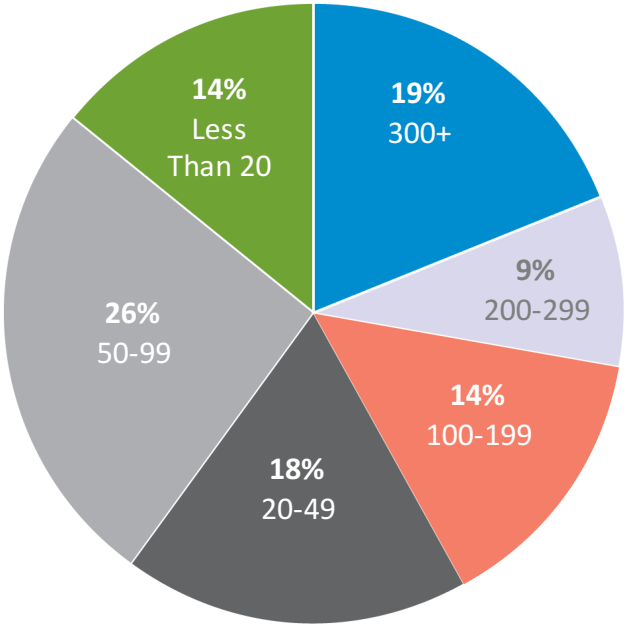


Our Sample is Evenly Divided Between One vs. Many 501c(3)s and Number of Chapters

Organizational Structure

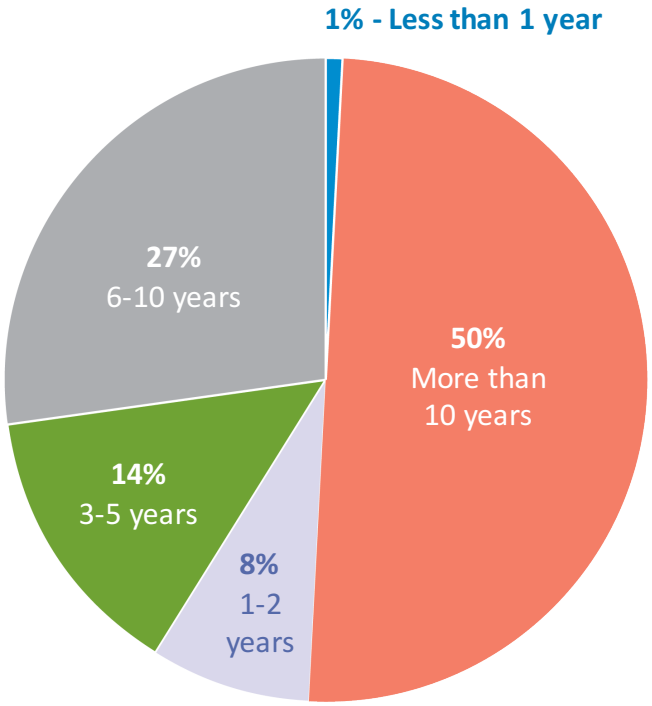


Number of Chapters



Respondents Have Significant Sector Experience

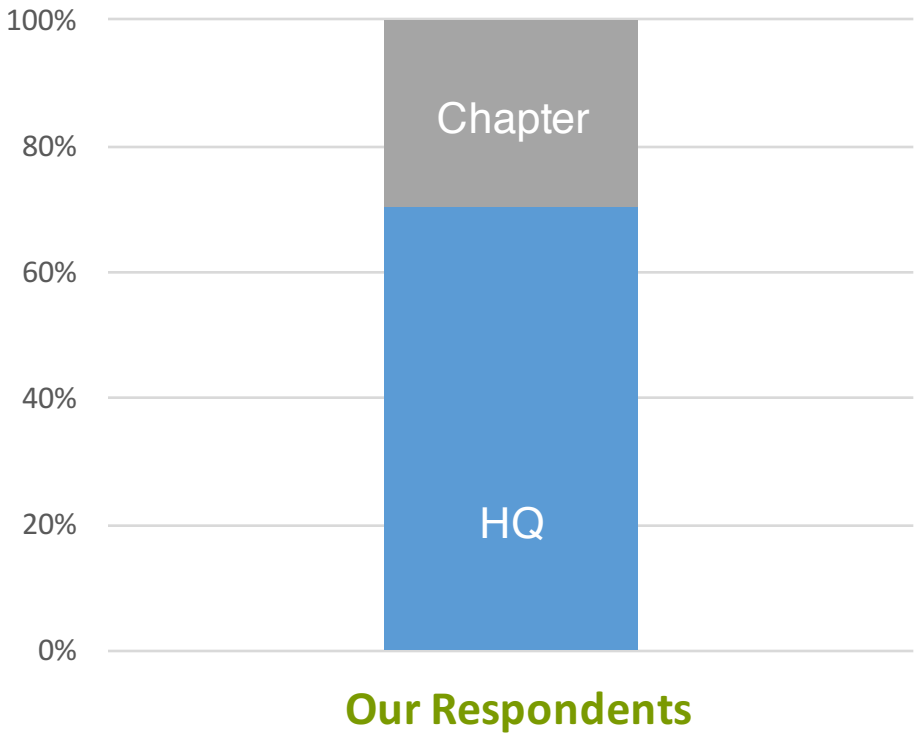
Nonprofit experience



Respondent Organizations

Professionals from over 50 organizations participated, including these leaders:

Results Represent both HQ and Chapter Perspectives

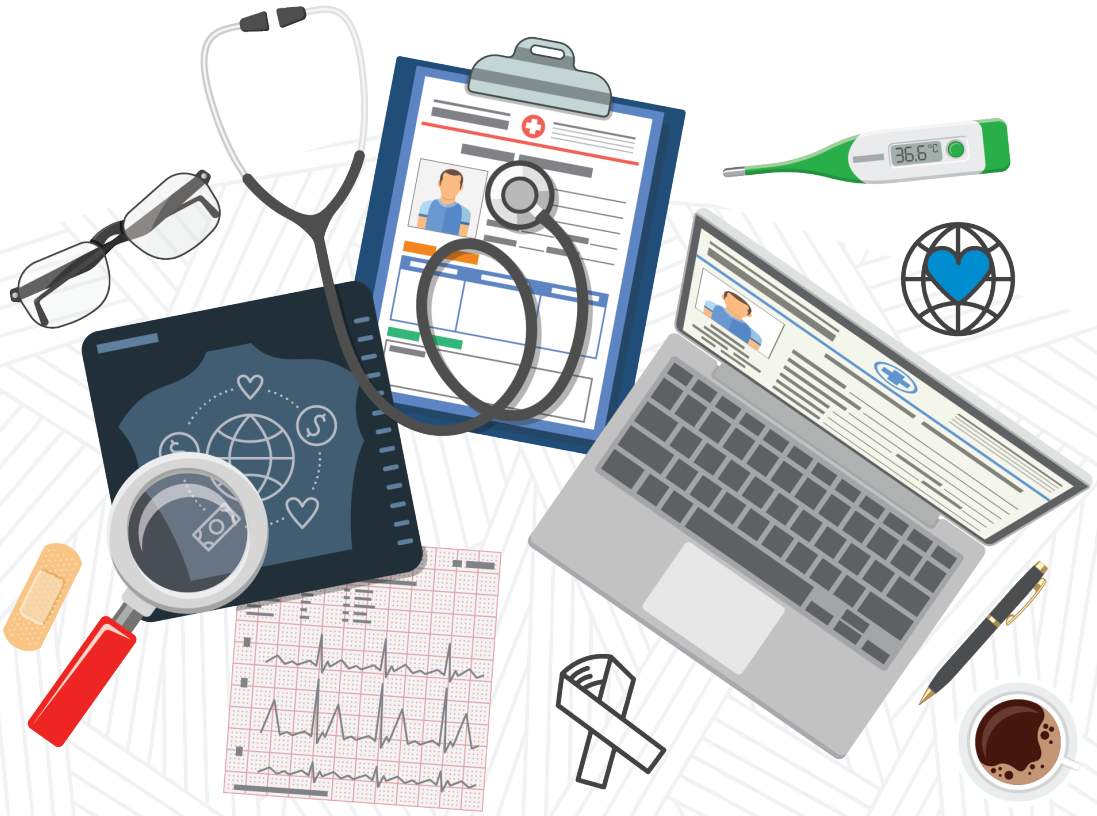


Half of Organizations Require Chapters to Contribute an Annual Fee to HQ

Most annual fees are calculated based on a percentage of revenue or operating budget.

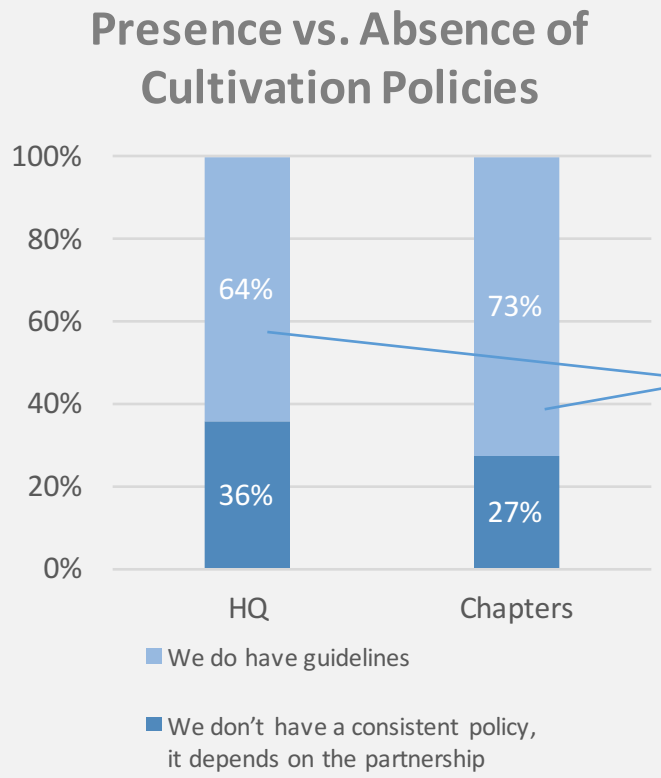
Partnership Dynamics

- Cultivation
- Stewardship
- Revenue Sharing
- Rights & Benefits
- Execution



Approximately 1/3 of NPO's Don't Have Practices that Stipulate Responsibility for Guiding Partnership Cultivation

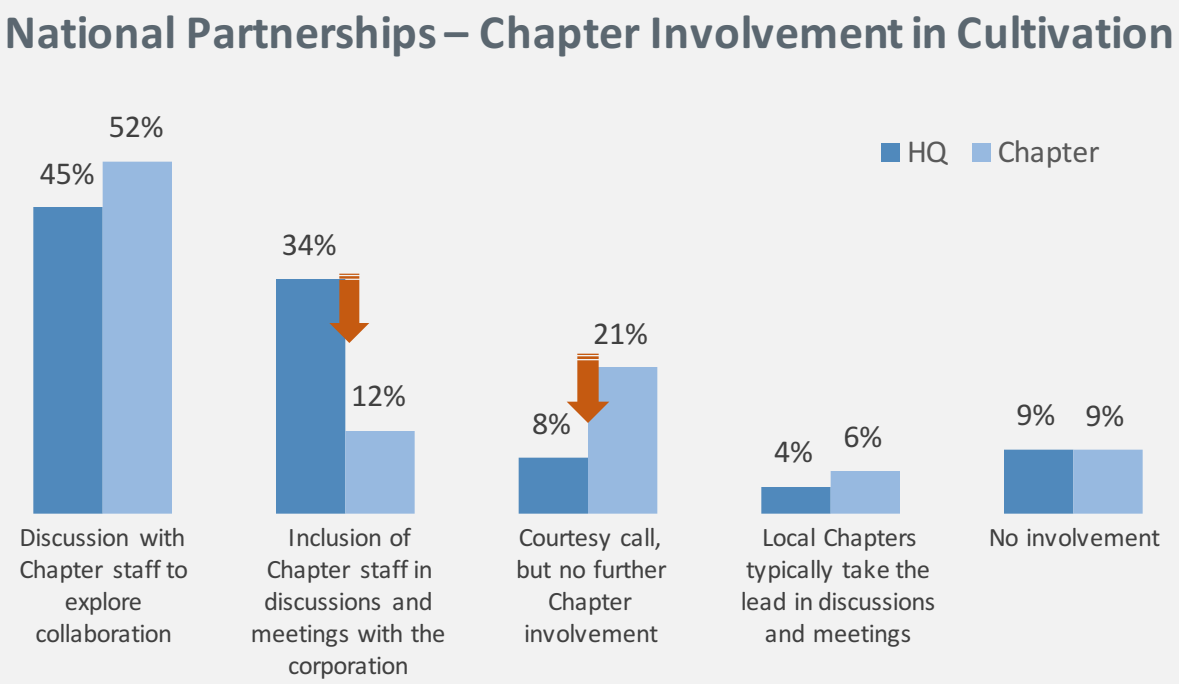
Where practices are in place, HQ usually guides cultivation.



Source: For Momentum Partnership Survey, 4/2017, Q. 11, 37.
How does your organization collaborate with Chapter/Affiliate offices to secure National corporate partners?

And, HQ and Chapters Have Different Perceptions about Chapters' Level of Involvement in Cultivation

Significantly more HQ staff report a greater level of local engagement with the corporation than do Chapter staff.

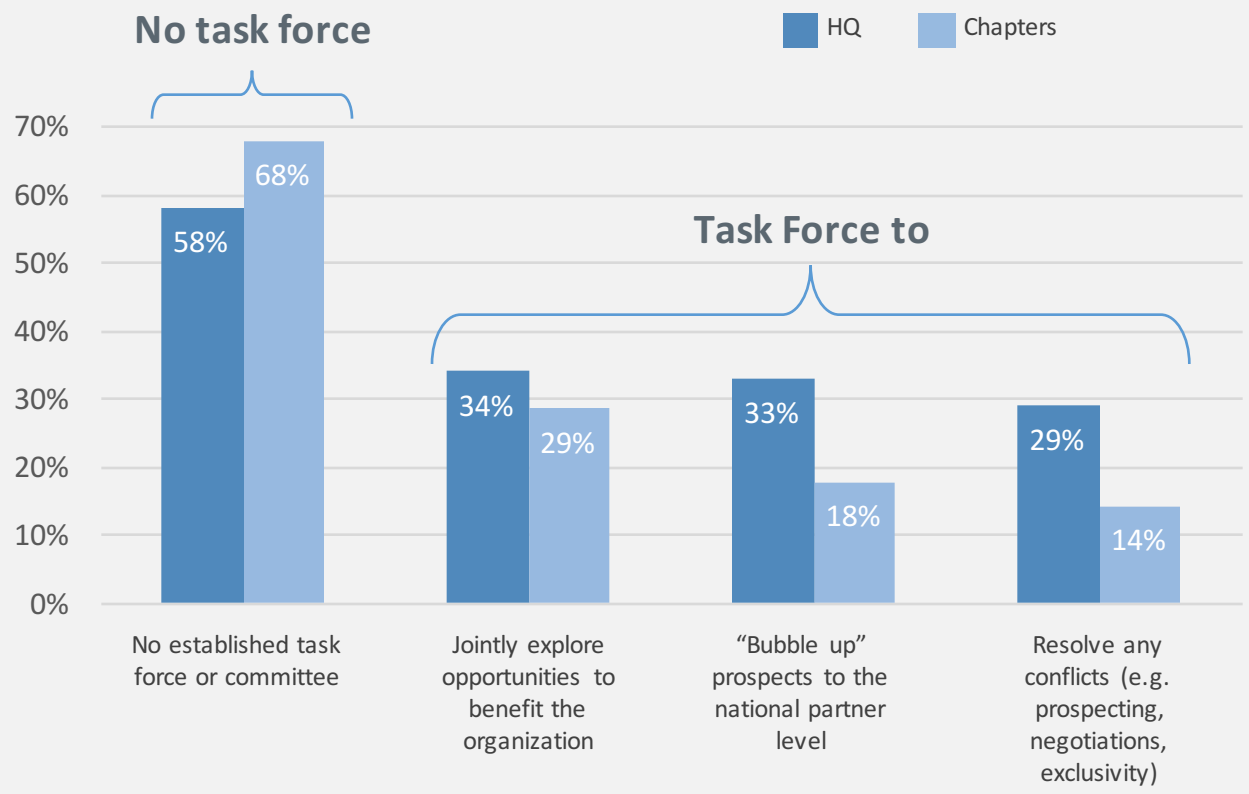


Source: For Momentum Partnership Survey, 4/2017, Q. 12, 38
When securing a national partnership with a corporation, how does the National office involve the Chapters/Affiliates? (check one)

Most Organizations Do Not Have a HQ/Chapter Task Force to Encourage Collaboration During the Important Early Stages

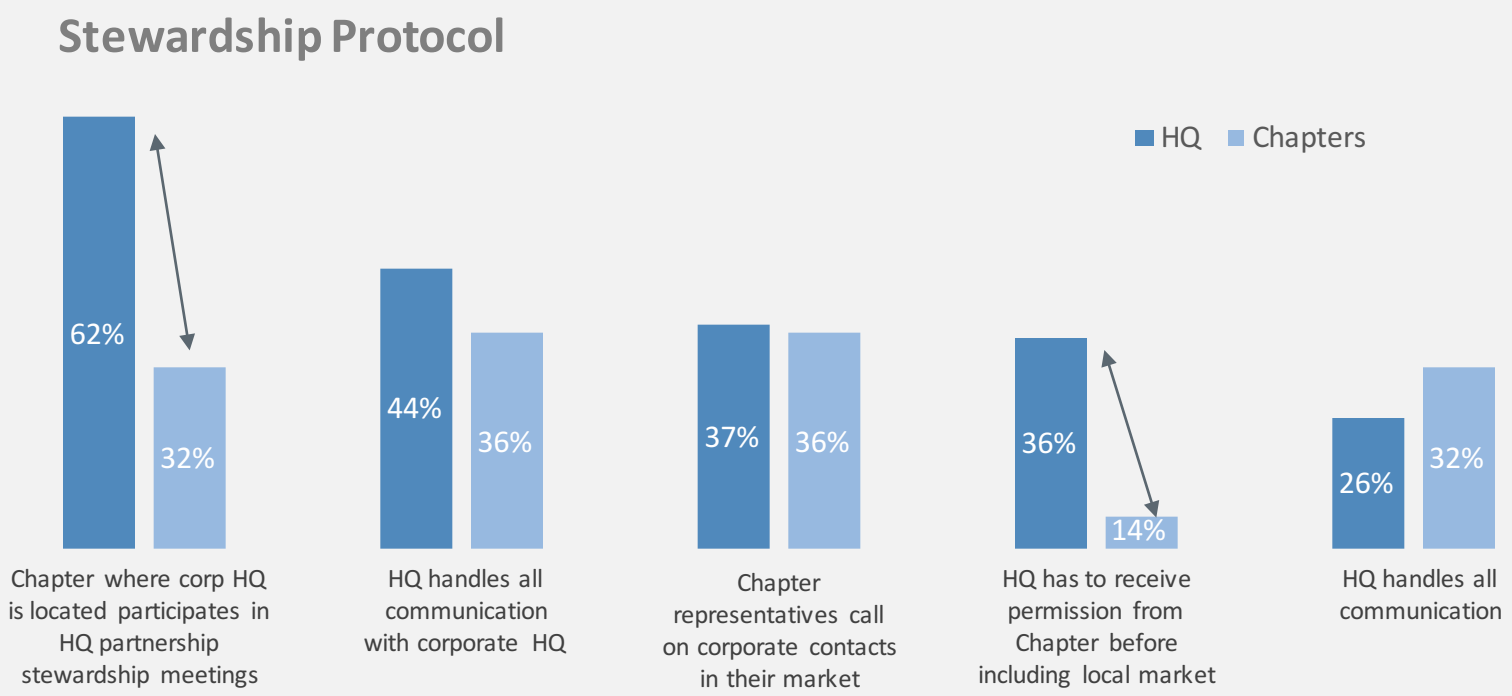
There may be a communication or awareness issue – Chapter staff are less likely to know about or recognize task forces – yet this is a potentially powerful way to ensure transparency and clarity about newly developing partnerships.

Role of Task Force



When it Comes to Stewardship, There are Significant Differences in Local Chapters' Participation

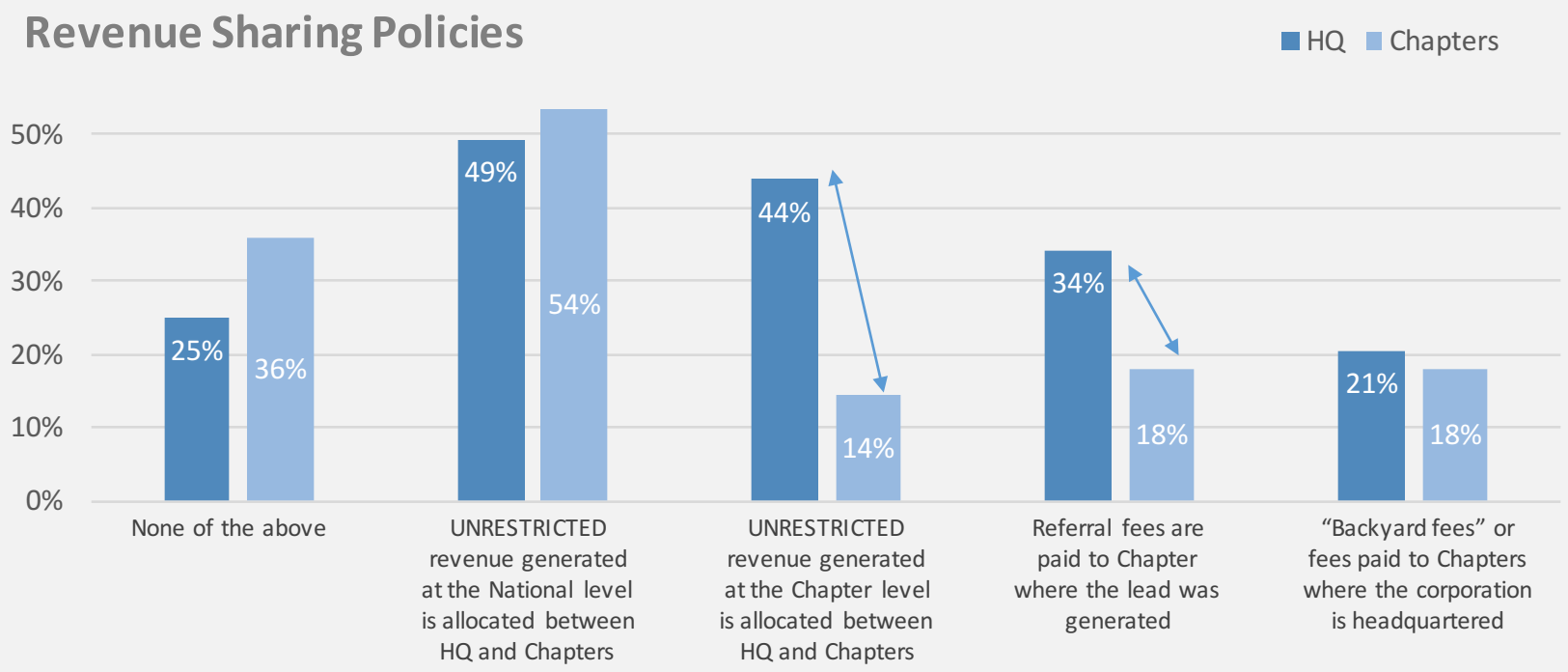
Also a significant difference in perceptions about whether HQ must receive Chapter approval.



For Momentum EFG Survey, 4/2017, Q. 16, 42 - For corporate relationships cultivated at the National level, what guidelines exist to guide National vs. Chapter/Affiliate stewardship once the corporate partnership has been secured? (check all that apply

Beyond How National Program Revenue is Shared, Significant Discrepancies Exist Regarding Revenue Sharing Practices

The majority of organizations do not have referral or backyard fee policies which could provide a strong incentive for collaboration.

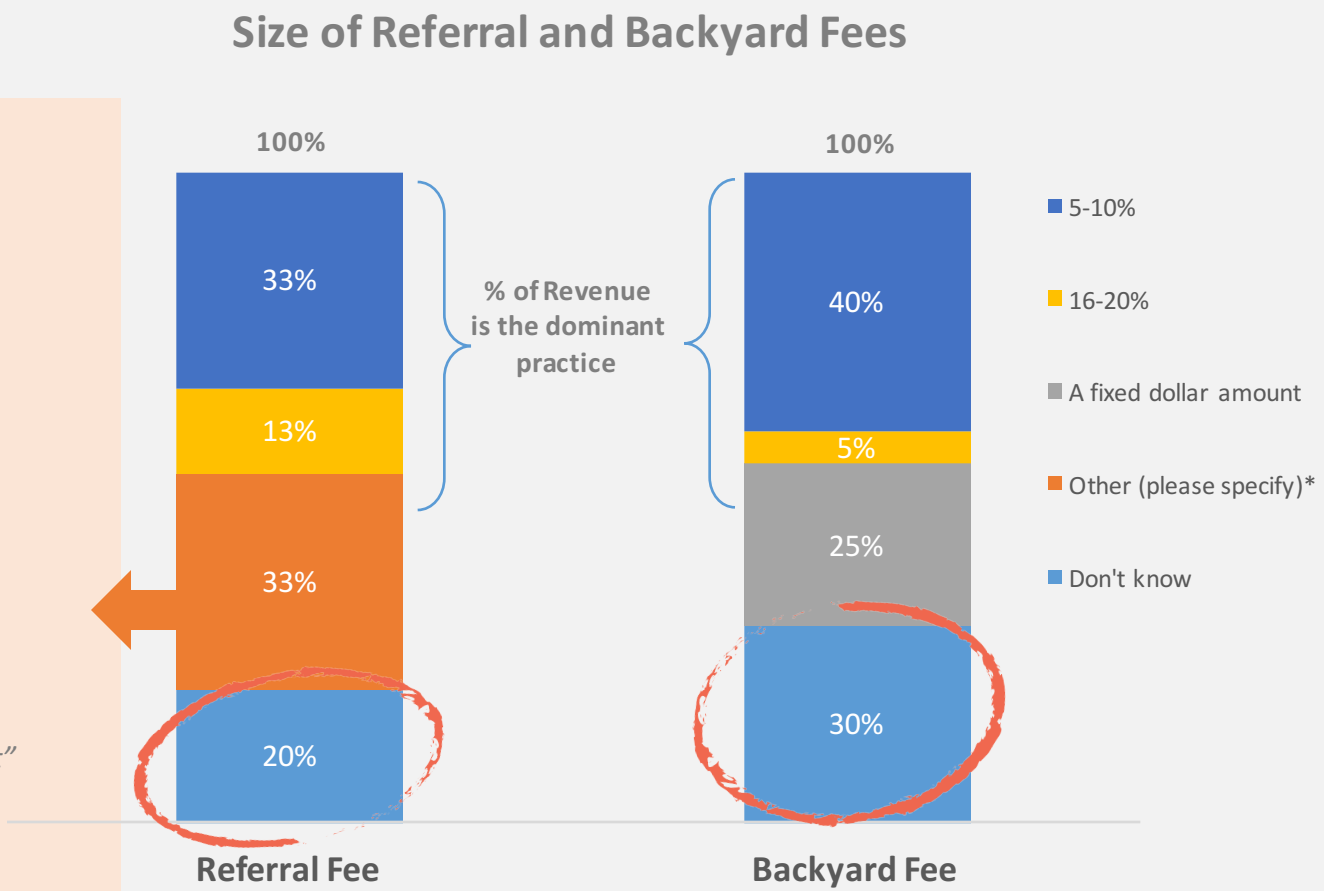


For Momentum EFG Survey, 4/2017, Q. 17,43 When determining revenue sharing arrangements for new National corporate partnerships does your organization have policies and procedures around how: (check all that apply)

A Significant Number of Staffers Don't Know How Referral or Backyard Fees are Determined

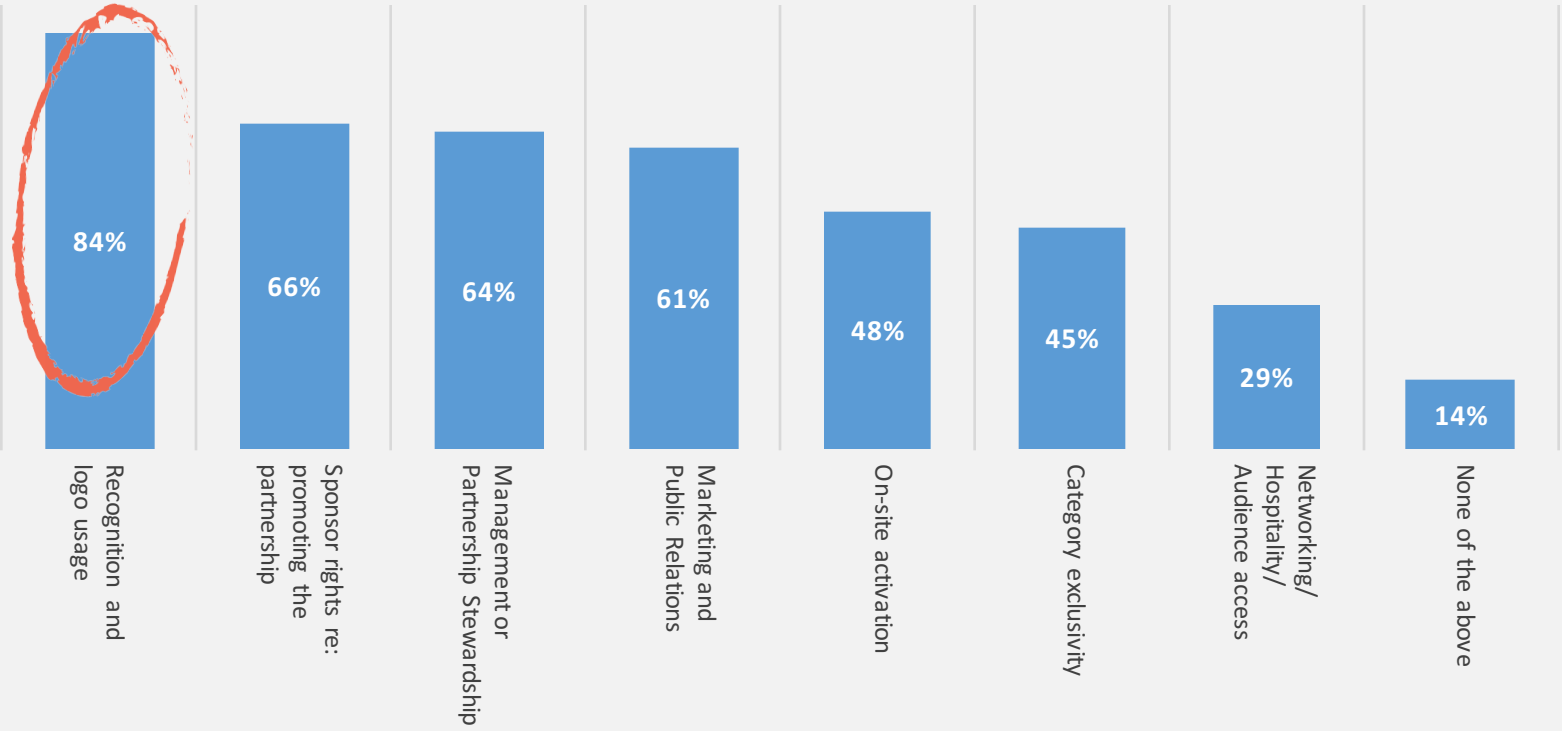
Illustrative
"Other" Responses:

- *"20% but with a cap of $250,000"*
- *"10% year 1, 5% year 2, 1% year 3"*
- *"10% if they have no prior relationship. 15% if they do + a keep whole provision".*
- *"10% to referring chapter 10% to hometown chapter both cap at $125k"*
- *"It depends on the donor intent"*



Rights & Benefits Policies are Almost Universal for Recognition and Logo Usage But Less So in Other Areas

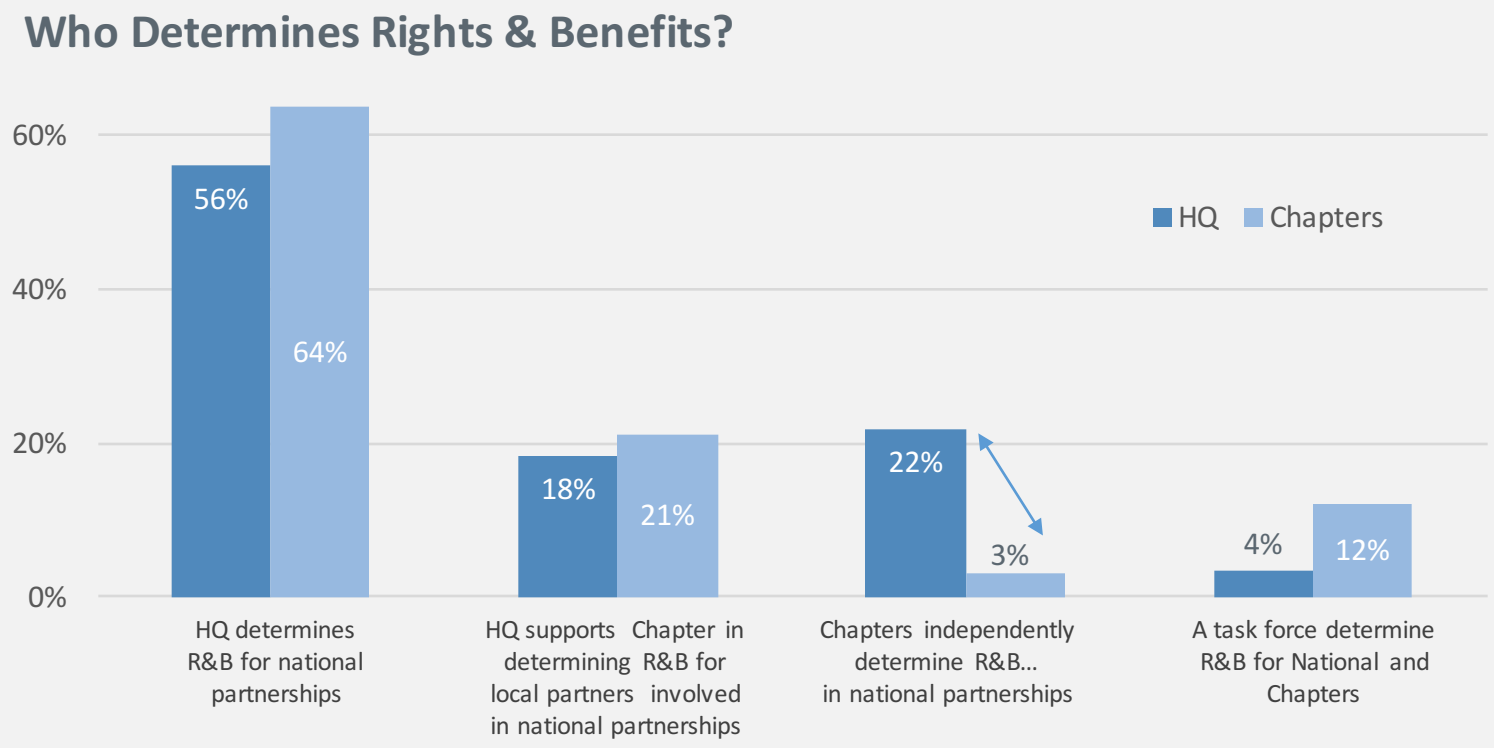
Presence Of Rights & Benefits Policies



Source: For Momentum Partnership Survey, 4/2017, Q. 24, 50, Does your national organization have defined policies related to the following National partner benefits? (check all that apply)

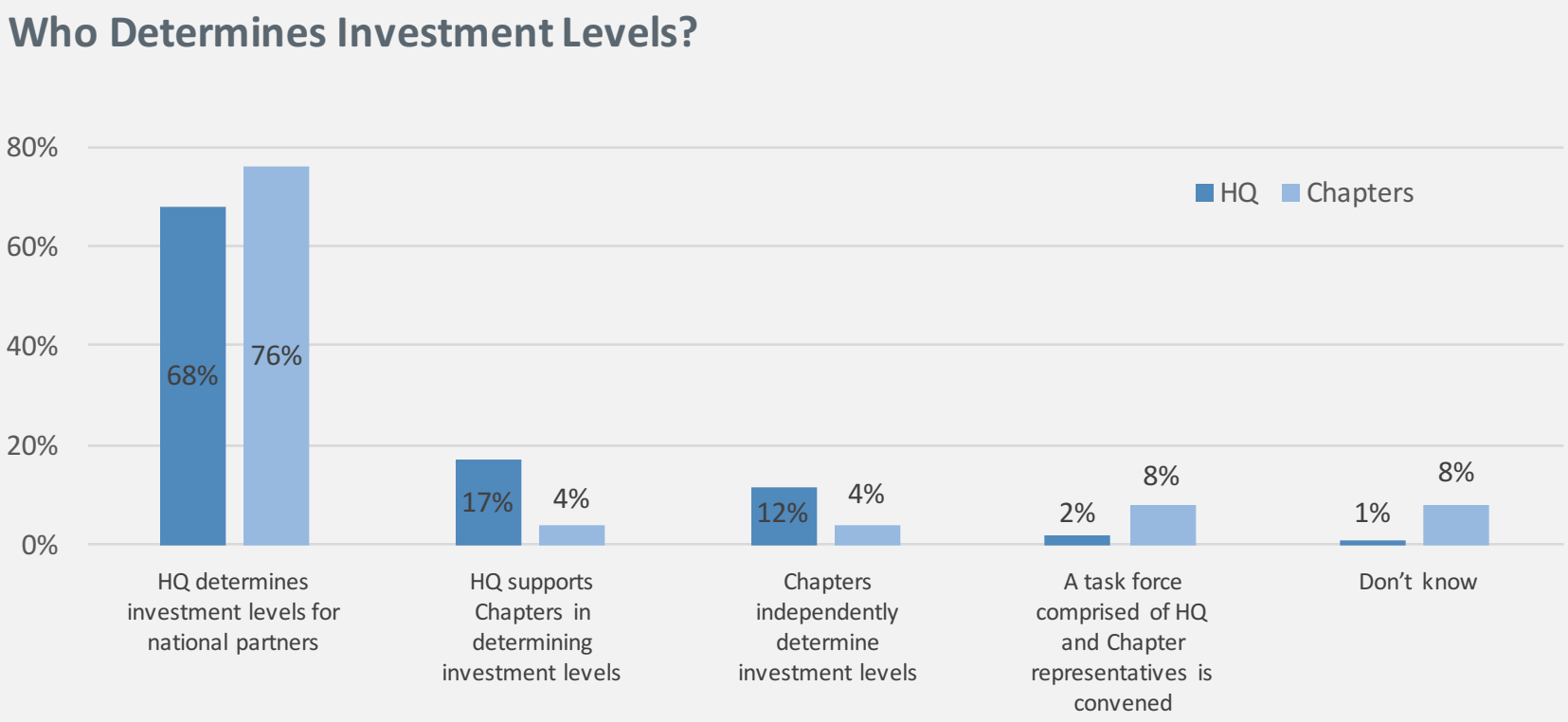
There is Broad Agreement that HQ Negotiates Rights & Benefits for National Partnerships

However, HQ more often perceives that Chapters make independent decisions in their own markets for National Partnerships.



Source: For Momentum Partnership Survey, 4/2017, Q. 25, 51, Which of the following best describes how rights and benefits are determined for NATIONAL partnerships: (check all that apply)

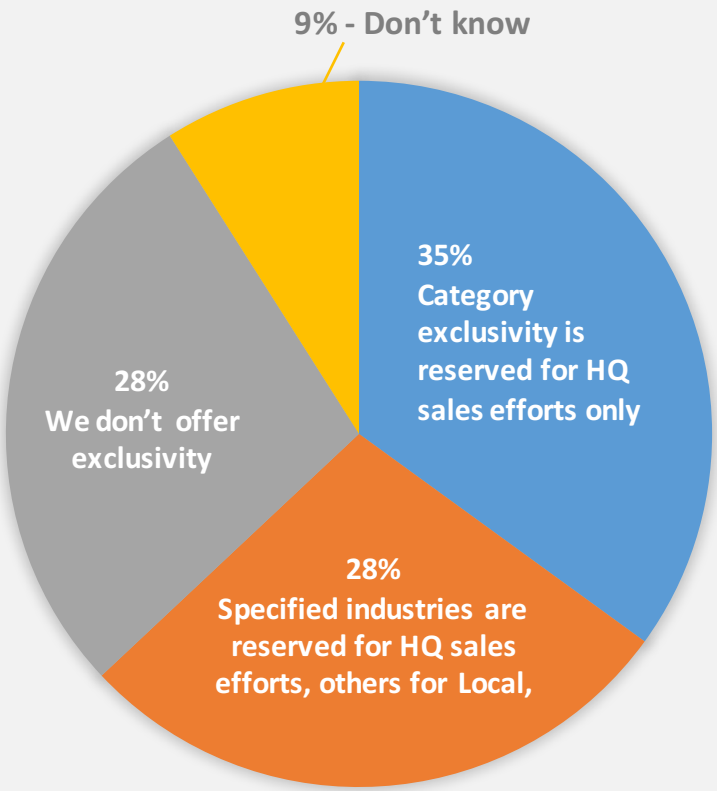
Agreement that HQ Determines Investment Levels for National Partnerships



Source: For Momentum Partnership Survey, 4/2017, Q. 26, 52, Which of the following best describes how investment levels are determined for national partnerships: (check one)

Two-thirds of NPO's Offer Some Form of Category Exclusivity to Corporate Partners

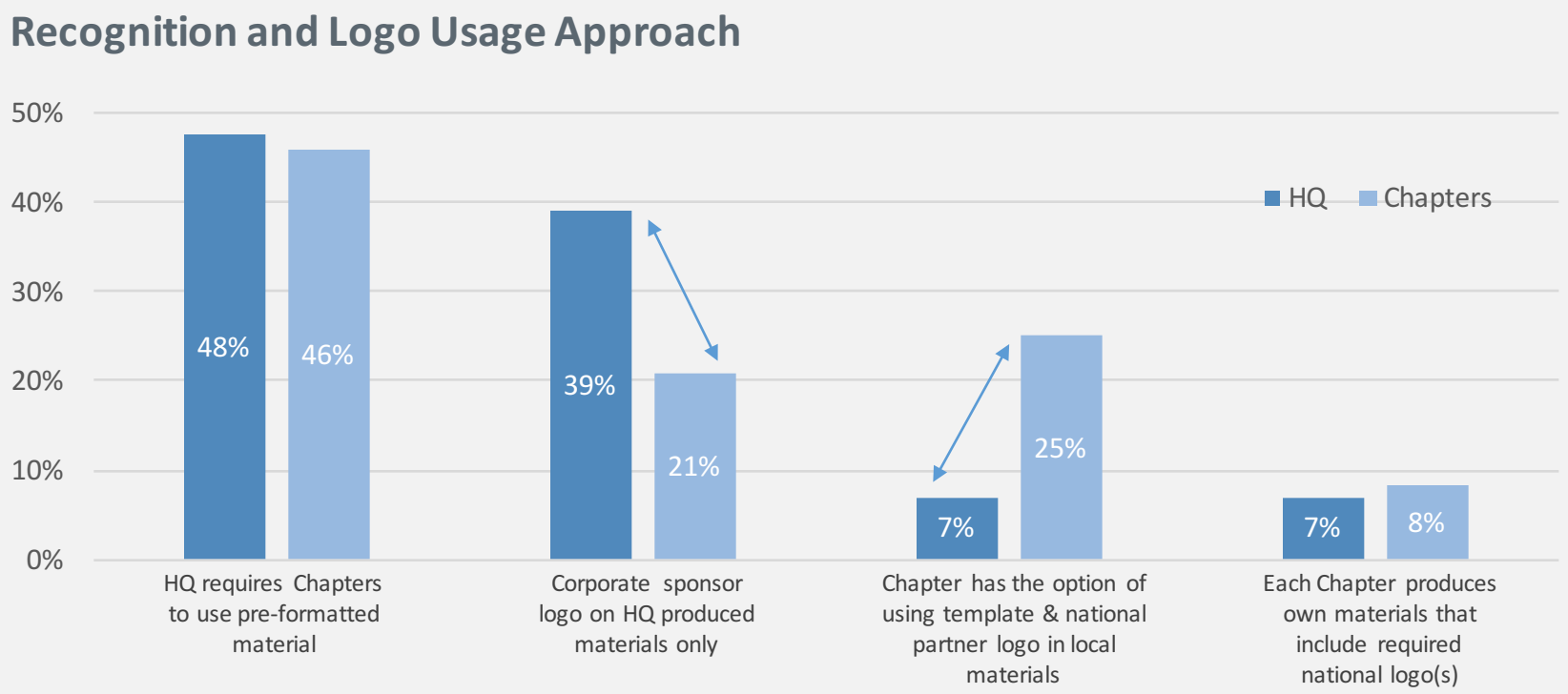
Types of Category Exclusivity



Source: For Momentum Partnership Survey, 4/2017, Q. 27,53
1 Combined responses to Specified industries are reserved for National Sales Efforts and Specified

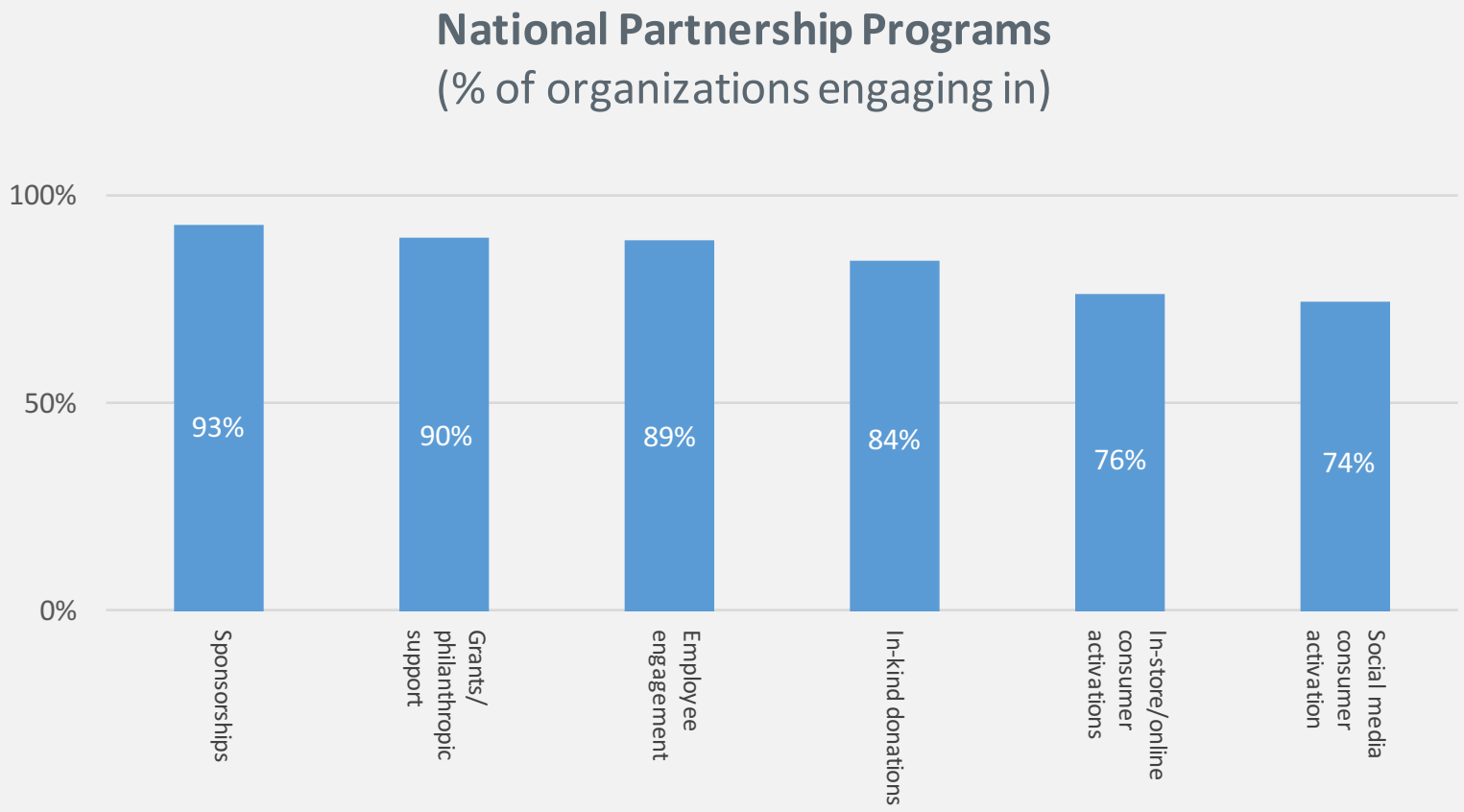
In~Half of Organizations, HQ Requires Pre-formatted Materials

When pre-formatted materials are not required, confusion ensues.

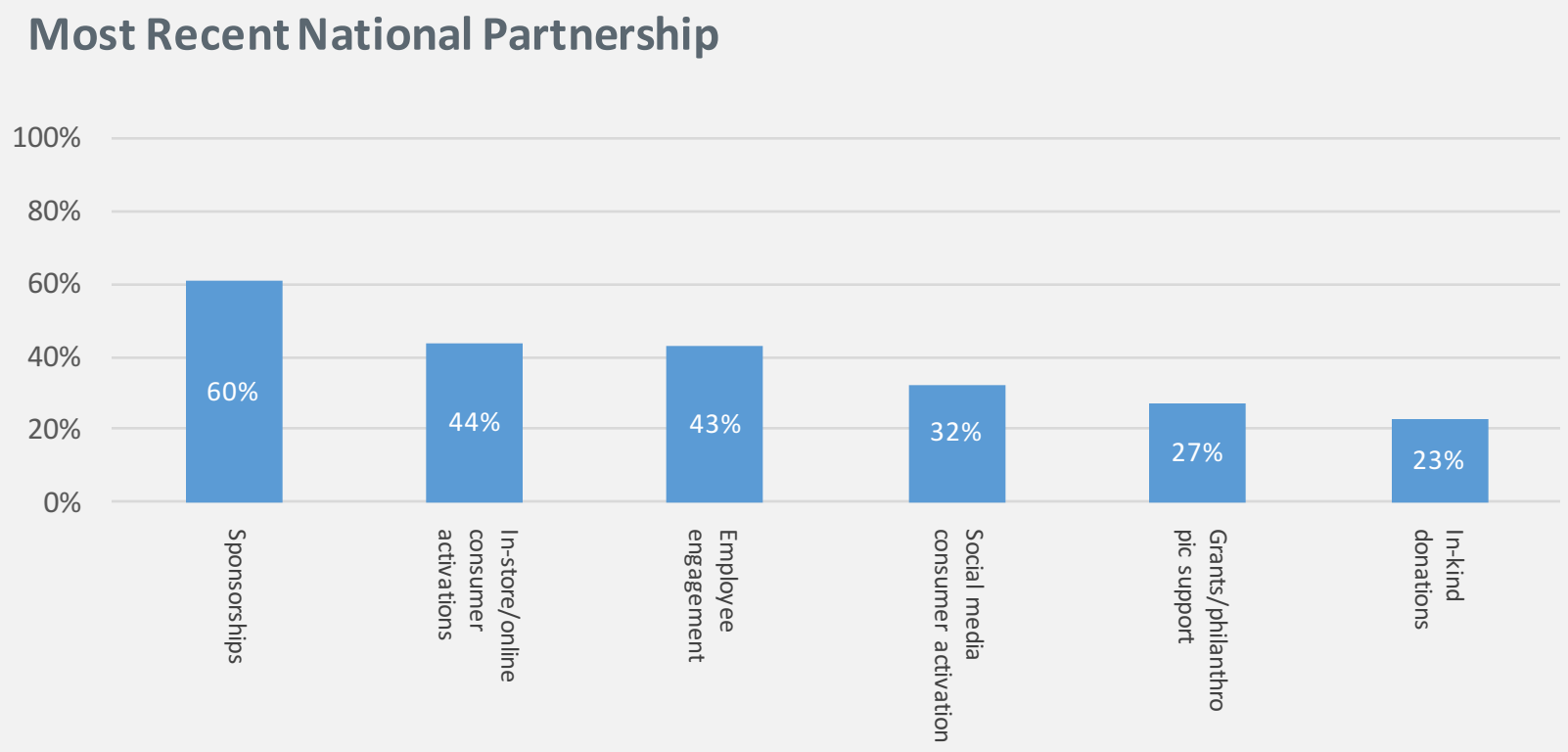


Organizations Are Involved in a Wide Variety of Partnership Programs

But there is room for growth in both social media and in-store/online consumer activations.

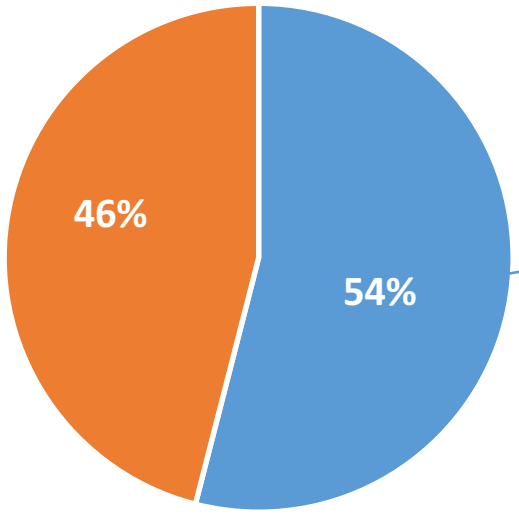


When Asked About Most Recent Partnership Activities: Sponsorship, Consumer Activation and Employee Engagement Were Most Prevalent

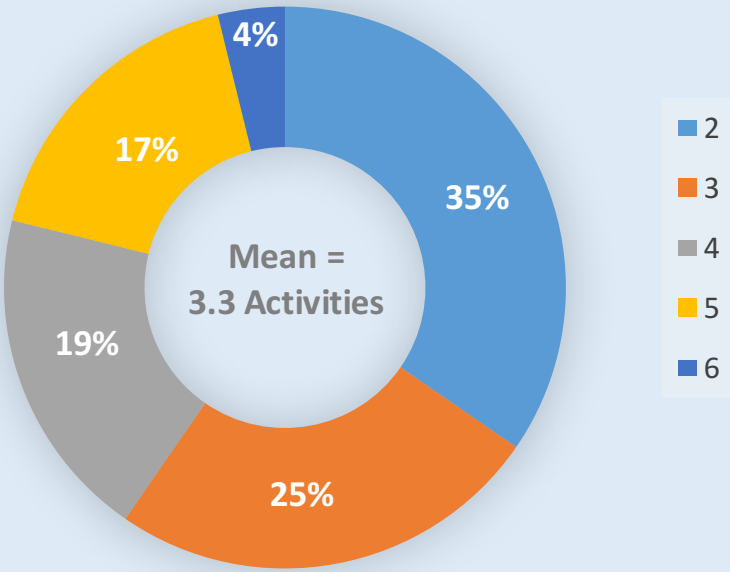


The Majority of Partnerships Have More Than One Program Element

And for those with more than one element, the mean is 3.3 activities.



Sponsorship and In-Store Activation were most likely to be mentioned when only 1 activity was conducted

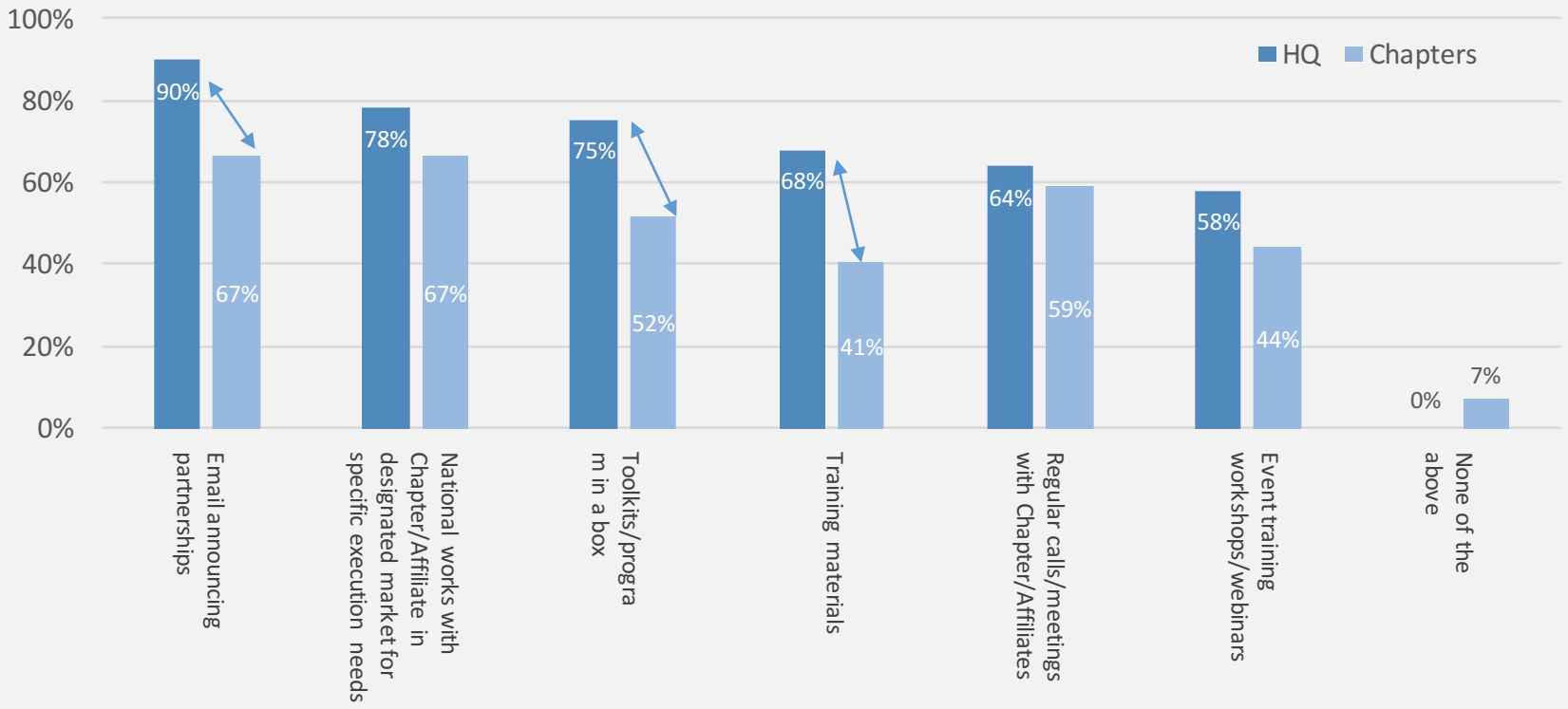


Materials and Supports Provided by HQ Are Not Breaking Through to Local Chapter Staff

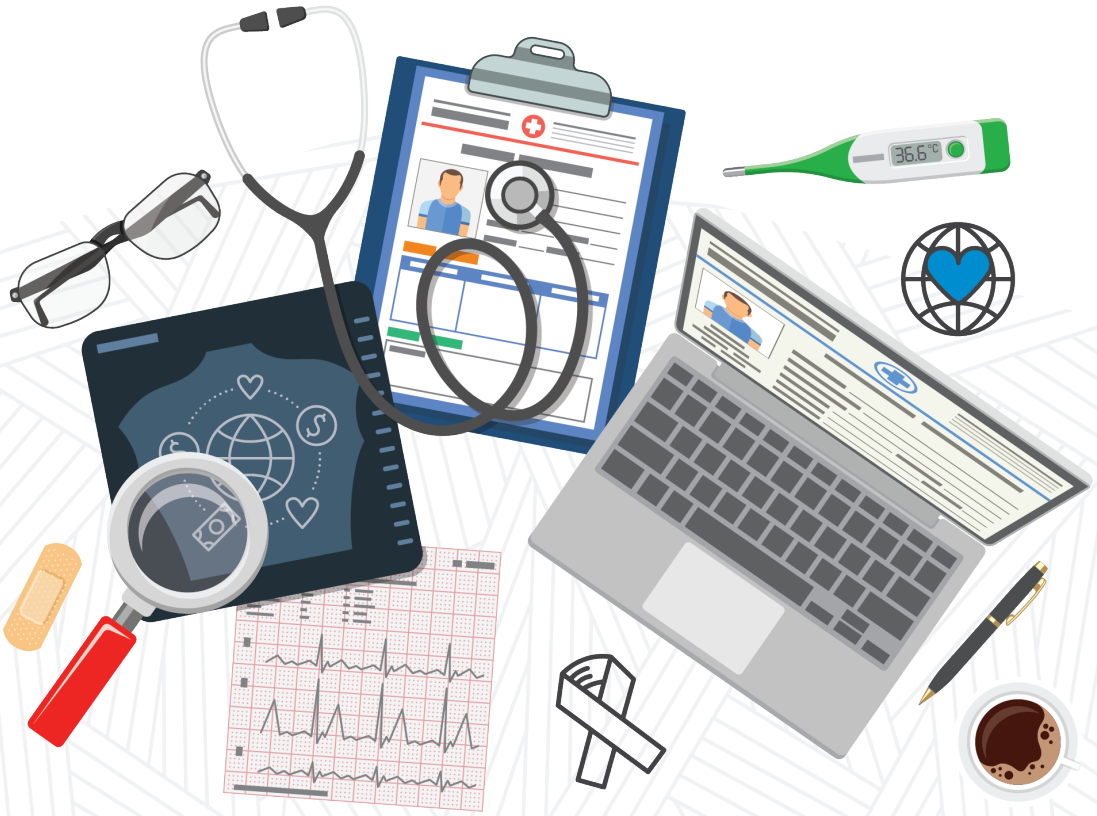
With the multi-faceted partnerships we are engaging in, ensuring clear communication and support is critical to optimize success.

Supports Provided by National

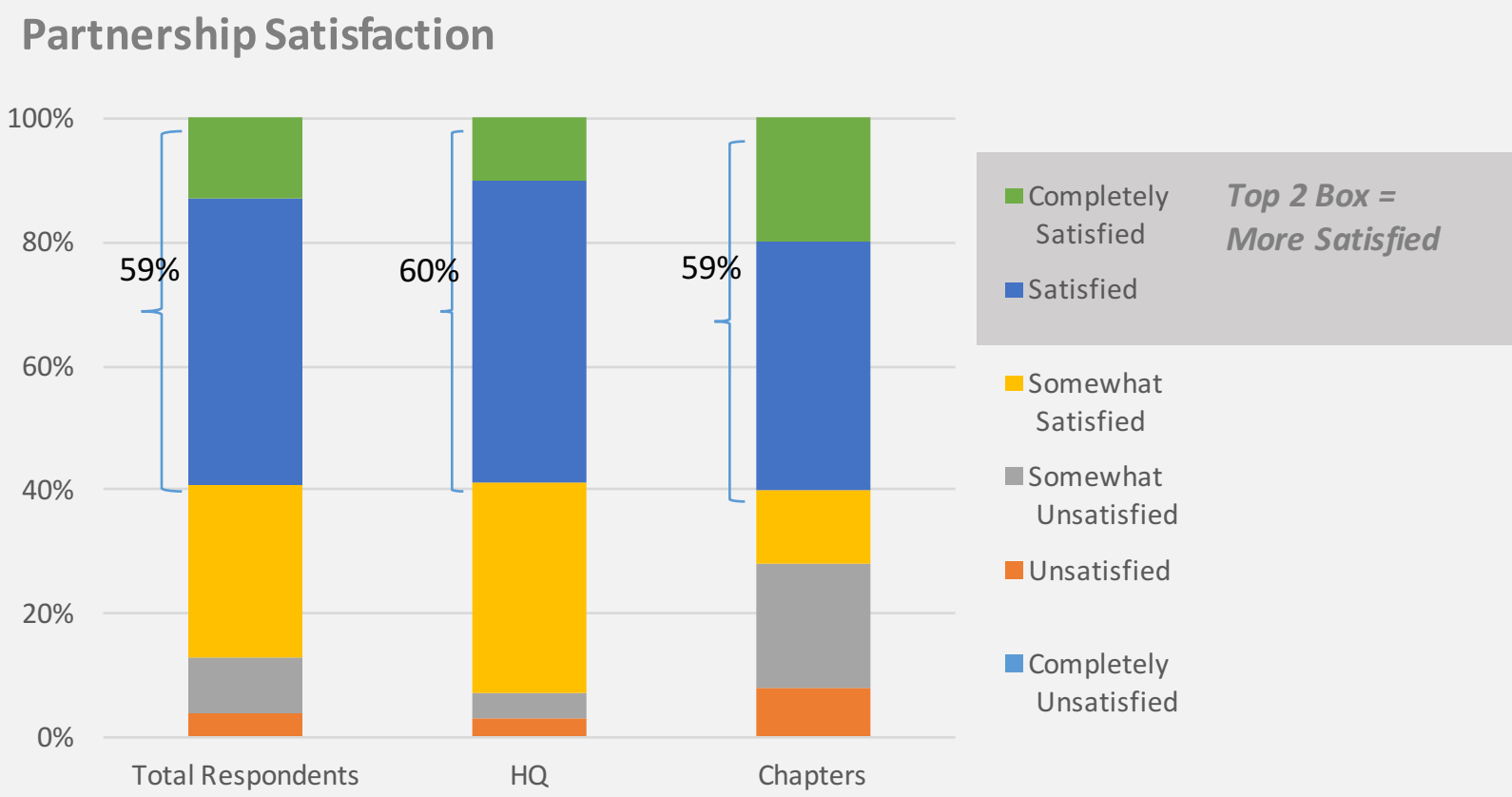
Note: *arrows indicate statistical significance at 95%+*



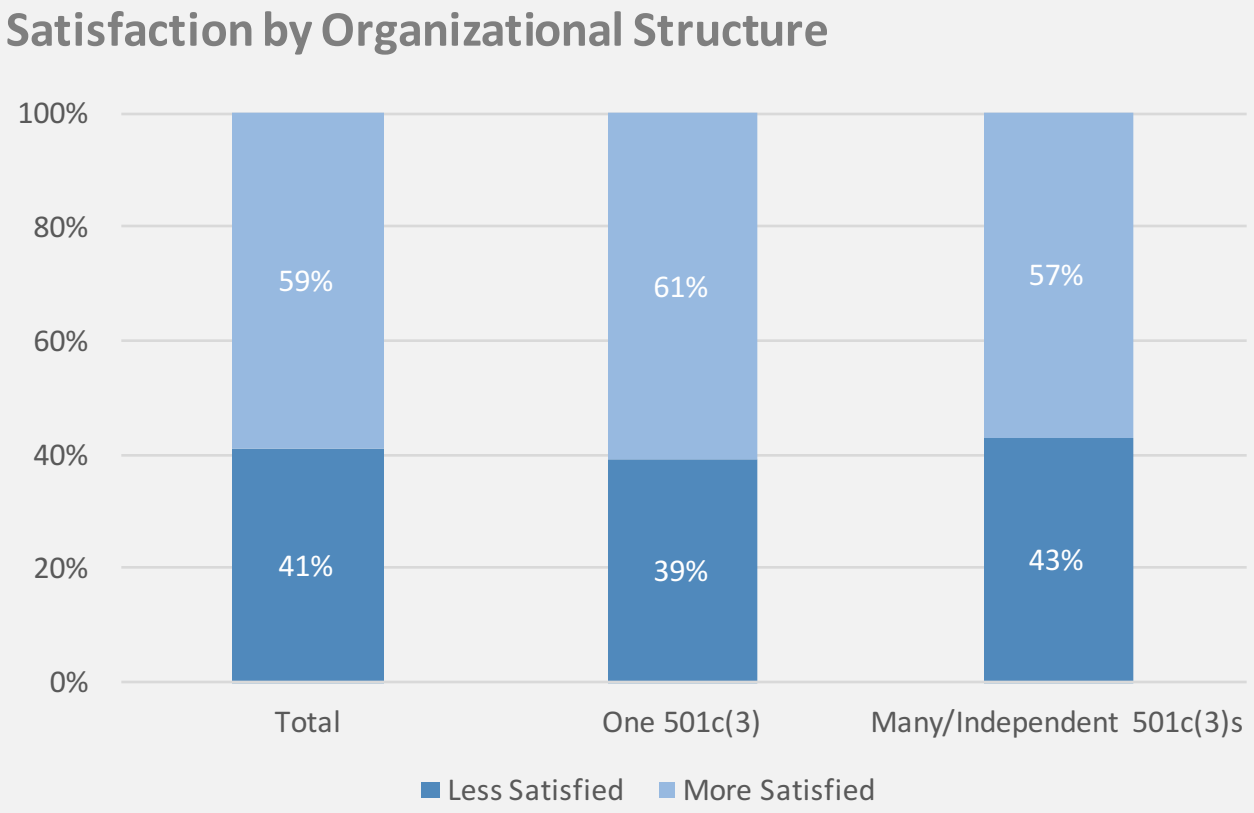
Satisfaction



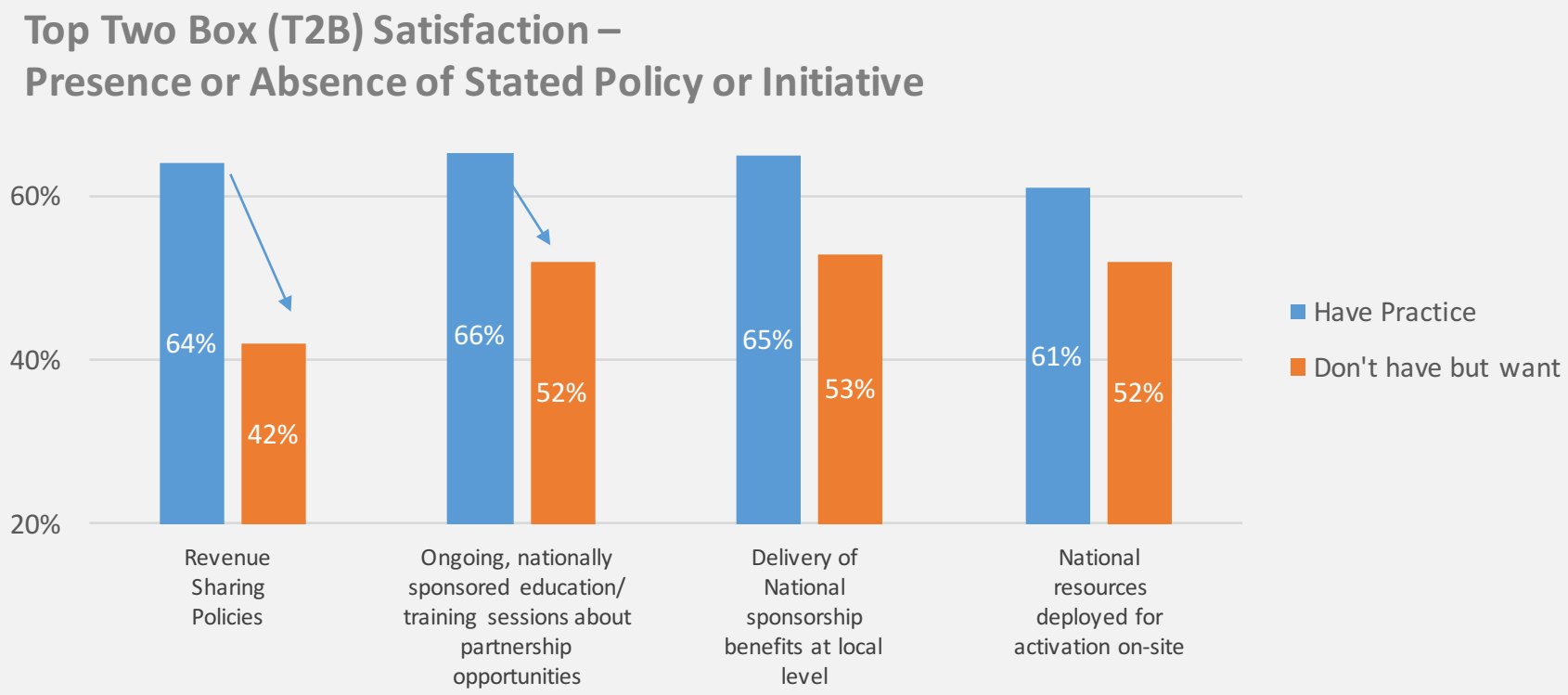
Satisfaction with Partnership Dynamics is Consistent Across HQ and Chapter Staff at ~ 60%



And, Organizational Structure Has Almost No Impact on Satisfaction Levels with National Partnerships

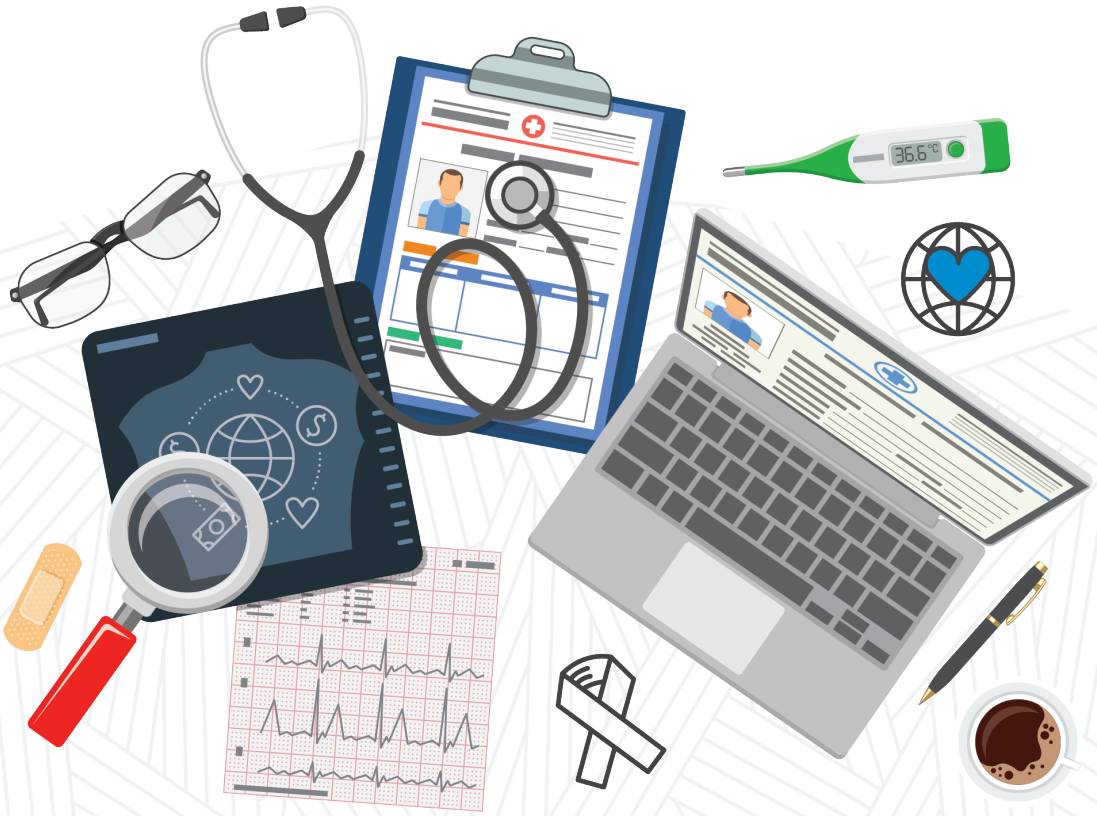


Satisfaction with Partnerships is Higher When Revenue Sharing and Training Are In Place

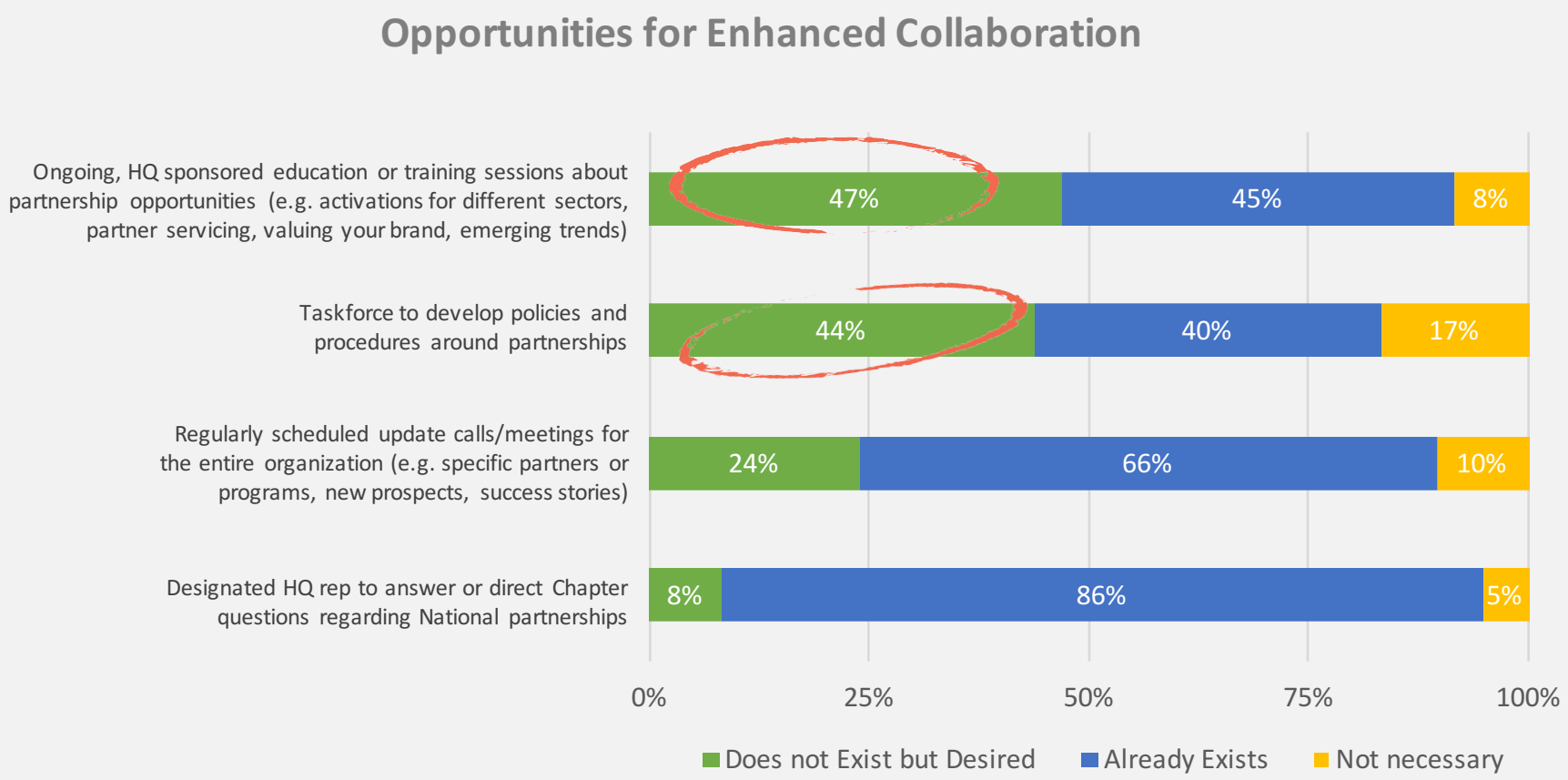


[1] example of how to interpret this data: of those respondents who indicated they have "Ongoing, nationally sponsored education/training sessions about partnership opportunities", 64% indicate that they are "extremely satisfied" or "satisfied" with their overall national partnership dynamics. Of those respondents who indicated they don't have "Ongoing, nationally sponsored education/training…"42% indicated that they are "extremely satisfied" or "satisfied" with their overall national partnership dynamics.

Opportunities

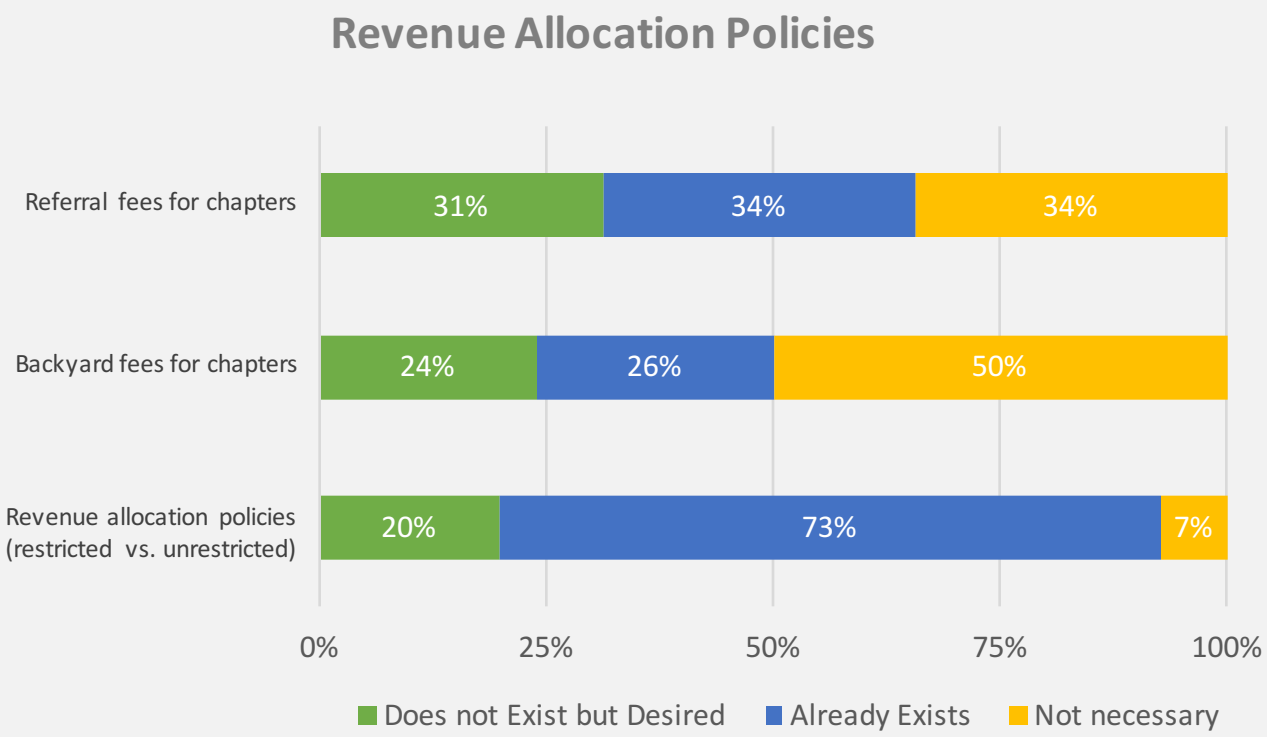


Ongoing Education and HQ/Chapter Taskforces Represent Unmet Needs Across NPO's

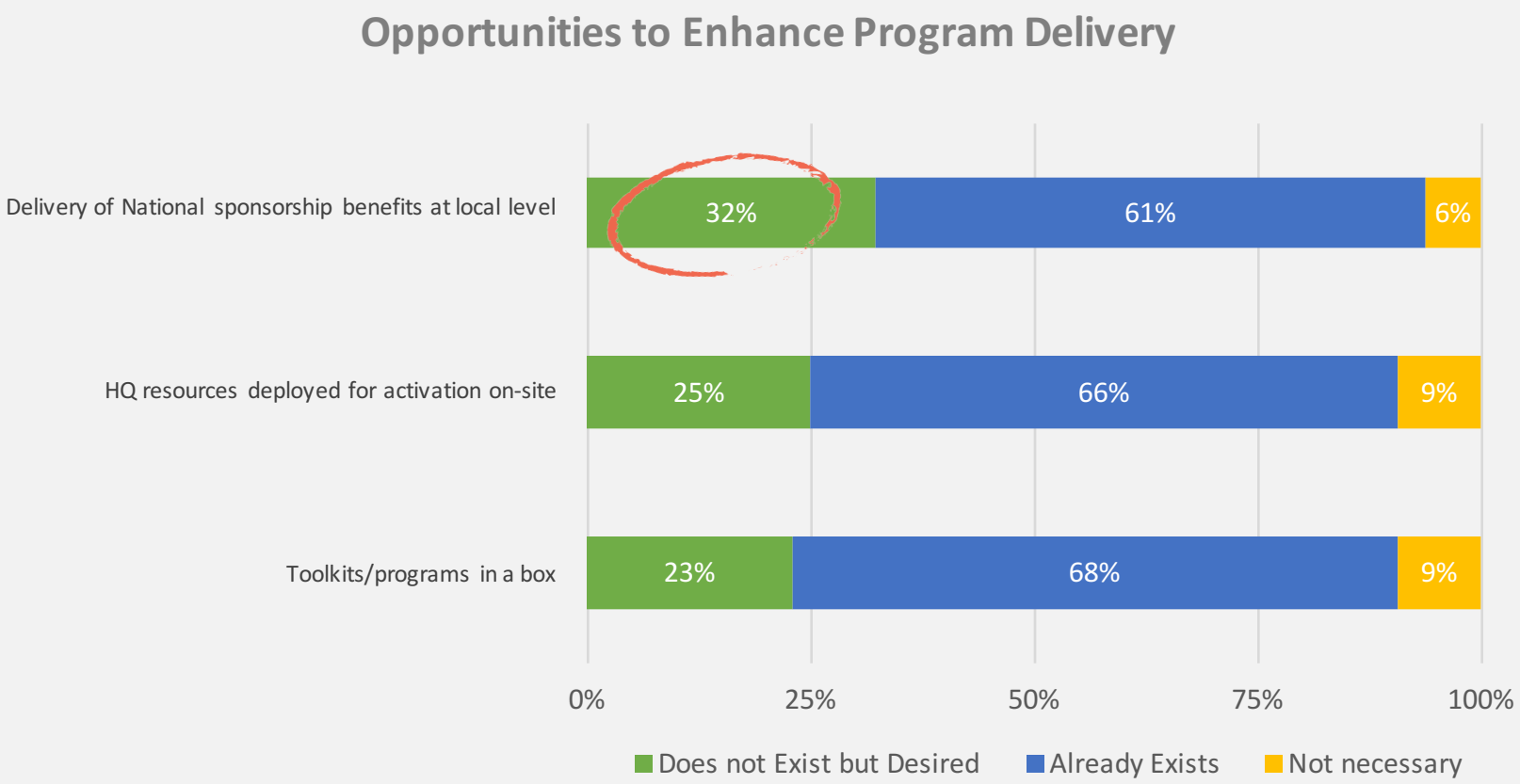


Revenue Allocation Policies Exist in Most Orgs

But there is mixed Feedback on Referral and Backyard Fee Policies.



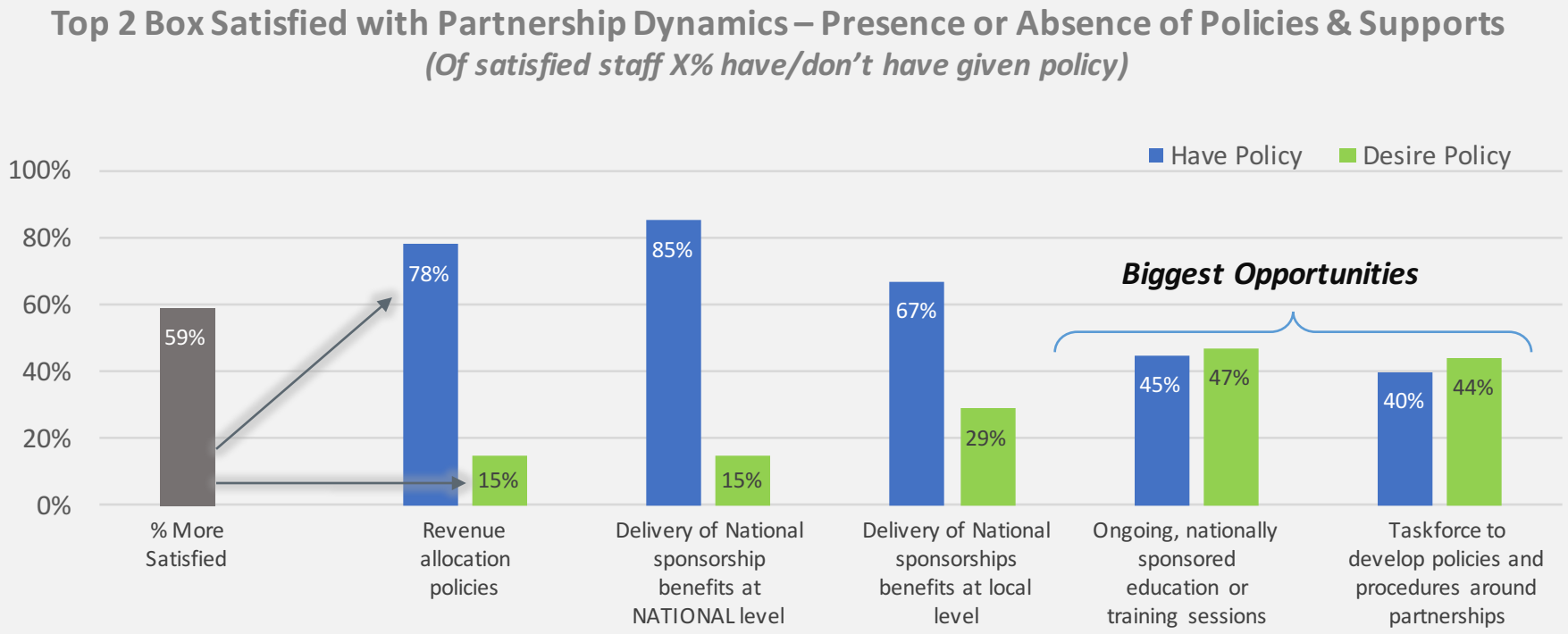
One-third of Respondents Desire Guidelines Regarding Delivery of National Sponsorship Benefits Locally



"Most Satisfied" Staffers are Highly Likely to Have a Number of these Policies and Practices in Place

However, even among this group there is a strong desire for improved collaboration and communication, particularly:

- Ongoing ***education and training***
- A ***taskforce to develop policies and procedures*** around partnerships



Key Action Areas

- Clarify staff roles during the ***cultivation process*** to avoid missed opportunities and/or poor handoffs.
- Evaluate and actively promote your ***revenue sharing practices*** and ensure that they are widely distributed and understood.
  - Our data show that ***staff are more satisfied*** with partnerships when policies exist, yet most organizations don't have established policies and practices
- ***Ongoing education and training*** is widely desired and will improve the effectiveness of your teams.
  - Focus ***trainings on Cultivation and Implementation*** – the areas in which our data indicate the greatest disconnects between HQ and Chapter personnel
- Create a ***Corporate Partnership task force*** to formalize best practices and address issues and opportunities are they arise.

A Final Piece of Sage Advice from a Respondent

> These are fluid relationships so policies and procedures are helpful, but we also have to respect the individual needs of each sponsor and our needs and be flexible where it is necessary and makes sense