

The Four Purses

Did you know that when approaching corporates for a potential partnership, there's not just one budget but **four** possible budgets? Yes, changemakers can access four different budgets (or as we call them, purses) for cash & other juicy resources! When you pinpoint the purse, you'll know the right person to approach, understand their reason for the

investment, the ROI they're seeking and the language they speak. These are all important details when making a compelling, stand-out approach. This is one of the many bedrock distinctions contained within the BePartnerReady.com® program that'll deepen your understanding of the

corporate sector – and more importantly, enable you to ask the right questions of the right person at the right time - and deliver precisely what they want. It's the difference between success – and failure.

Who knew that simply asking for someone's job title would reveal *so much!*



1. Human Resources Purse

Reason for investment

- Staff engagement & volunteering
- Increase pride, loyalty and motivation
- Satisfy demand of Millennials to do good at work
- Build compassionate leadership and teamwork skills
- Support a CSR strategy/contribute to community

Size of purse

- Typically small, sometimes only costs covered
- Smart charities are charging a fee, or you can offer exclusively to partners & sponsors that are supporting you financially

Purseholder job title

Head of Human Resources, People & Culture, VP of HR

Roi Measures

- Increase in staff motivation & pride
- Enhance work-life balance
- Attract Millennials & Gen Z
- Reduce churn (turnover)
- Become an Employer of Choice
- Increased skill set

Blurred Boundaries

- Staff volunteering can support a CSR strategy or Sponsorship
- Skilled volunteering hours can be presented as a CSR commitment
- Staff wearing branded t-shirts and promoted publicly can be seen as marketing/brand enhancement

Language used

Churn, retention, emotional intelligence, exit interview, change management, attrition, core competencies, soft skills, corporate culture, balance scorecard, downsizing, family friendly, diversity, talent, onboarding



2. Philanthropic Purse

Reason for investment

- Fulfil on social purpose, make a social impact
- Tax deduction
- Ring-fenced giving (not impacted by company performance)
- Sometimes, due to a personal relationship (or Chairman's Chequebook)
- Sometimes required by Government or Industry to win contracts
- Demonstrating Industry leadership
- Part of their culture / set by Founder / Religious roots

Size of purse

- Medium, can be fragmented
- Often broken up into lots of small grants, especially if a Foundation

Purseholder job title

Head of Philanthropy, Head of Foundation, Chief Giving Officer, Community Relations or if a small company it can be HR, CEO, CFO or Corporate Affairs

Roi Measures

- Social impact
- Reputation
- Employee motivation & pride

Blurred Boundaries

- Strategic philanthropy – where it positively impacts their business (such as banks investing in financial literacy or insurance companies investing in climate action)
- When they promote their philanthropy, makes it more of a marketing exercise
- Individual giving vs company (i.e. Bill Gates & Microsoft)

Language used

SRI (social return on investment), stakeholder, advocacy, altruism, gift, grants, eligible, DGR-1, care, support, changemaker, community involvement



3. CSR (Corporate Social Responsibility) Purse

Reason for investment

- Stakeholder, lobby group & customer pressure
- Desire for more sustainable business
- Solving social problem is advantageous to their business
- Minimise negative impact on environment & community (reduce reputational risk)
- Earn their 'licence to operate'
- Increasingly required by Government or Industry to win contracts
- Demonstrating Industry leadership
- Creating more diversity
- Reduction in wastage = cost savings
- Differentiation in the marketplace

Size of purse

- Large, complex and growing
- Not all companies are embracing CSR

Those on the journey are investing millions. Covers so many aspects from environment to diversity, ethics & community, marketplace practices & human rights. The budget spend will align to their focus area

Purseholder job title

The catalyst can be CEO, in-house counsel, corporate affairs manager, stakeholder relations or HR. As function grows they may hire a specialist person called CSR manager, CSR analyst or sustainability manager.

Roi Measures

Depends on their focus area. It can include all in purses 1&2 as well as specific measures relating to their focus area, such as zero emissions (Interface), 100% sustainable cotton (Cotton On)

Blurred Boundaries

- Many companies still don't understand CSR – they donate money to a charity and call it CSR
- Shared Value – a new trend that looks like CSR but isn't – warning!¹
- CSR, legal & marketing teams often work together

¹ Ask us about this on one of our calls

Language used

Can be all the above depending on focus but the two main areas that matter are the social and reputational impact. Carbon footprint/offset. Labour practices. Ethics. Fairtrade. Renewables. Compliance



4. Marketing Purse

Brand-aligned partnerships
Sponsorships
Cause Related Marketing

Reason for investment

- Leverage their CSR or sponsorship investment & activity
- Differentiation in the marketplace (products & services)
- Demonstrate social good to customers
- Desire to be famous for a social cause
- Increased sales on product or service
- Reach new markets
- Build trust and brand
- Attract socially conscious millennials as customers & staff
- Demonstrate or sample product (in a sponsorship/event)
- Reposition brand

Size of purse

- Typically, largest of them all
- In tough times, most companies do not abandon marketing altogether. They will look for most cost-effective ways to get their message out. Partnering with a cause is often very cost-effective compared to a big media campaign.

Purseholder job title

Director of Marketing, Brand, Sponsorship, Communications, Sales, Digital or PR

Roi Measures

Depends on desired outcome but will often be in sales, increased awareness or sentiment towards the brand/company

Blurred Boundaries

- Their job is to get maximum value out of the exercise that can sometimes be funded by the CSR purse
- Cause Related Marketing is confused with Customer Relationship Management
- Charity donations called 'sponsorship'

Language used

Content, customer centric, return on ad spend, guerrilla marketing, engagement, demographics, psychographics, targeting, storytelling, viral, value proposition, assets, reach and frequency

“If I had an hour to solve a problem and my life depended on it, I would use the first 55 minutes determining the proper question to ask”

Albert Einstein