



For-Profits and Nonprofits Achieve Missions Together



Here are the keys to successful collaborations between nonprofits and corporations.

By Sally Migliore

Partnerships between nonprofits and companies – from the smallest nonprofits to the largest corporations — are becoming more common, as savvy leaders recognize the benefits. The nation's first benchmark study on how corporate partners affect nonprofits shows that these cross-sector partnerships result in reputation and financial gains for nonprofits.¹ The study found overwhelming public support for such collaborations: 89% of the public thinks nonprofits *should* work with businesses to

Study result: 70% of public citizens are more likely to donate to a nonprofit involved in a collaboration with business.

raise funds, 76% believe that partnerships result in a more positive image for the nonprofit, and 70% are more likely to donate money to

a nonprofit involved in a collaboration with business. With almost one third of Americans volunteering time to nonprofits and individual giving topping \$200 billion per year, partnerships with businesses can be a powerful tool in drawing resources and attention to nonprofits.

For companies, a major motivator is that these partnerships are simply good for business. Take for example, the Timberland Company, which specializes in outdoor performance wear. One of its major

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nonprofit partners is City Year, a nonprofit that engages young people (ages 17-24) in a year of community service and leadership development in the United States and South Africa. Timberland provides \$2,000 worth of clothing and equipment for over 1,000 City Year Corps members each year. Timberland describes the partnership this way: “We recognize that doing well while doing good helps the community and provides tangible benefits for the Timberland brand as more consumers look for brands that share their values.”

Indeed, 79% of public citizens say they’re more likely to buy a product that supports a nonprofit. The best scenario is when a company’s investment goes beyond the business relationship. Timberland’s long history of employee involvement in City Year programs makes their partnership an integral part of its corporate culture.

Where can you start?

While it might be tempting to jump at any and all opportunities to collaborate, there are things for each partner to consider before working together. Each nonprofit needs to assess its needs and ask: *Is this the right time for us to embark on this new venture? Do we have the financial and human resources to implement this program?*

One of the most popular partnership models, especially at the local level, includes grant funding from a corporation. Crisis Assistance Ministry in Charlotte, North Carolina, was awarded grant funding through the Bank of America Charitable Foundation’s *Neighborhood Excellence Initiative*[™]. These grants are unrestricted and can be used by nonprofits to build capacity and pay operating expenses. Carol Hardison Hughes, CEO, underscores the need to ensure that a nonprofit is ready to take advantage of — and make good on commitments to — a corporate



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partner. “You shouldn’t apply if you don’t have a broad vision of how you will sustain what you do with the funding. For us, this meant asking how we wanted to strengthen our infrastructure. We were in a position to take advantage of the opportunities and resources and move our organization to the next level.”

Hughes used the grant to fund a series of internal and external assessments. She explains that the partnership with the Foundation focused on the core of Crisis Assistance Ministry’s mission. “We needed to demonstrate that we were serving the most critical needs in our community. We knew we needed an assessment that focused on projections of the needs in the Charlotte region given the growth in this area.” Armed with this information, the Ministry also conducted reviews of its internal capacity to meet these needs. The funding enabled the Ministry to perform the assessments and helped pay for a portion of a new staff position to manage the work.

As a nonprofit, another key consideration is the fit between your cause and the company: *Is there a match between your needs and*

the public’s perception of the collaboration? Companies also need to address this question. Stephen Fitzgerald, national program director with the Bank of America Charitable Foundation, believes the *Neighborhood Excellence Initiative* is successful because the program “works with nonprofits that meet critical needs in a community, have strong track records in doing so, and are innovative in their approaches to addressing those needs.” He also says that if a company wants to provide general operating support to a nonprofit, this support should be “meaningful.” Research on nonprofit organizations shows that what they most need to sustain their work are general operating support and leadership succession planning. This program at Bank of America was developed to meet these pressing needs of the nonprofit sector.

Fitzgerald offers the following advice to nonprofits interested in partnering with a business for the first time: “Be able to tell your story — capture your mission through a story that shows a measurable impact and demonstrates effectiveness.”²

Okay, you’ve established the relationship, now what?

To create a sustainable and successful partnership, both the company and nonprofit must ensure that there’s involvement and investment at all levels. Peter Pickus, executive director of City Year in Little Rock, Arkansas, says, “We are working with our partners to ensure that we involve company executives and their employees. It’s critical to engage at all levels of the company so that everyone feels invested in the nonprofit. Nonprofit executive directors and CEOs need to provide ways for company

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leaders and employees to interact with their staff and program participants in a way that is beneficial for both organizations.”

Pickus's partnership with Lamar Outdoor Advertising Company, another corporate partner, illustrates this point. In addition to providing free billboards promoting City Year programs and designing banners showcasing Corps Members in action, Lamar is one of City Year's *Team Sponsors*. Employees are excited to have the chance to partner with their team of corps members for an after-school program or spend a day serving with corps members to beautify the school with new landscaping or a fresh coat of paint. Pickus also makes sure that there are other opportunities for employees and Corps Members to learn from and be inspired by each other, whether through roundtable discussions or by having employees share their expertise at leadership development events.

Communication is key. To more fully integrate a company's investment — and help maximize benefits for all parties — partners must share information about the partnership and opportunities to participate with employees. For example, Carol Hardison Hughes at Crisis Assistance Ministry responded to information from the Neighborhood Builders Program about leadership training for the nonprofit ED/CEO and an emerging leader from the organization. Hughes knew that her other staff could benefit from such training, so she and her emerging leader are working on a curriculum based on what they learned and will be offering it to employees.

As with all collaborations, effective corporate and nonprofit partnerships require clear roles and expectations, open and consistent communication, flexibility to adapt to changing circumstances, and a respect for each partner's culture and processes. With these tenets in place, cross-sector partnerships have much to offer the nonprofit, business, and, ultimately, the public.

What are the benefits?

By collaborating with nonprofits, companies can reap the following benefits:

- **Advance sales** and broaden their markets.
- **Provide opportunities** for their employees to

practice or develop skills through volunteering.

- **Strengthen the organizational culture** by placing a high value on the welfare of communities around the globe.
- **Gain visibility** and recognition for demonstrating corporate citizenship.

Nonprofit organizations gain from partnerships with businesses in many ways, including the following:

- **Increase** individual contributions and grant funds.
- **Boost attendance** in programs and events.
- **Recruit** new volunteers.
- **Receive** pro-bono technical expertise.
- **Gain access** to potential funders and donors.
- **Raise visibility** and public awareness of their mission. ■

Footnotes

¹Cone Corporate Citizenship Executive Summary," Cone, Inc. (http://www.coneinc.com/Pages/pr_33.html).

²See "You Have a Story to Tell," *Nonprofit World*, Vol. 25, No. 1, www.snpo.org.

Other Resources

*Cockerham, Christina, "Increase Donations from Local Businesses," *Nonprofit World*, Vol. 23, No. 4.

*Gold, Marion, "Making the Business-Nonprofit Partnership a Win-Win," *Nonprofit World*, Vol. 22, No. 1.

*Gurbach, David L., "How to Target Corporations to Diversify Your Funding Mix," *Nonprofit World*, Vol. 25, No. 1.

Independent Sector, "Mission and Market: The Resource Center for Effective Corporate-Nonprofit Partnerships," (www.independentsector.org/mission_market.index.html).

*Rigsbee, Ed, "Take the Collaboration Quiz," *Nonprofit World*, Vol. 24, No. 3.

*Starred resources are available at www.snpo.org.

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