BUILDING CORPORATE RELATIONSHIPS
A **TOOLKIT** FOR NONPROFITS

*Helping your nonprofit organization take the next step.

Alberta Government

*Helping your nonprofit organization take the next step.

There are approximately

24,500

nonprofit organizations and

registered charities in Alberta.

Preface

Building meaningful relationships with community partners is an important factor for nonprofit organizations looking to achieve both specific project or program goals and long-term sustainability. Taking the time to establish and manage relationships is about more than securing financial support. Building relationships is about building trust and confidence in your organization with partners who share your organization's goal – to build strong, healthy and inclusive communities. Effective relationships are based on each partner contributing to the success of the other and discovering new opportunities to meet community needs – together.

Building Corporate Relationships - A Toolkit for Nonprofits has been created to assist nonprofit organizations in their efforts to build relationships with the corporate sector. While the focus of this toolkit is the corporate sector, the same approach can be helpful in building new, or enhancing existing funding relationships with individual donors, foundations, government and other organizations.

This document includes information on how to:

- Clearly define who you are and why your organization exists.

- Explain exactly what your project is and what it will achieve.

- Identify potential donors that best suit your organization's request.

- Communicate for success.

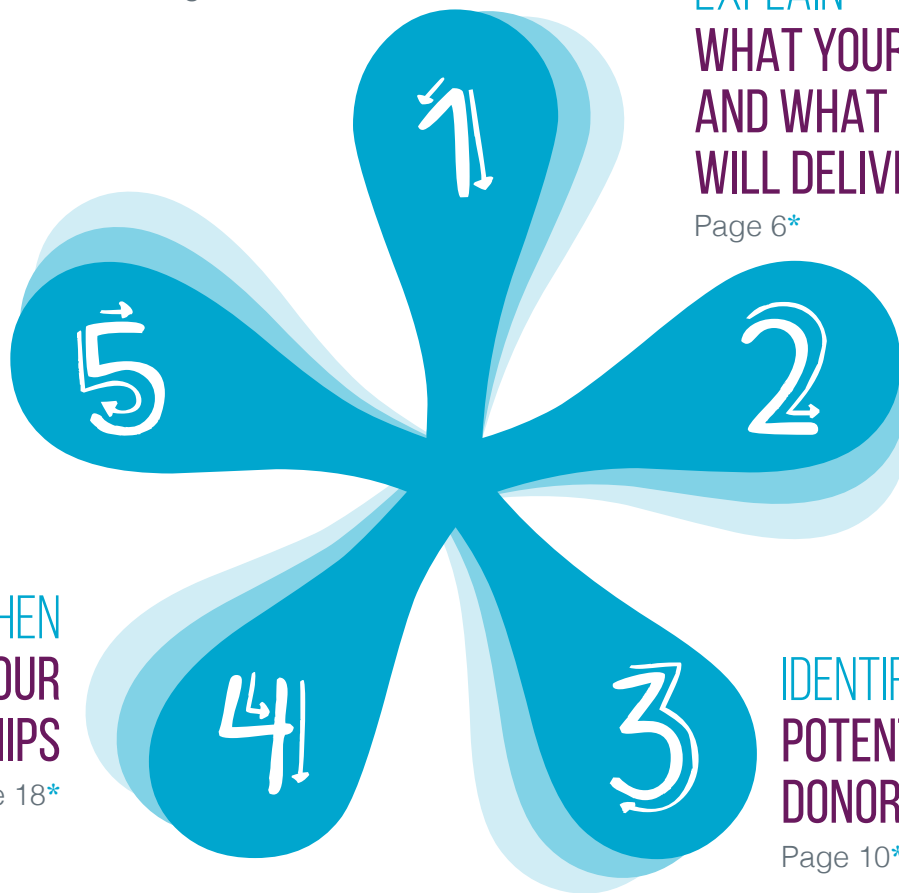- Strengthen your relationships.

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STEP 1

WHO YOU ARE AND
WHY YOUR ORGANIZATION EXISTS

Knowing the answers to these questions will help create the basis of your funding strategy and will provide good background material about your organization. **Although you may not be required to provide all of this information, it will be helpful for you to complete and keep on hand as a reference for future use.**

1. What is the legal name of your organization?
    _____

2. Is your organization incorporated under the Societies Act or Alberta Companies Act (Not-for-Profit Part 9)?
    ☐ Yes   ☐ No

3. Is your organization a Registered Charity with the Canada Revenue Agency (CRA)?
    ☐ Yes   ☐ No

    What is your CRA #?_____

4. Address
    _____
    Street Address/Post Office

    _____   _____   _____
    City/Town   Province   Postal Code

    _____   _____
    Organization Phone Number   Website Address

5. How long has your organization been in existence? _____

6. Does your organization have a formal *Vision/Mission Statement* or *Statement of Purpose*? What is it?
    _____
    _____
    _____
    _____
    _____
    _____
    _____
    _____
    _____
    _____

7. Does your organization have a long-term strategic/business plan? Even a simple one is critical.
    ☐ Yes   ☐ No
    _____
    _____

8. Consider writing a *Case for Support* - a document that tells donors what your organization is, what it has accomplished, its mission and vision, why it needs funding, its expected outcomes and why the donor should make an investment. Check out www.propellus.org/blog/case-support-template for a *Case for Support* template.

9. What programs/services does your organization provide?

_____

_____

10. Who does your organization serve?

_____

_____

11. What geographic area or region does your organization serve?

_____

12. What makes your organization different from other nonprofits or volunteer groups in your community or region?

_____

_____

13. What is the approximate annual gross expenditure of your organization?

_____

14. What percentage of funds raised goes to administration? What percentage goes to programs and services?

_____

_____

15. What is the approximate annual gross revenue of your organization?

_____

16. What is your organization's annual fundraising goal?

_____

_____

17. What is your organization's fundraising goal for each individual program (if applicable)?

_____

_____

18. What are the names and positions of your Board of Directors?

_____

_____

_____

19. Does your organization have any paid staff?
     ☐ Yes   ☐ No

20. What is the name and title of your most senior staff person?

_____   _____
Name   Title

21. Who is responsible for completing funding applications?

_____   _____
Name   Phone/Email

22. If that individual is not available, is there an alternative contact?

_____   _____
Name   Phone/Email

Go to STEP #2

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Martin Man
Managing Director

--

Promote your organization! You can have publicity without fundraising but you can't have fundraising without publicity.

--

A *Case for Support* is one of the most important documents of your fundraising plan.

--

Effective fundraising is a result of telling your story in a compelling way.

--

STEP 2

EXPLAIN
WHAT YOUR PROJECT IS AND
WHAT BENEFITS IT WILL DELIVER

Outcome measures are the results of an activity or program and their comparison with the intended and projected results.

1. What type of support are you seeking?
   - ☐ Operational (administrative/overhead)   ☐ Project/Program
   - ☐ Capital   ☐ Event Sponsorship
   - ☐ Other (expertise, equipment, office space)

2. What is the title of your project? e.g. Recycling Program
   _____

3. Describe your project in 100 words or less.
   _____
   _____
   _____
   _____
   _____
   _____
   _____
   _____
   _____
   _____

4. If your request is for development/delivery of a program:

   a. What are the objectives of this project? Be clear who will benefit and why it is important.
      _____
      _____

   b. What is the cost to the community if this project did not exist?
      _____
      _____

   c. Is this a new project or an ongoing one?
      ☐ New   ☐ Ongoing

   d. If this is an ongoing project, briefly describe your level of success to date.
      _____
      _____

   e. If it is a new project:
      • What is the duration of the program?
      _____
      _____

      • What are the start/end dates of the program?
      _____
      _____

- Have you had success with a similar project? Describe your success and any lessons learned that can be applied to the current project.

_____
_____
_____
_____

f. What are the desired outcomes of the project? e.g. Community members will be aware of the benefits of recycling and landfill waste will be reduced by 70%.

_____
_____

g. How will you measure the outcomes of the project? e.g. Usage of residential recycle bins will be monitored over a six-month period.

_____
_____
_____
_____

5. If your request is for a capital project:

a. Who will benefit from this project?

_____
_____

b. What is your long-term sustainable operational/financial plan beyond initial project funding? This plan should identify any future operational, maintenance and administrative costs as well sources of funding (for example, anticipated revenues generated through operations/programs, fundraising, long-term funding agreements).

_____
_____

6. If your request is for an event:
a. What is the purpose of the event? Along with a description of the event, describe what cultural, social or economic benefit the community will receive.

_____
_____

b. What is the date(s) of the event?

_____

c. What is the location of the event?

_____

d. Is there an opportunity for donors to participate in the event?

_____

7. Financial or in-kind requirements

a. What is the total budget for the project? If the project is ongoing, what is the total annual budget?

_____

--
Be clear about who will benefit and why it is important. What is the cost to the community if this project did not exist?
--
It is important to tell the stories of how your organization has touched people's lives.
--
Make sure the project fits your mission; don't make your mission fit the project.
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b. What is the investment you are requesting from the donor? Donors want to know the specific amount you want from them, not only the total project budget.

_____

_____

c. What are your other funding sources for this project? Donors like to know who else is supporting the project.

_____

_____

d. Is your request for one-time funding or are you seeking a longer-term commitment?

_____

_____

e. If it is longer, what funding schedule are you requesting? e.g. Five year commitment of $20,000 per year.

_____

_____

f. Would in-kind contributions such as equipment, professional services, volunteer labour, or working space be of value? Describe potential in-kind contributions.

_____

_____

8. More often donors place value on partnerships and collaboration between nonprofit and volunteer organizations.

a. Are you partnering with another organization on the project? Provide detail on how and why the other organization will be involved.

_____

_____

b. What other examples of collaboration can you share with the donor on this or other projects?

_____

_____

Although there may not be a 'fit' with your current project, keep this information for future requests.

Go to STEP #3

Notes

STEP

3 IDENTIFY POTENTIAL DONORS

Fundraising for any volunteer organization is based on relationships. This is an advantage for smaller organizations because your donor lists are smaller, making it easier to establish and build relationships.

1. It is now time to start building a prospect list.

2. In STEP #2 you clarified which of the categories your project best fits, i.e. program, event or capital project. That clarification will be important as to where you look for a donor. The type of project will help to determine its Sponsorship, Philanthropic or Social value. Knowing the type of investment value your project has will guide your search for prospective partners.

   a. Sponsorship: If your project has marketing or exposure value, it may be attractive to a donor as a sponsorship opportunity. This type of project includes events or activity such as festivals, conferences or programs and can be seen as an asset. Your organization may consider retaining an independent expert who could place a 'real market value' on your event or program.

   b. Philanthropic: Your project may be attractive to donors who provide support as a philanthropic gift where no recognition or material is required by the donor. Projects with philanthropic value may include capital projects or ongoing programs and services benefiting the community.

   c. Social: Your project may address a need, solve a problem or provide a benefit that has been identified by a potential corporate sector partner as community investment priority. Projects that provide a benefit to the community and help a donor meet their community investment goals have this kind of social value.

3. It is important to remind yourself again that finding the 'right fit' with a potential donor is about relationship and not just about getting the money. Look for donors who share your organizations area of interest. Donors may consider supporting your organization beyond a specific project if they share common goals and objectives and will have a better understanding of the challenges and opportunities your organization faces in serving the needs of the community.

4. As you begin your prospecting research, start locally as described in Step #3A, and if necessary, you can broaden your search as described in Step #3B. For more funding development prospecting tips visit www.propellus.org/blog/fund-development-prospecting-tips

#3A KNOW YOUR COMMUNITY NEIGHBOURS FIRST

The closer you are to people, businesses and organizations, the more likely they are to support your organization. Ask yourself, "Who might want to give to our organization?"

1. List all the individuals and companies that you know.

Company and/or Individual	Website
Company and/or Individual	Website
Company and/or Individual	Website
Company and/or Individual	Website
Company and/or Individual	Website
Company and/or Individual	Website
Company and/or Individual	Website
Company and/or Individual	Website

2. Is there someone in your community or someone you know who has significant influence and might be a champion for your project?
   _____
   _____

3. Visit the website of your local Chamber of Commerce and review their membership list for additional prospects.
   _____
   _____

4. Make a list of all the companies that may have corporate headquarters in your community or who operate in your community. You already have something in common with them; you all live in the same community.
   _____
   _____
   _____
   _____
   _____
   _____
   _____
   _____

5. Would any of those companies have a possible connection or interest in your project? Describe.
   _____
   _____
   _____
   _____

6. Do you or anyone in your organization know someone who works for the companies or businesses you have listed who could help you establish contact?
   _____
   _____

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80% of fundraising is on RESEARCHING your prospective donors.

20% is in WRITING the proposal.

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Focus and prioritize your prospect list; don't use a shotgun approach.

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Fundraising is the 'art' of establishing and strengthening relationships between prospective donors and your organization.

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7. Is there a champion inside these companies who would advocate for your organization?

   _____

   _____

8. The next step is to go to the websites of the companies on your list and review their Community Investment or Corporate Responsibility section. This is where you will find their giving guidelines and priorities. Annual reports and Corporate Responsibility reports will contain information on past, as well as emerging, funding priorities for the company. Examples of previously funded projects or news releases can also be found on the company website and will often provide details on the types of project that have received support and why the company provided that support.

9. Look for the contact name of the individual responsible for this area and write it down.

10. Many companies list what they do and do not fund. Read carefully and be realistic.

    a. If your project doesn't fit – it doesn't fit! Move on to the next company on your list.

11. For each company ask: Does the company's community investment priorities match the objectives and goals of your organization's project?

    _____

    _____

12. For each company you have identified, make a list of the reasons the company may be interested in your project.

    _____

    _____

    _____

    _____

#3B EXPANDING YOUR POTENTIAL DONOR LIST

If the neighbourhood scan of potential donors produces limited value you may want to prospect for less obvious donors.

1. Alberta Venture Magazine lists Alberta's 250 largest corporations www.albertaventure.com/venture-250-2013 Identify those that might have some connection to the community your organization serves.

2. Select those that might have potential and review their websites.

   a. Do they have a Community Investment or Corporate Social Responsibility program?

   b. If so, does the site identify the company's community investment priorities?

   c. Do those priorities align with the objectives and goals of your organization's project?

   d. Has the company funded projects similar to yours in the past?

3. Listed below are some resources that may assist you in your research.

   a. Imagine Canada - Grant Connect - formerly known as the Canadian Directory of Foundations & Corporations, it is an innovative and comprehensive tool that connects organizations with funders who share a cause. www.grantconnect.ca

   b. Government of Canada - Canada Revenue Agency (a more general site about charities and charitable giving).
      • Charities Listings - confirms which charities are registered under the Income Tax Act as well as the charities' financial information and activities. www.cra-arc.gc.ca/chrts-gvng/lstngs

      • Charity Focus - a joint venture with Imagine Canada that allows users to find information about any Canadian charity and to engage with charities via social media. www.charityfocus.ca

4. The list in #3 above is not intended to be complete or final and after undertaking a cursory review you might want to seek the advice, opinion and human resources support of some of the following groups that may assist you with access to resources such as funder databases.

   a. Alberta Culture, Community Development Unit www.culture.alberta.ca/communitydevelopment

   b. Association of Fundraising Professionals
      • Edmonton and Area Chapter www.afpedmonton.ca
      • Calgary and Area Chapter www.afpcalgary.afpnet.org

   c. Calgary Chamber of Voluntary Organizations www.calgarycvo.org

   d. Conference Board of Canada - Corporate Community Investment Council www.conferenceboard.ca/networks/cci/membership

   e. Edmonton Chapter of Voluntary Organizations (ECVO) www.ecvo.ca

   f. Imagine Canada www.imaginecanada.ca

   g. Mount Royal University Faculty of Continuing Education Nonprofit Management www.mtroyal.ca/ProgramsCourses/ContinuingEducation/businesstraining/nonprofit

   h. Mount Royal University Institute for Nonprofit Studies www.mtroyal.ca/ProgramsCourses/FacultiesSchoolsCentres/InstituteforNonprofitStudies

   i. The Muttart Foundation www.muttart.org

   j. Propellus www.propellus.org

   k. Volunteer Alberta www.volunteeralberta.ab.ca/programs-and-services/programs/enhancement-funding

   l. Volunteer Edmonton www.volunteeredmonton.com

   m. Volunteer Centres and Community Foundations located throughout Alberta

   n. Other volunteer organizations in your community.

5. You should now have a written prioritized list of potential donors.

Go to STEP #4

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Corporations invest a great deal of time in understanding your organization, and they expect you to do the same.

--

It's not just about you. Do your homework and find out what is in it for them (the donor).

--

You should constantly be asking your donors, volunteers and friends to help you meet new people and expand your fundraising network.

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STEP

4 COMMUNICATE FOR SUCCESS

It is important to remember that corporations and companies are people. Your objective is to create a relationship, not simply make a deal. STEP #4 is about how to effectively communicate.

1. STEP #3 helped you create a list of possible donors. You are now at the communication stage. How and what you communicate may help determine your future success.

2. Once you have determined that your project may be a fit for a company, review their procedures for submitting a funding request. Many companies use online application forms while some still encourage a personal conversation to start the process.

3. If the requirement is to complete an online application, have all your relevant material available. A funder may request an audited financial statement or an annual report, etc. It typically takes about 30 to 90 minutes to complete an application and you are guided each step of the way.

4. Put yourself in the donor's shoes and consider what information they need to know about you. The following are sample questions that donors may use to evaluate each funding application. Be prepared to provide:

    a. Does your organization align with the donor's community investment focus? If yes, describe how.
        ☐ Yes   ☐ No
        _____
        _____

    b. Is your organization able to communicate the donor's contribution to the general public? If so, how?

        i.   Public or media event? (ground breaking, facility opening, program demonstration/tour) Be sure to offer your donors the opportunity to participate or attend any events associated with the project and invite local media to attend.

        ii. News release or submitted article to local/regional media?

        iii. Social media? (Social media channels like Twitter, Facebook, Flickr and blog postings are good ways of recognizing the contributions of partners and communicating information about your organization. Social media users – including your partners – will often share this information with their own audiences and media will often follow the information posted to social media sites.)

        iv. Organization website/newsletter? Another great way to let people in your community, the media and your organization keep up to date on the progress of your project.

        v.   Signage? (For larger capital projects, you may wish to consider signage that describes the project and acknowledges funding partners)

vi. Your project may achieve a number of milestones as it is being developed and after it is implemented. Provide ongoing progress updates to your donors, local news media and other community organizations. Regular updates on social media will also help spread the word and provide another opportunity to acknowledge your donors.

Remember that as you recognize the contributions of your partners, you also have the opportunity to share your organization's story and promote the programs and services you provide.

c. Are your goals, objectives, values and ethics aligned with the donor? If yes, describe how.
☐ Yes ☐ No

_____

_____

d. Will the donor be able increase its brand awareness and reputation as a result of partnering with your organization? If yes, describe how.
☐ Yes ☐ No

_____

_____

e. If your project involves a public event, will donors have the opportunity to host key influential business contacts at the event?
☐ Yes ☐ No

_____

_____

f. Might your organization have the potential to engage the company's employees and families in the project? If yes, describe how.
☐ Yes ☐ No

_____

_____

g. Is your organization recognized as a credible, well-managed and valued community member? Provide a brief summary of past and current successes and reference your long-term strategic/business plan.
☐ Yes ☐ No

_____

_____

h. Will or can your organization dedicate one person to be accountable to the donor for delivery of all commitments in the partnership?
☐ Yes ☐ No

_____

_____

i. Is participation in your organization's project a unique opportunity for a donor and give the donor a niche in the community? If yes, describe how.
☐ Yes ☐ No

_____

_____

5. Remember to share details of any partnerships you may with other nonprofit or volunteer organizations. Examples of collaboration add value to your proposal.

--

Seek an "investment" not a gift. Invite the donor to share responsibility for the desired outcome.

--

Never submit a funding request addressed "To Whom it May Concern."

--

Develop your 30-second 'elevator speech' that explains why donors should care about your organization and make a donation.

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6. Who is the best person in your organization at completing applications and at writing?

Name	Title
Name	Title
Name	Title

7. Who in your organization best knows the project? You might want them to review the application. A second set of eyes usually adds value.

Name	Title
Name	Title
Name	Title

8. If completing an online application, make sure you complete all the questions. Before you hit send, make sure that you and one other person in your organization have reviewed the application carefully for errors.

9. If you are unsure and need clarification to answer a question, contact the company's Community Investment staff.

    a. In STEP #3 you identified them by name; double-check that you have the correct contact.

    b. Identify yourself by name and organization.

    c. Have your questions ready … be brief they are very busy people.

    d. If asked, have your 30-second 'elevator speech' ready about your organization.

    e. Thank them for their time.

10. When developing your funding request or responding to a question on the online application, be conscious of how much information you provide. Your proposal should be balanced.

    a. Too much information and you may 'over shadow' the key pieces of information the company needs to know.

    b. Too little information and you might have a credibility risk i.e. the donor might wonder if you have done your homework.

    c. Use clear and easy to understand language when writing. Don't use acronyms or jargon.

    d. If you are a small organization most companies do not expect 'glitzy' packages that may be perceived as expensive.

    e. If you are a slightly larger organization with professional staff, they might expect a more elaborate and sophisticated package.

11. In STEP #1 you identified your contact information. Make sure you have listed an alternate contact and that both contacts are informed and available.

12. If the donor requests a presentation or meeting;

   a. Clarify and ensure what additional information they might need.

   b. Follow up with an email or note confirming the date, time and location for the meeting.

   c. Thank them for the opportunity.

   d. Decide who in your organization is the best person to make such a presentation.

   e. Be professional.

   f. After the presentation send a follow up communication thanking them for their time.

13. If you are successful:

   a. Send a thank you letter.

   b. Depending upon the amount contributed, your funding partner may require certain "fulfillment" reporting. Ask the donor what information they require and how and when you will communicate that information. This may include:

      i. Ongoing project status reports

      ii. Regular or semi-regular update meetings

      iii. Summary of local media coverage (clips of news articles, photos or opinion pieces from media related to your project)

      iv. Project evaluation (How was the effectiveness of the project measured? What success have you seen? What challenges have you encountered? What lessons have been learned?)

14. Even if you are not successful, send them a letter of thanks.

   a. It's okay to ask why your request was not successful. Ask the donor what you could have done and what might make a future request successful.

   b. Remember you are building a relationship. They may support you in the future.

   c. You want them to remember who you are and the good work you are doing.

Go to STEP #5

--
Give donors time to review your request. Don't expect an immediate response.
--
If a prospect says "No" ask "Why?". Their feedback may be helpful.
--
Make sure that every communication with your donor is not an 'ask'.
--

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STEP 5

STRENGTHEN YOUR RELATIONSHIPS

Remember your objective is to create a relationship, not simply make a deal. Personal connections are the key to successful relationships. Continue to learn more about your donors to strengthen the relationship.

1. Companies look for opportunities to give back to the community. Make sure your organization provides them with a meaningful way to show their support.

2. Don't treat your donor like an ATM from which you are continually making withdrawals. Make sure you make meaningful 'deposits' by communicating with donors and letting them know how the project they are supporting is benefiting the community.

3. The second gift you receive from a donor might be the most important gift as they are confirming they trust you. However, don't ask for the second gift immediately and certainly not in your first thank you letter. Give your donor a chance to get to know you and give your organization a chance to prove your value and worth through a positive return on their community investment.

4. Statistics in Canada suggest that six out of 10 donors do not contribute more than once. When you call just to say thanks during the course of a year, you may well be retaining those donors for the future.

5. Calculate your Donor Retention Rate on an annual basis.

    a. The number of new donors.

    b. The number of donors you retained.

    > To calculate your Donor Retention Rate, simply take the number of donors who gave to your organization in one calendar year, and divide it by the number of donors from the same pool who made a donation in year two.
    >
    > | | | |
    > |---|---|---|
    > | # of Donors Year 1 | ÷ # of Returning Donors Year Two | = Donor Retention Rate |

6. Estimate how much time and money you invest in securing a new donor. It typically costs less to keep a donor than to find a new one.

7. Estimate how much you invest in donor retention.

8. Compare the values of each.

9. Demonstrate good stewardship of your relationships. Develop guidelines on how you will communicate with your donors.

    a. Ask your donors what kind of ongoing communication they would prefer. Would they like to receive monthly or quarterly updates of organization activities or is an annual report sufficient for their needs?

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b. Keep a record when you communicate with a donor and check your notes before your next call.

c. Whenever you communicate with your donor, clarify the impact of their investment in numbers i.e. number of children helped, trees saved, hours of ice time, etc.

d. Invite donors to attend and participate at your organizations public events.

e. Visit the company website often to learn more about what your partners are doing in your community.

10. Respond quickly to donors after they have contributed to say thank you. A phone call, voice message or email are helpful in addition to a more formal thank you letter (with tax receipt if applicable). Hand-written notes or a personalized letter are often most appreciated. Don't create a generic thank you letter or card that you use repeatedly.

You have now completed Step #5. Ensure you have completed all steps by using the following checklist:

Final Checklist

☐ Have you defined who you are and why your organization exists?

☐ Did you explain what your project is and what it will achieve?

☐ Did you identity who potential donors may be?

☐ Do you feel you can communicate effectively with donors?

☐ Can you strengthen your relationships through a good stewardship plan.

This toolkit can be used to build relationships with many types of donors. You can also integrate it into how you manage your organization.

Notes

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Develop a policy or process on how you thank your donors.

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A good rule is to send at least an initial acknowledgment of a gift within 48 hours of its receipt. Then follow up with a formal thank you as soon as possible.

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Ask your donor how they want to be recognized; many companies have different requirements.

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