

**And Now a Word from Our Sponsors:
Why Private Sponsors Support the Ontario Legislative Internship Programme**

By

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Introduction

Each day companies are bombarded with new requests for financial support. How do they choose what to sponsor? What message do they hope to send through their sponsorship? More specifically, why do they contribute to the Ontario Legislative Internship Programme (OLIP)? To answer these questions, I went straight to the source: our sponsors.

This paper will identify corporate motivations for sponsorship in the existing literature and amongst OLIP's sponsors. After reviewing the literature and speaking to some of OLIP's sponsors, it appears that sponsors have multiple motivations for entering into a sponsorship agreement. OLIP's sponsors differ widely in their organizational purpose and objectives, but some patterns did appear in their sponsorship objectives, which are reflective of patterns in the existing literature.

Corporate motivations fall into two complimentary categories: (1) companies increasingly view sponsorship as a way to achieve their strategic objectives; and (2) companies want to be good corporate citizens. The existing literature focuses mostly on the first category and identifies motivations like brand recognition and image enhancement. OLIP's sponsors strongly identified meeting their strategic objectives through increasing brand recognition, creating an image, and communicating their message, but they are also very strongly motivated to display their social conscience.

This paper will then attempt to identify some lessons that Non-Profit Organizations (NPOs) can learn about sponsorship. If NPOs understand sponsorship from a corporate perspective, they may be able to focus their sponsorship requests and benefits to what organizations are looking for and therefore increase their sponsorship funding.

Methodology

This paper begins with the question: why do private sponsors support OLIP? To answer this question, this paper reviews the existing literature to get a general sense of corporate sponsorship objectives and then considers interviews with OLIP's sponsors to learn more specifically about sponsorship of a legislative internship Programme. I decided to focus on the Programme's major and lead sponsors because they are the largest financial contributors and because of time constraints. After reviewing the literature, I reached out to all the program's major and lead sponsors that were active as of April 1, 2013. In total, I interviewed 18 individuals including representatives from 11 of the 14 major and lead private sponsors. The overall sponsor response rate was 79 percent and I was able to interview representatives from all our lead sponsors (100 percent) and 8 of our 11 major sponsors (73 percent). I also spoke to the Speaker of the Ontario Legislative Assembly (OLA) to get the legislature's perspective. Finally, I considered the Programme's

perspective by speaking with the Director of OLIP and the Director of the Parliamentary Internship Programme (PIP), OLIP's federal counterpart.

I conducted most interviews in person, but I also did six interviews over the phone where circumstances did not allow a face-to-face meeting. I recorded the interviews where possible and always got the participants consent when recording. In three phone interviews, the recording quality on speaker phone was not adequate, so I took hand notes rather than audio recording.

I decided to focus on qualitative information and I asked open ended questions about why an organization supported the Programme and what prompted the initial decision. I did not provide a list of potential benefits to interviewees for them to rank or choose from. Therefore, I did not do any quantitative analysis other than on the response rate.

A list of our major and lead sponsors is included in Appendix A and a list of interview subjects for this paper is included in Appendix B.

Limitations

This research represents a valuable sample of why OLIP's lead and major sponsors support the Programme. However, it cannot be taken as an exhaustive list of the motivations for sponsorship because I was not able to interview all of OLIP's sponsors. Generally, the sponsors who chose to make themselves available were those who are already engaged with the Programme, so the less active sponsors are underrepresented. In addition, had time and opportunity permitted, I would have liked to interview former sponsors to ascertain why they ended their sponsorship, but I was unable to explore all possible questions.

While the goal of my research remained the same throughout the process, I adapted my interview questions and style slightly to fit each situation and as I became more experienced. Given the nature of qualitative interviews, I also had to interpret what sponsors said and what was most meaningful. I did my best to summarize their responses, while maintaining the integrity of their answers. Finally, while interviews were an effective way to gather qualitative data, sponsors may not have been comfortable expressing issues or criticisms of their sponsorship relationship. Audio recording may also limit a respondent's candidness, although many sponsors were still very forthcoming.

On the broader subject matter, this paper considers why companies sponsor various organizations and to a smaller extent, how organizations may be able to increase their chances of receiving sponsorship. It does not address whether an NPO should always accept support and how they may be affected by the relationship. In discussions with the Directors of OLIP and PIP, it was implicit that the Programmes benefit because without the financial resources from sponsorship, interns would not have the same opportunities. This paper assumes that sponsorship is inherently a beneficial thing for NPOs and for

legislative internship Programmes. Further research could consider how the recipients engage in these relationships and to what extent they benefit.

Defining Sponsorship

Commercial sponsorship is often defined as “an investment, in cash or in kind, in an activity, person or event (sponsee), in return for access to the exploitable commercial potential associated with that activity, person or event by the investor (sponsor)” (Weeks et al, 2008, 639). This definition captures the essence of sponsorship as a strategic exchange of mutual benefit, but by emphasizing the “exploitable commercial potential”, it ignores the common corporate objective to display a social conscience. Doherty and Murray have a more complete definition that likens sponsorship to “strategic philanthropy. . . a company’s long-term investment in an appropriate cause that does measurable good in society while enhancing the company’s reputation with key audiences” (2007, 50). Sponsorship, however, is not synonymous with philanthropy, which is a gift to an organization without any expectation of recognition (Daellenbach et al, 2006, 74). It also differs from cause-related marketing, where the amount of money contributed to an organization depends on the sales of a product or service (Daellenbach et al, 2006, 74). Sponsorship has become a highly strategic activity that is used as a tool to achieve a corporate objective and is integrated with a company’s marketing strategy (Daellenbach et al, 2006, 73).

Global Sponsorship Spending

Over the last 15 years, sponsorship spending has grown significantly across the globe. Worldwide corporate sponsorship spending expanded from \$13.4 billion in 1996 to 51.1 billion in 2012 (IEG, 2013). These numbers only reflect the fee that companies pay for sponsorship rights and do not include other associated costs such as marketing, meaning that total corporate spending on sponsorship is likely even higher (Daellenbach et al, 2006, 73). IEG, an international sponsorship research and consulting company, projects that companies will continue to prioritize sponsorship because they are recognizing the potential for sponsorship to increase brand awareness and loyalty amongst a targeted audience (IEG, 2013). They may even invest in sponsorship and forego other traditional forms of advertising (IEG, 2013).

In North America, the vast majority of sponsorship spending, about 69 percent, goes towards sports organizations (IEG, 2013). This is followed by entertainment and causes at 10 percent and 9 percent respectively as the largest categories (IEG, 2013). Arts, festivals, fairs, and annual events, and associations and membership organizations each receive between 3 and 5 percent (IEG, 2013). Youth organizations were not specifically mentioned in the literature, although youth could be a subcategory of other areas like sports and arts.

Existing Literature

Sponsorship is most commonly discussed in the disciplines of marketing, consumer behavior, strategy, and sports management, while there is little discussion of the subject in political literature. This makes sense, when one remembers that 69 percent of sponsorship goes towards sports, while sponsorship of political organizations such as legislative internship Programmes pales in comparison.

Cornwell and Maignan conducted a comprehensive review of sponsorship literature at the time and found that most of the literature focused on either the sponsoring company's objectives, or the evolution of sponsorship in a particular sector or region (Cornwell & Maignan, 1998, 22). This is still considered to be the case, and Daellenbach et al identify a gap in the literature regarding how sponsorship relationships evolve (Daellenbach et al, 2006, 74). Furthermore, the literature generally lacks a meaningful discussion of how sponsorship affects consumers' perceptions of sponsoring organizations (Cornwell et al, 2005, 21). This paper does not attempt to fill either of those gaps, but instead builds on identifying sponsors' objectives, specifically as it they relate to sponsoring a non-partisan legislative internship Programme.

Identifying Sponsors' Objectives

Companies enter into sponsorship relationships with a range of motivations. A poll of sponsoring organizations revealed that the most common objective for sponsorship is increasing brand loyalty, which was identified by 72 percent of respondents (IEG, 2012, 9). Creating awareness and visibility was a close second at 70 percent, while changing or reinforcing their image was the third most common response at 66 percent (IEG, 2012, 3). Displaying and showcasing a company's sense of social responsibility was fourth and identified by 43 percent of sponsoring organizations (IEG, 2012, 3). Other motivations included stimulating sales and driving retail traffic, and will not be discussed in detail because they do not pertain to sponsoring a Programme like OLIP.

It appears that companies often have the dual and mutually reinforcing motivations of positive community service and achieving their identified corporate objectives, which differ depending on the company. This is reflective of Doherty and Murray's description of sponsorship as strategic philanthropy (Doherty & Murray, 2007, 50). The first three objectives of brand loyalty, brand awareness, and enhancing their image will be considered as a way to achieve corporate objectives. Displaying a social conscience can contribute to a company's image, but is also about contributing to a cause outside of the company's own self-interest and will therefore be considered separately from corporate objectives.

Sponsorship contributes to these objectives in several ways, each of which can contribute to brand loyalty, awareness, creating or reinforcing their image, and displaying their social conscience. First, being associated with a particular event or organization will allow the advertising message to be heightened, especially when the audience has a high-level of emotional attachment to the sponsee (Doherty & Murray, 2007, 50). A sponsor is

also able to differentiate itself from its competitors through association with the sponsee (Doherty & Murray, 2007, 50). Finally, sponsorship often allows companies to generate goodwill through generosity (Doherty & Murray, 2007, 50).

Criteria

When considering who to sponsor, companies often look for an organization that fits their identified objectives. Kim et al suggest that companies looking for long-term sponsorship relationships should find a sponsee that fits in three ways: activity fit, business fit, and familiarity (Kim et al, 2012, 163). Activity fit means that a company must determine a cause for their sponsorship dollars to contribute to. Once they determine the activity, a company must find an organization that can fulfill that purpose, which is the business fit. Finally, when selecting a sponsee, companies should consider the familiarity that their consumer base has with the recipient to maximize the benefit of sponsorship (Kim et al, 2012, 165).

Leveraging and Activating a Sponsorship Relationship

Sponsorship gives a sponsor access to commercial benefits through its association with a sponsee, but does not automatically mean the sponsor accrues these benefits. Sponsors must activate and leverage their relationships to get the maximum benefit (Weeks et al, 2008, 639). According to Weeks et al, “leveraging encompasses all marketing communications collateral to the sponsorship investment, whereas activation relates to those communications that encourage interaction with the sponsor” (Weeks et al, 2008, 639). In the case of OLIP, leveraging could be any marketing where a sponsor highlights its association with the Programme. Activation could be a meeting with the intern group where the sponsor provides information to encourage interns to interact with the sponsor. Depending on the activity, the costs of leveraging and activation can be more expensive than the actual sponsorship fee (Weeks et al, 2008, 639).

If a company pays a sponsorship fee and does not engage in any other marketing or engagement with the recipient organization, they are not activating or leveraging that relationship. This passive sponsorship will increase a company’s brand visibility through their association with the recipient (Colterman, 2013). If sponsors are more active and engage the audience, they can achieve other objectives such as creating or reinforcing their image (Colterman, 2013). Despite this fact, more than one in five sponsors spend nothing on activation or leveraging activities (IEG, 2012, 5).

Evaluating Success

Most sponsors and recipients lack metrics to go on to measure sponsorship success beyond the longevity of that relationship (Daellenbach et al, 2006, 75). One-third of sponsors spend nothing on evaluation and another 44 percent spend 1 percent or less of their sponsorship budget (IEG, 212, 7). Overwhelmingly, companies are not measuring their outcomes, and yet 60 percent of sponsors are reported that their return on their investment in sponsorship is growing (IEG, 2012, 5).

Despite the fact that many companies spend little to nothing on evaluation, sponsors appear increasingly concerned with ensuring they are getting value from their sponsorship dollars (IEG, 2012, 9). Because evaluation is difficult, sponsors are moving towards supporting fewer organizations and invest more in leveraging, activating, and evaluating those relationships to maximize their benefit (IEG, 2012, 9). Recipients that can differentiate themselves by demonstrating value in measurable and tangible ways may be rewarded with more sponsorship (Doherty & Murray, 2007, 52).

The Ontario Legislature Internship Programme

The Ontario Legislature Internship Programme (OLIP) is a non-partisan 10 month Programme that allows 8-10 interns to work at the Ontario Legislature (aka: Queen's Park). Interns have placements with two different Members of Provincial Parliament (MPPs), one from the governing party and then one from an opposition party. The Programme provides quality staff to backbench MPPs, gives recent university graduates an unparalleled educational experience that includes educational visits to other legislatures, and contributes to public knowledge about the legislature.

Sponsorship Structure

Like many other NPOs, legislative internship Programmes rely heavily on corporate sponsorship. For example, sponsorship makes up 30 percent of OLIP's annual budget (Jacek, 2013). The Programme has three different levels of sponsorship: lead, major, and other. Lead sponsors are donors of \$10,000 or more per year. Major sponsors give between \$5,000 and \$9,999, and our other sponsors give up to \$5,000. Each year, the Sponsorship Committee, made up of three interns, solicits new sponsors, while the Director and Programme Administrator manage existing sponsor relations. Relationship management is a lot of work, and while Dr. Jacek hopes to increase OLIP's sponsorship, he would like to see the Programme get more support from fewer sponsors (Jacek, 2013).

Each of OLIP's sponsors are unique in their purpose, their membership, and their accountabilities, so it makes sense that they would differ in their sponsorship objectives as well. Garth Williams, the Director of the Parliamentary Internship Programme, OLIP's federal counterpart, articulated this fact when he stated that "clearly sponsors have individual interests. They're all different and they need to be appreciated for their own organizations and they're not interchangeable. Everybody is individual" (Williams, 2013).

The majority of OLIP's financial support, about 70 percent, comes from the OLA through a grant from the Board of Internal Economy (Jacek, 2013). This multi-partisan body is chaired by the Speaker of the OLA, the Honourable Dave Levac (Jacek, 2013).

The decision to support OLIP is one that all political parties agree to, and from which all parties benefit (Levac, 2013). The majority of OLA's contribution goes towards the annual stipend for the interns and a small portion goes towards some of the program's administrative costs (Jacek, 2013). Although this paper focused on the motivations for corporate sponsorship, it will briefly discuss the support from the OLA as well.

Public Sponsor: The Ontario Legislative Assembly

OLA is by far OLIP's largest financial contributor, so it is especially important to understand their support. The Speaker believes that OLIP is mutually beneficial for MPPs and interns, although he admitted that the MPPs might gain more than the interns (Levac, 2013). MPPs benefit from the skillset, intelligence, and enthusiasm that interns bring to their offices. Interns benefit from the experience and exposure to Queen's Park, which will help shape their careers no matter what they decide to do (Levac, 2013). The Ontario Legislature is an exciting place for a recent university graduate to begin their career because it is the place with the political, public, private, non-profit sectors converge (Levac, 2013).

The non-partisan nature of the Programme is essential to getting support from all three political parties. The Speaker articulated that all the stakeholders including the members, sponsors, interns, and the administration value the neutrality and that non-partisanship is the largest factors in OLA's support (Levac, 2013). The Speaker also sees the experience on both sides of the house as a valuable learning experience for the interns (Levac, 2013).

Motivations behind Private Sponsorship

OLIP enjoys the support of a wide range of sponsors from private companies, to government agencies, and from trade associations, to unions. The sponsors differ widely, but one commonality is that they support OLIP through their Government Relations or Public Affairs departments. This fact speaks to the distinction between sponsorship and philanthropy identified in the literature and also affects the types of objectives that the sponsors hope to achieve through their sponsorship.

OLIP's private sponsors generally identified multiple objectives for their sponsorship, which can be grouped into two broad categories: good corporate citizenship, and advancing the sponsor's government relations agenda. These two objectives are consistent with those identified in the literature of demonstrating a social conscience and achieving strategic corporate objectives, which in this case are the objectives of their Government Relations departments. Even though these two categories will be discussed as distinct entities, many sponsors identify both motivations as important and these motivations are mutually reinforcing. Sponsors also occasionally identified some other peripheral benefits like enjoying the time they spend with interns and the possibility of recruitment.

Sponsors all identified some desire to achieve their objectives and display their social conscience through sponsorship, but they may emphasize different aspects of their sponsorship goals. This section summarizes sponsors' motivations, and attempts to capture each sponsor's distinctness by including any unique areas where sponsors differed.

Criteria – A Good Fit

Every organization discussed the importance of finding the right fit for a sponsorship relationship, but just as organizations differ in their motivations, they also differ widely in their criteria for decision making. For many organizations, OLIP was a good fit because it supports youth and contributes to political education. Other sponsors discussed alignment with their values in a more vague sense. A few sponsors had specific criteria to determine the right fit. For example, Vale has a list of 10 criteria against which they measure sponsorship requests (Satterthwaite, 2013):

1. Education
2. Local community support
3. Align with values and principles with Vale
4. No duplication
5. Presence of Vale in the area
6. Positive sustainable and long-term results
7. Organizations is financially viable
8. Outlines options of recognition for their sponsors
9. Measureable outcomes
10. Innovation in their approach to their work

The Insurance Brokers Association of Ontario (IBAO) and CIBC both consider whether an organization can help them meet their objectives of enhancing the political process and allowing the organization an opportunity to fulfill its government relations agenda (Carroll, 2012; Kennedy, 2012)

The idea of finding the right fit is also consistent with the literature. Sponsors identified aspects of 'fit' that align with Kim et al's concepts of activity fit and business fit in determining toward what activity they want their dollars to go, and then finding an organization to fill that role. A few sponsors also mentioned that they value that OLIP is well-known and has positive reputation at Queen's Park, which suggests that they also value familiarity as well.

Advancing Their Government Relations Agenda

The primary motivation for companies to engage in sponsorship is achieving an organization's strategic objectives. OLIP's sponsors largely identified this as their most important objective as well. Sponsors support the Programme through their Government

Relations or Corporate Affairs budgets, so it should come as no surprise that sponsors use their sponsorship to advance their government relations agenda.

Jim Flood explained the Ontario Real Estate Association's (OREA) government relations slogan, which is "to create a legislative and regulatory environment that's favourable to realtors and real estate" (Flood, 2012). He went on to say "that's what we do with the money that we're given and certainly sponsoring the interns fits very nicely within that mandate" (Flood, 2012).

There are three main ways that sponsorship can contribute to an organization's government relations agenda. First, organizations often wish to increase their brand visibility and recognition at Queen's Park, and particularly, amongst MPPs. Second, sponsors look to enhance or create an image of their organizations, which is connected to brand recognition. To this end, organizations may also consider their image in comparison with their peers and wish to be represented where their competitors are active. Finally, they often use sponsorship to communicate specific messages and to build relationships with interns and MPPs.

Brand Recognition: It's always about the brand

One of the major reasons that sponsors cited as a motivation for their sponsorship was increasing their brand exposure and visibility around Queen's Park, part of which is done through the Programme's acknowledgement of an organization's sponsorship. Randy Carroll strongly identified visibility as a motivation when he said, "anybody that is sponsoring anything is looking for some sort of recognition" (Carroll, 2012).

Gary Clement further emphasized this point by saying "it's always about the brand" and that from TD's perspective, "if we're going to sponsor something and our logo is not present, no one else's logo better be present and there better be a strong reason as to why our brand is not present" (Clement, 2013).

Debbie Thompson believes that the brand recognition through sponsoring OLIP sets the IBAO apart from other organizations (Thompson, 2013). IBAO knows that MPPs value the opportunity to get an intern, and the organization likes being thanked by MPPs for their support of OLIP (Thompson, 2013). Jan Dymond from the Investment Funds Institute (IFIC) of Canada echoed that it's valuable for Members to know that they support the Programme (Dymond, 2013).

Estee Lauder identified brand recognition as one of the main motivators, but they differed from other sponsors in saying that would continue sponsorship even if they did not get any recognition or acknowledgement for their sponsorship (Lofton-Phillips, 2013).

Patrick Kennedy from CIBC agreed that brand visibility is valuable from a government relations' perspective, but it was not CIBC's primary motivating factor in sponsoring OLIP (Kennedy, 2012).

One of the main venues for sponsors' logos to be visible is through the bi-annual magazine "Queen's Park Insider". This publication features articles about the interns and their activities throughout the year and features sponsor logos. The magazine is distributed to about 450 individuals like MPPs, sponsors, alumni, people that have met with the interns, and other friends of the Programme. Dr. Jacek believes that the sponsors really value the magazine and that seeing their logo featured makes them feel connected to the Programme and positive about their sponsorship (Jacek, 2013). Randy Carroll sees that the magazine represents a tangible benefit that he can point to when justifying their sponsorship dollars (Carroll, 2012).

IFIC and OREA agree that the magazine increases their visibility and that it is distributed to a good readership base (Dymond, 2013; Flood, 2012). In fact, it was the magazine that prompted Jim Flood's decision to take OREA from being a major sponsor to a lead sponsor. He explained that while looking at the magazine, he wondered why there were not more logos and then decided he wanted to see OREA's logo at the top.

This sentiment is not universal, however, and Patrick Kennedy believes that the publication does not increase their visibility because it is not widely distributed and that the readership is already involved and aware of the existing sponsors. However, because CIBC is not looking primarily for brand recognition in their sponsorship, the magazine and other opportunities for displaying their logo were not a large consideration.

Creating an Image: Corporate Benefit by Osmosis

Sponsors believe that OLIP is well-respected amongst MPPs. Dr. Jacek asserted that sponsors use their association with OLIP to boost their image around Queen's Park because it "fits their image of what they think they ought to be doing and what they value" (Jacek, 2013). Jim Flood agrees that there are a number of indirect benefits to sponsoring OLIP and together, they create an image of the association at Queen's Park (Flood, 2012). Part of creating an image is being seen to by MPPs as being generous, which is intimately connected to the idea of good corporate citizenship (Dymond, 2013).

Several associations, in particular the IBAO, mentioned that they want people to see their membership as involved in their respective communities (Thompson, 2013). Showing that a company is interested in more than their own issues generates good will in Queen's Park that permeates their political relationship (Flood, 2012). IBAO and OREA agree that sponsorship helps their credibility amongst Members because they see a role for themselves beyond advocating for their own industry (Carroll, 2012; Flood, 2012)

Jim Flood believes that sponsorship enhances OREA's brand and increases the organizations visibility, resulting in a "corporate benefit almost by osmosis" as interns and MPPs are continually exposed to OREA as a sponsor (Flood, 2012).

Non-partisanship: A way to be political without being political

The Speaker identified political neutrality as essential to the OLA's support. Private sponsors also recognize the value of political neutrality and many sponsors believe that their association with a non-partisan Programme gives them more legitimacy. Industry

associations are particularly keen about supporting a non-partisan Programme, as they are also non-partisan organizations. Jim Flood captures the value for an association by explaining that OLIP is “completely non-partisan and yet it’s intimately connected to the political process itself, so it’s a way to be political without being political” (Flood, 2012). In this way, supporting a non-partisan Programme can contribute to a sponsor’s government relations agenda.

Randy Carroll explains why it’s important for IBAO to be non-partisan and have relationships with all parties because “most of the issues that we’re taking forward are consumer based and if it’s something that we feel is good for the consumer then all parties need to look at it” (Carroll, 2012).

Rob Nicol from Canadian Tire identified non-partisan events as great networking opportunities for government relations professionals. He noted that events hosted by OLIP and the Press Gallery are some of the few truly neutral events held at Queen’s Park where he knows he will see strong representation from each of the political parties as well as a variety of stakeholders. As he put it, the OLIP reception is “sort of an event in a box where you get to meet a wide range of people, so definitely the non-partisan element to [OLIP] has a very practical benefit to a sponsor” (Nicol, 2013).

Competition

A final factor identified in image enhancement is based on competition. Anecdotally, it seems that organizations consider the presence or absence of their peers or competitors in their sponsorship decisions. For example, one of the major banks was considering becoming a lead sponsor if they received assurance that they would be the only bank at that level. During the interviews, TD was the only sponsor that explicitly identified competition as a factor. Gary Clement explained that “my focus is where my competition is... I don’t want to sit there and have the other 4 do something and us not there” (Clement, 2013).

Communicating and Developing Relationships with Interns

Many sponsors identified communicating their message to interns as one of their primary goals for sponsorship. Sponsors see youth as the leaders of tomorrow and educating interns early in their careers could have long-term value for their industry. This sentiment is particularly noticeable in sectors where there is the perception that the public is misinformed about their industry, such as banking, energy, and mining. However, many other organizations also prioritize promoting awareness of their industry.

For example, over the past five years energy has become a high-profile public policy issue. Bruce Power places a very high value on educating youth on their industry, and they are especially keen to engage a group of young people who may go on to be public policy leaders (Scongack, 2013). This year, Bruce Power brought the intern group out to Bruce County for a meeting and a tour of their nuclear generating facility. James Scongack recounts that “most people don’t leave the site without a positive impression” (Scongack, 2013). He believes that the tour is an effective way to communicate their message and contribute to better policy debate around nuclear energy (Scongack, 2013).

Erin Satterthwaite of Vale sees sponsorship as an opportunity to engage interns, dispel any negative myths about the mining industry, and provide interns with enough information, so they can become ambassadors of the mining industry (Satterthwaite, 2013). Similarly, Jan Dymond from IFIC hopes that interns will have some familiarity with the financial services sector that they will carry throughout their careers (Dymond, 2013).

Rob Nicol of Canadian Tire agrees that sponsorship has potential long-term benefits and explains that “one of the investments that we’re making is getting to know every year a new generation of people who have an outstanding interest and achievement in public policy and who will go and do all kinds of interesting things and whose paths might cross with ours in the future. Part of that is developing and keeping those relationships over time as well.” (Nicol, 2013).

Patrick Kennedy of CIBC values the opportunity to educate interns to clear up the many misconceptions that exist around banks (Kennedy, 2012). Uniquely, he also assumes a responsibility to educate interns on the value and role of government relations as a profession, especially because they may be working in the political sector and exposed to lobbying (Kennedy, 2012).

Alternatively, TD Bank does not use sponsorship as a platform for their issues (Clement, 2013). Gary Clement explains that “I don’t see our sponsorship of the internship program to be about something to do with our issues. I see it as more of a service that we do, and a service we’re happy to do” (Clement, 2013). That being said, TD does recognize that interns can be a way to build relationships with elected officials (Clement, 2013).

Sponsorship involves relationship building, but is not about getting access to officials, If an organization has a balanced and credible position on an important issue, they do not need to know anybody to get a meeting (Flood, 2012). Frank Bomben explains that The Co-operators Group no longer makes any donations to political parties and they still get meetings and are important players on their issues, so sponsorship and donations are not about getting access but more about how it can facilitate a relationship (Bomben, 2012). Nevertheless, sponsors value sponsorship as an opportunity to build relationships and to generate good will amongst Members and interns.

The idea of creating a lasting familiarity with an organization amongst MPPs or interns is similar to the idea of brand loyalty, which was the number one objective of sponsorship identified in the literature. However, sponsors did not frame this desire in terms of loyalty and that word was never used.

Good Corporate Citizenship

The second motivation behind corporate sponsorship of a legislative internship Programme is displaying a social conscience, which sponsors generally referred to as being a good corporate citizen. Every sponsor interviewed identified this as one of their

motivations. They identified social value in supporting and educating youth and in giving back to the political process.

Education and Supporting Youth: The Leaders of Tomorrow

All of OLIP's sponsors recognized and identified the value in educating youth to become the next generation of leaders and encouraging engagement in politics and policy. Many also identified value in promoting engagement in the politics and policy. James Scongack specified that Bruce Power wanted to widen its scope from dealing with students in technical disciplines most often associated with nuclear energy and start focusing on public policy.

Many sponsors agreed with the Speaker that OLIP also provides value by allowing young people to gain experience. Lorinda Lofton-Phillips from Estee Lauder understands the practical value of OLIP on a personal level because it was through an internship that she started with Estee Lauder and she has worked there ever since (Lofton-Phillips, 2013). Frank Bomben from the Co-operators Group strongly believes in supporting youth who have the opportunity for hands-on-experience (Bomben, 2012).

Enbridge sees OLIP as part of their community investment program and they particularly want to support educational opportunities that promote public engagement (Green, 2013). Enbridge also places a high value on mentorship within their company and they see their sponsorship of OLIP as a form of ongoing mentorship (Wasylyshen, 2013).

Jim Flood of OREA believes that by engaging and educating bright young people, that OLIP, "kind of makes the country a bit better one person at a time" (Flood, 2012). It's not a direct benefit and not something a company can measure, but he says that is fine because quantification is not what OREA is trying to do (Flood, 2012).

Sponsors agreed with the Speaker again and identified non-partisanship as a valuable part of the educational experience that OLIP. Paul Green from Enbridge believes non-partisan experience is a valuable learning opportunity for the interns because "they get a full spectrum of the process from start to finish from a government party and certainly from the opposition" (Green, 2013). Gary Clement said that non-partisanship was not a significant factor in their sponsorship, but it likely adds value by allowing the Programme to attract a diverse range of quality candidates and as well as exposing interns to different political perspectives (Clement, 2013).

Supporting the Political Process: Our Way of Giving Back

Another way that sponsors act as good corporate citizens is through supporting the political process. Patrick Kennedy of CIBC articulated that they "want to act beyond self-interest" through supporting policy dialogue, some of which has nothing to do with banking (Kennedy, 2012). The IBAO does not want to always be asking for things, so they support the Programme as "our way of giving back" to the political process (Carroll, 2012).

Not All Sponsors Are Engaged

Dr. Jacek recalled that many sponsors just give the program money without wanting to meet with the interns or deliver any kind of message (Jacek, 2013). Many of OLIP's sponsors do not appear to be leveraging or activating their sponsorship, meaning they likely are not seeing the full potential benefit of the relationship. Because some of the less active sponsors were unavailable for an interview, it is impossible to know if they see benefits from things like having their logo on the OLIP website or in the magazine.

Other Benefits

Another added benefit for some sponsors is that they enjoy the time they spend with interns and are interested in hearing their perspectives. One of our other sponsors asked the interns if we had any insight into MPP's perceptions of government relations and how they could be more effective in their advocacy. They wanted to know what makes a good reception and how they can make increase their chances of getting meetings with MPPs.

Finally, many sponsors employ former interns, but OREA was the only one that explicitly stated that OLIP has the potential to be a recruitment tool. Since 2008, they have hired two former interns, who were present during the interview. As Flood put it, "becoming a lead sponsor is probably cheaper than hiring head hunters and going out and trying to find people like Matt and Yuliya" (Flood, 2012).

Evaluating Sponsorship

When it comes time to evaluate a sponsorship relationship, sponsors will measure their success depending on their initial goals. Sponsors consider things such as value, if they leveraged the relationship, recognition, their role as a government relations body. Some long-time sponsors may feel obligated to continue the relationship because organizations can be conspicuous in their absence. In this case, evaluation may be less important.

When Vale evaluates their contributions, they consider if they get good value and if they were able to leverage a relationship, but Satterthwaite acknowledged that it is difficult to measure success (Satterthwaite, 2013).

Jan Dymond articulates the commonly held view that "there always needs to be some recognition of our sponsorship" (Dymond, 2013). Sponsors need to justify their costs internally, so it is important for sponsors to have some tangible benefit for sponsors to point to, such as meetings, reception invites, or features in the magazine (Dymond, 2013; Kennedy, 2012).

IBAO had a slightly different take. Debbie Thompson explained that as long as their organization believes they still have a role to play in advocating on behalf of consumers, they will be continue to support OLIP (Thompson, 2013). Estee Lauder took a similar approach and said they would continue with their sponsorship as long as they needed to build relationships within the provincial policy community (Lofton-Phillips, 2013).

In the spirit of creating a positive image, sponsors also mentioned that they would consider pulling their sponsorship if the reputation of the Programme suffered dramatically to a point that it would hurt the sponsors' brand. Activities such as partisanship or public advocacy could affect a sponsor's desire to be associated with a legislative internship Programme (Clement, 2013; Thornton, 2012).

Recommendations

The literature and discussions around sponsorship provide some valuable lessons for recipient organizations. If NPOs understand corporate motivations of sponsorship, they may be able to tailor their sponsorship proposals and arrangements to better meet a company's objectives. This knowledge could increase an NPO's opportunities to benefit from sponsorship. For example, Dr. Jacek expressed a desire to increase OLIP's sponsorship but also to have fewer sponsor relationships. As discussed in the literature, sponsors appear eager to sponsor fewer organizations and invest more in activation and leveraging activities to maximize these relationships. Therefore, fewer larger sponsorship relationships could benefit both sponsors and recipients.

NPOs must take a strategic approach throughout the sponsorship process to differentiate themselves from the myriad of other sponsorship requests (Doherty & Murray, 2007, 50). The literature discusses the stages of sponsorship and the various factors that recipients should consider throughout the process. OLIP's sponsors reflected on their experienced with sponsorship and were able to offer some lessons of their own. There are six stages to the sponsorship process: preparation, identification, the proposal, the agreement, implementation, and evaluation.

Preparation

At the preparation stage, an NPO should identify its sponsorship objectives. These goals can include funding, in-kind support, raising awareness, exposure, and creating or enhancing their image (Doherty & Murray, 2007, 50). Funding is often the primary goal of sponsorship, but the other aspects should not be ignored as increased exposure or image enhancement can lead to other sponsorship opportunities (Doherty & Murray, 2007, 50). As discussed above, sponsors do consider the actions of their peers, so getting financial support and exposure through one sponsorship relationship could be leveraged into further support in the same sector.

NPOs should also identify the benefits that they can offer a sponsor and align these benefits with what sponsors typically want, such as contributing social value, brand awareness, and image enhancement. They may also consider distributing these benefits in accordance with the level of support they receive by creating different sponsorship levels. NPOs should also identify any distinguishing features of their organization, the size and

nature of the audience, and any opportunities for acknowledgement or recognition (Doherty & Murray, 2007, 50).

Finally, NPOs should consider any risks to entering into a sponsorship relationship and mitigation strategies for both the sponsor and the recipient (Doherty & Murray, 2007, 51). The majority of sponsorship literature, this paper included, focuses on how companies benefit when they are associated with an NPO. There is less discussion, however, of how a recipient organization's image may be affected by accepting money from certain sponsors.

Identification

When identifying potential sponsors, NPOs must consider which attributes their ideal sponsors should have, such as common values, a certain image, adequate financial resources, and sponsorship objectives that the organization is comfortable meeting (Doherty & Murray, 2007, 51). In the rare case that a potential sponsor approaches an organization, they should still consider the suitability of that relationship (Doherty & Murray, 2007, 51). In this stage, an organization should attempt to ascertain the individual in the organization who is responsible for sponsorship (Doherty & Murray, 2007, 51).

The Proposal

Once an NPO is prepared and has identified potential sponsors, it is now ready to develop and present a detailed and tailored proposal to a potential sponsor. The proposal should emphasize the benefit for the sponsor rather than the organization's financial need (Doherty & Murray, 2007, 51). Doherty and Murray include some of the crucial elements of a sponsorship proposal below:

- Rationale for the corporation to enter into a sponsorship agreement, which reflects its corporate objectives;
- Description of the organization and/or the event;
- Specific demographics of the participants and audience;
- Promotional opportunities the sponsor can access (e.g., signage, product sales, hospitality opportunities, direct mail lists, television coverage);
- Proposed length of the sponsorship agreement;
- Amount and type of support desired (financial or in-kind);
- Type of sponsorship that would be offered (e.g., exclusive); and,
- Estimation of risks to the sponsor
- How the sponsorship will be evaluated (Doherty & Murray, 2007, 51).

The Agreement

If a potential sponsor agrees, then the two parties should work together to determine the terms of a sponsorship agreement to ensure such an agreement meets their respective goals (Satterthwaite, 2013). The agreement should specify the activities and

responsibility of each party, timelines, and evaluation criteria and methods (Doherty & Murray, 2007, 52).

Implementation: Relationship Management

This step is not explicitly identified in the literature, but feedback from sponsors suggests that NPOs must continue to manage their sponsor relationships even after they receive a cheque. Through her experience of working with large corporate donors, Erin Satterthwaite observed that many recipients are complacent in their donor relationship management and they could lose sponsors because of it (Satterthwaite, 2013). Both Jan Dymond and Patrick Kennedy believe that it is important for recipients to reach out proactively and regularly to their sponsors regularly to see if they are satisfied with the relationship (Dymond, 2013; Kennedy, 2012).

Many sponsors have identified a desire for more involvement and communication with the program, but this sentiment is not universal. Some of OLIP's sponsors do not activate their relationship with the Programme. As Garth Williams points out, each sponsor is unique and therefore each relationship may be different (Williams, 2013). Sponsors should be given the opportunity to reach their desired level of interaction with the Programme, and adjust their level of sponsorship correspondingly. As Patrick Kennedy said, a recipient can always offer more the opportunity for engagement, and then it's up to the sponsor to choose if they want to participate (Kennedy, 2012).

Evaluation

To evaluate success, both parties should consider if they have met their stated objectives and fulfilled their obligations (Doherty & Murray, 2007, 52). As discussed previously, evaluation is the stage of the sponsorship process that is most often ignored. The durability of a sponsorship relationship often depends on both parties meeting their objectives and benefiting from the arrangement, and therefore evaluation is an important recommendation (Doherty & Murray, 2007, 52). Organizations that are able to provide and demonstrate their value to a sponsor, will certainly be at an advantage (IEG, 2012, 9).

Erin Satterthwaite agrees and believes that OLIP has the potential to identify measureable and quantifiable outcomes to demonstrate value to our sponsors (Satterthwaite, 2013). She recognizes that measuring success is difficult because the objectives of government relations department typically include intangibles like relationships, education, and exposure (Satterthwaite, 2013). However, interns could quantify things like the number of meetings they have each year, the MPPs get interns, as well as the readership of the blog and magazine to show the proliferation of the company's message (Satterthwaite, 2013). Sponsors have also identified access to interns as a tangible and valuable asset to distribute a message and create ambassadors for their industry (Satterthwaite, 2013). OLIP could leverage this value by allocating access to interns accordingly to the level of support.

In addition to quantifiable metrics, feedback from OLIP's sponsors suggests that evaluation of a sponsorship relationship can include an opportunity for revisiting and renewing an agreement each year. Legislative internship Programmes often have many long-term sponsorship relationships, some of which have lasted for thirty years or more. It is important to keep these relationships vibrant even if the original individuals who developed the sponsorship agreements are no longer present. Renewal could include a reiteration of the responsibilities and benefits of each party, and an opportunity for both parties to propose changes.

Organizations may also benefit from a more broad evaluation of their sponsorship Programme (Satterthwaite, 2013). Without being prompted, three of OLIP's sponsors offered to engage with the Programme to provide feedback, suggestions, and even offered to assist in reforming the sponsorship Programme (Dymond, 2013; Kennedy, 2012; Satterthwaite, 2013). They also believe that OLIP's sponsors are an untapped resource who would be willing to provide their expertise in such a process (Kennedy, 2012).

Conclusion

Corporate investment in sponsorship is increasing across the globe, as companies recognize the potential benefits of such relationships. Companies are also acknowledging that activating and leveraging these sponsorship relationships provides additional benefit, even if it comes at a higher cost. This trend may result in companies sponsoring fewer organizations, but increasing their investment to maximize their benefits. Sponsors are also increasingly looking to justify this spending and quantify their return on investment.

This paper considered sponsorship to be dually motivated and as a form of strategic philanthropy. The motivations of sponsors fall into the two broad categories of good corporate citizenship and advancing their government relations agenda. The motivations identified by OLIP's sponsors are consistent with those identified in the literature of showcasing their community or social responsibility and meeting their strategic corporate objectives through brand awareness and visibility, reinforcing or creating an image. The exception is brand loyalty, which did not appear directly in the discussions with OLIP's sponsors, although lasting positive impressions were identified as a potential benefit of sponsorship.

Sponsors universally identified achieving their goals and being a good corporate citizen as their motivations for sponsorship, but they differed in some areas and some sponsors emphasized some aspects more than others. These two categories are not mutually exclusive, and in fact, and often mutually reinforcing. Jan Dymond articulates this point when she said that through IFIC's sponsorship, "not only are we doing good, but we're being seen to be doing good and that's always good for any industry association" (Dymond, 2013). For the purpose of this discussion, being a good corporate citizen and achieving an organization's objectives were separated, Jan Dymond's comments capture the fact that in reality, these motivations cannot be divided. Any generosity displayed by a sponsor will contribute to their image at Queen's Park, and therefore may still be

intimately connected with their government relations strategy. This distinction is also reflected in Doherty and Murray's description of sponsorship as strategic philanthropy (Doherty & Murray, 2007, 50).

This paper sought to determine why OLIP's sponsors support the Programme, and did not take a historical approach to OLIP's sponsorship experiences. Therefore, it is difficult to evaluate how OLIP has approached their sponsorship strategy. However, the lessons and recommendations identified throughout this paper may be useful for legislative internship Programmes and other NPOs seeking corporate sponsorship. Sponsorship makes up a significant portion of the budget for many NPOs, so it is important for them to understand the objectives and decision making processes of their potential sponsors. NPOs that can differentiate themselves by being able to demonstrate value for their sponsors may be rewarded with larger sponsorship agreements.

Appendix A: OLIP's Lead and Major Sponsors as of April 1, 2013

Lead Sponsors

- Insurance Brokers' Association of Ontario (IBAO)
- Ontario Real Estate Association (OREA)
- Vale

Major Sponsors

- Bruce Power
- Canadian Tire
- CIBC
- Enbridge Gas Distribution
- Estee Lauder
- Investment Funds Institute of Canada (IFIC)
- Power Workers Union
- Shoppers Drug Mart
- TD Canada Trust
- The Co-operators Group
- Tim Hortons

Appendix B: List of Interviews

Name	Position	Organization	Date	Relationship with OLIP
Randy Carroll	Chief Executive Officer	Insurance Brokers' Association of Ontario	19-Dec-12	Lead Sponsor
Debbie Thompson	President	Insurance Brokers' Association of Ontario	02-Apr-13	Lead Sponsor
Jim Flood	Director, Government & RECO Relations, Commercial & OIS	Ontario Real Estate Association	19-Dec-12	Lead Sponsor
Matt Thornton	Assistant Director, Government Relations	Ontario Real Estate Association	19-Dec-12	Lead Sponsor
Yuliya Khraplyva	Government Relations Associate	Ontario Real Estate Association	19-Dec-12	Lead Sponsor
Erin Satterthwaite	Director, Communications & Community Investment	Vale	12-Mar-13	Lead Sponsor
James Scongack	Vice President, Corporate Affairs	Bruce Power	19-Mar-13	Major Sponsor
Rob Nicol	Vice President, Communications	Canadian Tire	30-Apr-13	Major Sponsor
Patrick Kennedy	Senior Director, Government Relations	CIBC	10-Dec-12	Major Sponsor
Paul Green	Director Sales at Enbridge Gas Distribution	Enbridge Gas Distribution	18-Mar-13	Major Sponsor
Michelle Wasylyshen	Manager, Government Relations at Enbridge	Enbridge Gas Distribution	18-Mar-13	Major Sponsor
Lorinda Lofton-Phillips	Executive Director, Global Regulatory Affairs & Government Relations	Estee Lauder	19-Mar-13	Major Sponsor
Jan Dymond	Director, Public Affairs	Investment Funds Institute of Canada	15-Mar-13	Major Sponsor
Gary Clement	Senior Manager of Government Relations	TD Canada Trust	11-Jan-13	Major Sponsor
Frank Bomben	Director, Public Affairs and Government Relations	The Co-operators Group	13-Dec-12	Major Sponsor
Dave Levac	MPP and Speaker of the Ontario Legislative Assembly	Ontario Legislative Assembly	29-Apr-13	OLA Sponsor
Henry Jacek	Director	Ontario Legislature Internship Programme	19-Apr-13	Director
Garth Williams	Director	Parliamentary Internship Programme	19-Apr-13	Other

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