

Corporate Sponsorship

I had conversations with three professionals who are either working now or worked previously within the corporate community. Feedback, insights and learnings are highlighted below

1/16/16 – Conversation with a communications director for a non-profit. (Previously held a similar position in a financial services firm.)

1/17/16 - Conversation with a business consultant. (Previously was chief risk officer for corporate cards, global – major credit card company.)

1/24/16 – Conversation with a managing director at a major financial services firm headquartered in NYC. The firm has a longstanding commitment to providing services to youth in low-income communities, in the area of access to and success in higher education.

What might incentivize corporations to participate as sponsors in ProjectED?

I. Desire to attract new customers and to retain current ones. *Desire to build their market. Build a reputation with the part of the market that is most valuable to you.*

II. Investment in an educated workforce.

III. Desire to attract new talent to the workforce.

One example of an industry with an aging workforce trying to recruit millennials is the insurance industry.

<http://www.insurancejournal.com/news/national/2015/11/19/389450.htm>

IV. Desire to engage with employees, and to promote staff morale.

This was highlighted by two of the people I spoke with.

People want to feel they are part of something good.

Regarding program involvement in the area of access to higher education for youth in underserved communities at a major financial firm in NYC - *Employees love our community programs in this area. The firm loves that they love it.*

V. Goodwill

VI. As a way to foster a positive image with current and potential clients, and the community. A company may want to lift their profile. They may be looking at their public visibility.

During a conversation with the Executive Director of Government Affairs, Brooklyn College I learned that Pepsi has pouring rights at Brooklyn College. Soft drink companies, Coke and Pepsi, compete for these rights at universities. There has been student push back at some universities regarding this, due to health issues and soft drink consumption. Would a company like Pepsi be interested in sponsoring ProjectED to improve it's image amongst this demographic, offsetting some of this negativity?

<http://www.forbes.com/sites/nancyhuehnergath/2015/11/20/san-francisco-state-university-pouring-rights-contract-fizzles-after-student-protests/#5ea24757bba2>

(Pepsi has posted signage in support of CUNY on it's trucks. They have an existing relationship with the university. <https://www.flickr.com/photos/cunynewswire/13351129583>)

Regarding the premise of this project:

Two of the people I spoke with said that they were not sure that millennials are giving. They might self report it, but is it happening?

The problem with crowd funding is that young people are saddled with debt. (business consultant)

For those who are giving, this is an interesting idea. It is fresh. This generation is not necessarily interested in giving in established ways. They might like this approach. (Dir, financial firm)

The project is a good idea. Although a privileged young person may not benefit, if they are concerned with social equity they might be inspired to contribute as this more broadly shares society's benefits. (Dir, communications, non-profit)

What companies may be interested in sponsoring ProjectED?

Consumer Service Companies such as:

- *Media Companies - Young people are the most attractive market for these companies. They build their brand by sponsoring the project. It builds their reputation with the part of the market that is most valuable to them. They can build relationships. (Dir, communications, non profit)*
- *Phone Companies*
- *Cable*

Learnings from the conversation with a managing director at a financial services firm:

1) Thinking about getting the project off the ground quickly:

- 1) *Involve foundations early. Like corporations they have funds that can support this.*
- 2) *Go to a small number of potentially large donors.*
- 3) *Think about the "match." Many institutions want to do a significant amount. Consider a bottom amount that is to be matched.*

2) Crowd funding – Think about the source of the funds and where they will go. *Do you want this to be regional vs. the entire country? A development officer at a university will always say – "People want to know where their money goes." Segmenting it may enhance the success of the crowd fund.*

3) What companies might be interested as sponsors? *Consumer Service Companies. (See above)*

4) Something to consider as you think about program partners: *Sometimes when money is raised for an existing program it can decrease donations from previous funding sources.*

5) Consider attaching the project to an existing construct, an existing charitable organization.

Thinking about getting the project set up...perhaps apply the crowd funding approach to an existing charity? This can broaden their donor base, get millennials involved, and increase awareness in the community. Might this be the path of least resistance to get the project started?

6) Need – *In addition to information and guidance this group of students need career counseling and internship opportunities, exposure to the workplace, role models. Focus on the need and programs that address it.*

Testing the assumption that a corporation will sponsor a crowd-funding platform in this area, vs. funding programs directly. I reached out to ask. Here are the responses.

“Would a corporation choose to sponsor a crowd fund like this vs. sponsoring a community program directly? If yes, why? Is it because of increased impact?”

- *Great question for which I don't have a clear answer. Let me take a shot at it. A company in the financial services industry whose clients are primarily large corporations and institutions may prefer to sponsor something directly..... However, a company that is seeking to reach out, for their own business purposes, to a group of younger potential customers, who might be enthusiastic about crowd funding, might find the approach more appealing.*
- *I think that crowd funding a fund that an organization (properly designated as a non-profit) will distribute in support of their stated goals would be a good way to go. Companies try to represent themselves as socially responsible... Any of these programs today, if they were nonprofit, would likely qualify for matching funds if an employee donates. So that is an easy thing to do – once you convince an individual to contribute. The hard part would be to get companies involved directly, without an employee donating first. (business consultant)*
- *The real answer is that I don't know. Certainly it's not really an 'as opposed to' kind of either/or equation -- corporations and their foundations will always want to directly fund programs. But that doesn't necessarily mean that they won't also want to be connected with this crowd funding platform. One example that I've just thought of is catapult.org, which is a crowd funding platform for programs for girls and women. I know that they've had some corporate sponsorships in which the corps have matched or 'topped up' program funding from individuals. You should take a look at it as a model. (Dir, communications, non profit)*