



Briefing: Corporate relationships

This briefing sheet is a guide to help community organisations develop the confidence to approach businesses. Businesses can support community organisations by providing money or other support.

Money

Receiving financial support from companies is usually through one of two methods:

- Donations – The company donates cash to your group as a 'good cause'. The company can get tax relief on these donations, but gets nothing else in return for its money.
- Sponsorship – This is one of the means to promote a company's brand and reputation to the public, while helping a worthy 'cause'. It differs from a donation in that the company expects and receives something in return for its support. Sponsorship can be offered as money or in kind, for example, providing equipment, offering business expertise or seconding employees. Note that sponsorship counts as trading income for VAT purposes.

Other Support

- Gifts in kind – Companies may give away products, building products, tools, seeds, equipment etc.
- Advice and support – Free specialist advice or services from local firms such as solicitors or accountants
- Employee secondment or volunteering – Some companies will second staff to help local groups, or organise voluntary activities with their staff, including fundraising. This type of arrangement needs managing and can create extra work for your group
- Business networking – A good contact in the business world can lead to further introductions to other businesses.

Why do businesses invest?

- To increase their market through advertising and good media coverage
- To improve their public relations, demonstrate they are responsible both community wise and environmentally. This is known as Corporate Social Responsibility (CSR)
- To offer their staff volunteering, training, or team building opportunities
- To invest in their passion.

Consider that you are three times more likely to be successful in developing a partnership with a business if you already know them.

And the more attractive you are to a business the more likely you are to develop a relationship.

Five Steps to approaching companies

1. **Know yourself**
Consider the following, who is your audience? What is your market? What is your image? When you know these it is easier to find the right fit to align yourself to a business.
2. **Develop value for money of packages**
Consider what you can offer a business so they are interested in giving you something in return. Make a list of all the benefits you can provide for example, logos on web sites (but ensure that you can show them you receive lots of hits). Do you have an audience/market/membership that you communicate with via mailings or emails that may be interested in the business product? Do you hold events with larger groups of people that you could offer a verbal recognition of the business? Are you able to host business staff development (team & staff volunteer days)? Mould the offers to the different businesses. A dialogue with the business can develop an offer package
3. **Do your research**
Find out what businesses are out there in your community and why may they want to invest. Businesses usually are interested in causes that are most relevant to their activities. This could be a geographical or a product link. Find out who are the decision makers in the company. The web is a good start, local media (business supplement), networking events, word of mouth, business networking portals such as Business in the Community: www.bitc.org.uk
Business Supporting Communities North Wales: www.b2cwales.co.uk
4. **Make the best approach possible**
Be professional, keep the initiative with you, develop a relationship with the Personal Assistants, don't be a pest! Be targeted and thoughtful in your approach, don't send unnamed letters or emails. Once you get a meeting it is your opportunity to present your organisation and your objectives for the partnership but also find out what they want.
5. **Nurture a relationship**
Make friends and find out things in common. Ensure you are able to deliver. Keep in touch, invite them to events, send Christmas cards! Always hold back

on some benefits e.g. verbal acknowledgements, photos, press releases, so you can negotiate more support later

Refusals are often about timing. Some businesses have built in budgets for CSR, environment, marketing and staff which are allocated throughout the year, while others have some money at the end of the financial year, so if you can find out when it can help your approach.

Business support should not be relied on, unless you have a strong history with them as generally they tend to want to support projects rather than core costs. If you are negotiating cash then include in your project budget a cost to cover staff time and administration.

NB: This briefing sheet has used resources from the WCVA and Lorraine at Peninsula Windows, with thanks