

Charities get creative to retain corporate partners – NZ Herald, 30 March 2009

Nobody is holding back on their promises at the moment," says Murray Edridge, chief executive of Barnados New Zealand, "but rather than giving in an unencumbered way, companies are wanting more value. Corporate funding is getting harder to find and companies want accountability, certainty and outcomes."

Barnados' major corporate supporters are Telecom and Shell, and many smaller companies who tend to do things at a local level. It is also supported by government funding, the Lottery Grants Board and philanthropic trusts.

"We often sit down with corporates and they want the relationship, but are a bit unclear about what it will look like," says Edridge.

John Key's hope that companies' staff can help charities in practical ways can have its downside, he says. "It's become very fashionable for corporates to offer an executive team to come in [to a not-for-profit organisation] but it's not the most useful."

It's better for companies to find out what the charity needs, says Edridge.

Staff from Alcatel-Lucent, the international telecommunications company, recently provided a nice example of a practical deed by a corporate when they decided to prepare around 50 schoolbags for selected Wellington Barnados schoolchildren. At the end of January the backpacks turned up filled with stationery, rulers, pens and calculators.

"It's a lovely example - the staff wanted to do something and the management encourage staff to come up with creative ideas," says Edridge.

"Story telling is becoming quite an effective medium for corporates both from a commercial and feelgood point of view."

Companies are looking for stories to make giving worth their while. "Some of them just want it as a feelgood thing for staff; others are more commercial."

Those companies want to demonstrate how the funding connects with their brand.

"We don't have a problem with that. Philanthropy does not need to be unencumbered," says Edridge. "There's some value in it if it helps make the corporates' funding more sustainable."

The Federation of Family Budgeting Services, a collective of over 141 community budgeting organisations, is one of the six main recipients of money from the AMP Foundation.

Chief executive Raewyn Fox says she has all her money organised for this year - the not-for-profit's national office receives around 40 per cent of its funding from government contracts - but is not sure what will happen in her next financial year.

She is reasonably confident AMP will continue to help, but reasons that "they can only distribute what they have". AMP staff also help the federation with expert advice in different fields, supporting it with conferences and workshops.

"I do know that some of the trusts we apply to have said that they are not extending applications [for more grants] ... or it will be half of what they contribute.

It will definitely be affecting us," says Fox.

She is trying to find some other source of income to replace what she is sure will be lost from philanthropic trusts. And she does not want the trusts dipping into their capital. "We would rather they keep their money intact," she says.

The federation needs all the help it can get. "Already our services are getting a very significant increase with people being made redundant."

At the charity Dress for Success, executive manager Sue Lewis-O'Halloran says some companies don't like the idea of publicising their philanthropy.

"They don't want their shareholders to be saying, 'What are you doing giving them money when you are not giving us the shareholders [ours]?', " she says.

The charity, which helps women return to the workplace with a new wardrobe and some practical advice, has two major corporate partners - Genesis Energy and the Lynn Mall and Botany Town Centres.

"The bigger the donor the better the relationship," says Lewis-O'Halloran. "They are coming to us from a corporate social responsibility angle and they want a genuine partnership."

"We are looking for strategic and key partners; we are not looking for 50 partners."

Dress for Success has succeeded in winning sponsorship for certain expenses. Dashwood Design has always designed the organisation's newsletters and got a print sponsor, GEON Printco.

And Maxwell Drycleaners is a delivery point for the donated clothes and drycleans them if necessary.

At the Plunket Society, chief executive Paul Baigent says he is sitting down with a lot of his corporate partners to see how they want to take the relationship forward.

"It's about how to keep relationships strong," he says.

He doesn't have the feeling that funding for Plunket is the first thing that those partners will cut.

He understands some companies are making redundancies at the moment, but the staff who remain will still benefit from having an engagement with a charity, he says.

Value for money is the buzzword at the moment - from both corporates and the not-for-profits they support. "It's incumbent on all of us - are we getting the outcomes?" says Baigent.

Big Plunket supporters are Huggies, owned by Kimberly-Clark, and Watties, who have both supported the charity for over 20 years.

Last year Plunket launched a strategy to offer more support for parents with children under 5 years old. Plunket is working with other agencies such as Barnados on this project.

"Corporates are really keen to see agencies like us work together," says Baigent.