



The Conference Board of Canada

National Conference

on Sport &

The Corporate Sector

Summary Report

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Prepared for
the Department of Canadian Heritage (Sport Canada)
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The Conference Board of Canada

ABOUT THE DEPARTMENT OF CANADIAN HERITAGE (SPORT CANADA)

Sport Canada supports the achievement of high performance excellence and the development of the Canadian sport system to strengthen the unique contribution that sport makes to Canadian identity, culture and society. Sport Canada sponsored the National Conference on Sport and the Corporate Sector in order to foster a stronger relationship between the sport, corporate and government sectors. The staging of a national conference was recommended by the Corporate Advisory Committee on Sport, chaired by Mr. Adam Zimmerman.

ABOUT THE CONFERENCE BOARD

The Conference Board of Canada is an independent, not-for-profit research organization with affiliates in the United States and Europe. Our mission is to help our members anticipate and respond to the increasingly changing global economy. We do this through the development and exchange of knowledge about organizational strategies and practices, emerging economic and social trends and key public policy issues. The Conference Board's research capability includes analysis of governance of public sector organizations and organizational effectiveness strategies. Since 1954, the Board has been committed to researching innovative practices, designing new strategies and providing our members with the most up-to-date information, analysis and expertise to help them excel in Canada and around the world.

ABOUT THE CANADIAN CENTRE FOR BUSINESS IN THE COMMUNITY

The CCBC provides the tools and expertise that are needed by Canadian companies to develop corporate citizenship programs that balance business objectives and the needs of key stakeholders. The Centre has expertise and services in the areas of corporate social responsibility and ethics, partnership building, corporate community investment, community economic development and corporate-Aboriginal relations.

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THE NATIONAL CONFERENCE: BACKGROUND AND ORGANIZATION

The rapid evolution of the socio-economic landscape has resulted in a dramatic shift in the roles of the public, private and nonprofit sectors. Although the form of government intervention in the affairs of the community is slowly evolving from payer to player, the private sector is being asked to play a greater role in ensuring the viability and sustainability of various Canadian communities. This is especially true of the sport community.



With government funding of sport below the level of the late 1980s and early 1990s, the sport community is increasingly relying on the corporate sector to fill the financial void. This is clearly demonstrated by the vast increase in requests for sport funding and sponsorships received by corporate Canada over the last several years.

Understanding what roles each sector might play in the new socio-economic context has become increasingly important. To facilitate the creation of new partnerships between the corporate sector and the sport community, as well as explore the role of government in promoting these new alliances, the Department of Canadian Heritage convened the first

National Conference on Sport and the Corporate Sector which took place December 8 and 9, 1998, in Ottawa.

This conference was designed to provide the impetus for a fruitful dialogue between the sectors, to further the cause of sport in general, and high-performance sport in particular, while providing the corporate community with new opportunities to forge mutually beneficial relationships. It came about as a result of recommendations made to the Department of Canadian Heritage by the Corporate Advisory Committee on Sport, chaired by Mr. Adam Zimmerman. The goal was to bring the key players in the field together to explore how both the corporate sector and the national sport community could work together to facilitate the achievement of high performance by Canadian athletes.

The Conference Board of Canada was asked to assist Sport Canada in the design and implementation of this landmark event, which marked the first time the national sport community and the corporate sector had been given the opportunity to get better acquainted and exchange ideas in a facilitated and formal way.

On the opening night of the conference, the Honourable Ministers Sheila Copps and Paul Martin addressed 88 representatives from the corporate sector, the federal government and the sport community, including athletes and coaches. Five-time Olympian, Charmaine Crooks, then gave an inspiring account of a high-performance athlete's needs, struggles, triumphs and tribulations in light of her illustrious career as one of Canada's top athletes.

These speeches, along with two issue papers—one prepared by the Conference Board on the *Current Status of Corporate Funding and Support to Sport in Canada* and one submitted by Sport Canada on the *Needs of High Performance Sport in Canada*—formed the backdrop for the conference and



provided a basis for the ensuing dialogue between the corporate sector and the sport community the following day.

The second day of the conference began with opening remarks from Adam Zimmerman, Chair of the Corporate Advisory Committee for Sport, who highlighted the key findings of his committee's final report.

Mr. George Khoury, Director of the Conference Board's Canadian Centre for Business in the Community, then spoke on the *Current Status of Corporate Funding and Support to Sport in Canada*. He provided a corporate perspective on the issue of sport support and highlighted the key findings of the Conference Board's *Survey of Corporate Support of Sports in Canada* (see the Conference Board's background paper entitled *Current Status of Corporate Funding and Support to Sport in Canada*).

Needs of High Performance Sport in Canada, a second presentation by

Mr. Norman Moyer, Assistant Deputy Minister, Canadian Identity, underlined the key elements in the background paper of the same name prepared for delegates by Sport Canada (see Sport Canada's background paper *Needs of High Performance Sport in Canada*).

Following these presentations, conference delegates were split up into five teams made up of representatives from the government, corporate and sport communities. These teams participated in three workshop sessions that sought to address the conference's main objective—to recommend actions that would improve partnerships between the corporate and sport communities while increasing opportunities for corporate-sport partnerships and facilitating the achievement of high performance by Canadian athletes.

Two members of the Conference Board acted as facilitator and scribe in each team. In each workshop, participants discussed and sought an answer to a specific question:

Workshop 1: What makes successful sport partnerships work?

Workshop 2: What barriers exist that hinder successful sport partnerships?

Workshop 3: What actions are needed to overcome the barriers that hinder successful sport partnerships?

At the end of the day, a rapporteur for each team presented the findings. This closing session highlighted the most highly ranked responses to the three questions.

KEY FINDINGS

What makes successful sport partnerships work?

The first workshop session was designed to identify the key factors in a viable and sustainable partnership. Based on the feedback from the five working groups, critical success factors were identified for three stages of the partnering relationship process:

Preproposal stage

Internal audit

- Identify all that your organization has to offer a potential sponsor in terms of added value
- Identify all you are expecting to receive in a partnering relationship
- Set measurable partnership goals and objectives
- Identify who will be responsible for ongoing partner relations and communication



External audit

- Conduct extensive research on potential and strategic partners
- Ensure a clear understanding of potential partner's needs and expectations before making proposal

Proposal stage

- Communicate intentions for partnership clearly
- Express desire for a long-term partnering relationship
- Present all you have to offer the potential partner in terms of added value

- Clearly state and, if possible, guarantee return on investment
- Identify and forge common vision and values
- Commit to making it work (a signed contract encourages accountability)

Partnership maintenance stage

- Develop means for ongoing mutual evaluation of partnership vis-à-vis the common vision
- Partnership structure must allow for opportunities to build long-term relationships

- Servicing partner's needs and expectations should be a priority
- Active involvement of both sides is crucial to partnership sustainability
- Ongoing communication is vital to partnership viability
- Use of media is an important leveraging device to maximize the impact of a partnership
- Honesty fosters trust (long-term relationships must be built on trust)
- Partnership must allow for evolution (both sides need to be forgiving and flexible)

Barrier	Who can take a leadership role in overcoming the barriers?			
	Government	Media	Corporate	Sport
1. Corporate and public perception that other causes are in greater need or are more worthy of support than sport	<input type="radio"/>			<input type="radio"/>
2. Lack of business, marketing and professional expertise within the sport community			<input type="radio"/>	<input type="radio"/>
3. Fragmentation of sport community hinders its efforts to increase corporate support				<input type="radio"/>
4. Insufficient coverage of amateur and high-performance sport in the Canadian media	<input type="radio"/>	<input type="radio"/>		
5. Present tax structure does not sufficiently encourage corporations to support amateur and high-performance sport	<input type="radio"/>			
6. Professional level of sport dominates corporate sponsorships		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
7. Insufficient dialogue between the government, the media, the corporate sector and the sport community	<input type="radio"/>			

What are the barriers and how can they be overcome?

Many important barriers to corporate–sport partnerships were identified. The following is a summary of these barriers and actions that are necessary to overcome them, as identified by the conference delegates.

Barrier 1: The corporate sector and the general public perceive that other causes (i.e., health, education and social services) are in greater need or are more worthy of support than sport

It was made clear that the message regarding the importance and the impact of sport on society and the economy is simply not getting through to corporate Canada and the Canadian public. The sport community has not “sold” the full range of benefits it has to offer to Canadian society: for example, sport’s role in promoting health and fostering self-esteem; its influence on reducing teen pregnancies, substance abuse and crime among youth; and its role in teaching young

people the importance of hard work, self-discipline, playing by the rules and teamwork. In addition, a perception exists that sport and athletes do not require the amount of funding they do; it is perceived that they are better off than they actually are.

What is needed?

A strategic marketing and communications plan that effectively conveys the substantial benefits of sport to Canadian society and the economy.

Who can take a leadership role to overcome this barrier?

The federal government and the sport community.

Recommended actions

The federal government is encouraged to:

- Synthesize existing research on the benefits of sport to society and the economy and present these findings in a compelling manner through various

media, such as television, radio, print media, the Internet and government advertising. This was seen as critical to increase corporate support of sport in Canada.



- Use the “Canada word-mark” symbol to promote the cause of sport in Canada.
- Develop partnerships with other government departments to promote sport (i.e., partnering with Health Canada to promote the health benefits of sport).
- Develop communication systems that effectively convey the needs of athletes and sport organizations to the public and corporate community.

The sport community is encouraged to:

- Identify high-profile champions for the cause of sport from within the sport community to act as official spokespersons for the cause of sport in Canada.
- Coordinate its efforts to develop an effective voice for sport that can position sport in the community.
- Develop communication systems that effectively convey the needs of athletes and sport organizations to the public and corporate community.

Barrier 2: With a few exceptions, the sport community generally lacks professional/business/marketing expertise

Although some national sport organizations (NSOs) are adept at dealing with the corporate community, for the most part, the sport community lacks the professional, business and marketing skills needed to effectively approach the corporate sector for support. In addition, the sport community often lacks resources and tools necessary for forging successful corporate partnerships. As a result of these deficiencies, many sport organizations are unsuccessful in presenting their sponsorship proposals to the corporate community. Furthermore, once a partnership is forged, the sport community often poorly services the sponsor’s needs and expectations.

What is needed?

It was clearly recognized that the sport community needs more tools, resources, expertise and training to help its members build an attractive business case and sell their cause to the corporate community.

Who can take a leadership role to overcome this barrier?

The sport community and the corporate sector.

Recommended actions

The sport community is encouraged to:

- Leverage corporate expertise and resources through existing partnerships to improve its marketing and business skills. This will enable sport organizations to improve the way they deal with corporate sponsors.
- Ensure that their partnership proposals are well researched, designed strategically and targeted to appropriate corporations and that they meet the potential partner’s objectives and mandates.

- Increase its marketing orientation, including recruiting members with marketing expertise to its boards of directors.

The corporate sector was given the opportunity to participate in:

- Developing resource materials in a kit that informs and educates sport organizations about effective marketing, partnerships and fundraising strategies.
- Establishing a mechanism that highlights best practices in the sport community with regard to corporate partnerships to serve as an example for potential partners.
- Developing a corporate mentoring program that will enable sport representatives to acquire the knowledge and skills necessary to deal with corporations in a professional and business-like manner.

Barrier 3: The fragmentation of the sport community hinders its efforts to increase corporate support

Many corporate executives report frustration in dealing with the sport community. An increasing number of requests are coming from over 50 NSOs and other sport organizations and athletes. As a result of this tremendous competition for corporate support, many corporations find it confusing and time-consuming to deal with the substantial number of requests from many individual organizations and to decide where their support will have the greatest impact. Some grouping of sport organizations would allow corporations to deal with one request and one organization that represents many different needs for support.

What is needed?

A united effort and some form of consolidation of the sport community to

allow it to have a greater impact in promoting its cause in Canada and increasing corporate support.

Who can take a leadership role to overcome this barrier?

The sport community.

Recommended actions

The sport community is encouraged to:

- Organize NSOs into a collective body (or bodies) that enables greater coordination; this would help develop a strong voice for sport in Canada, as well as facilitate fundraising and sponsorship expertise, experience and efforts.

Barrier 4: There is insufficient coverage of amateur and high-performance sport in the Canadian media

Professional sport events dominate media coverage to such an extent that amateur and lower-profile sports cannot make a marketable impact.

What is needed?

Government legislation or greater incentives for the media to increase their coverage of amateur and high-performance sport.

Who can take a leadership role to overcome this barrier?

The federal government and the media.

Recommended actions

The federal government is encouraged to:

- Introduce legislation or provide greater incentives for the media to increase coverage of amateur and high-performance sport through various outlets. This increased exposure of amateur sport is seen as critical in promoting the value of sport and in attracting more corporate support.

The media are encouraged to:

- Investigate the possibility of a 24-hour television network that covers amateur and high-performance sport exclusively.

Barrier 5: The present tax structure does not sufficiently encourage corporations to support amateur and high-performance sport in Canada

It was noted that there are insufficient tax incentives to encourage the corporate community to support the cause of amateur and high-performance sport.

What is needed?

An alteration of the present tax system to promote corporate support of amateur and high-performance sport in Canada.

Who can take a leadership role to overcome this barrier?

The federal government.

Recommended actions

The federal government is encouraged to:

- Alter the present tax system to encourage corporate sponsorship of amateur and high-performance sport by implementing a 150 per cent tax credit for corporate sponsorship of such sport.

Barrier 6: Professional level of sport dominates corporate sponsorships

Professional sport sponsorships account for over 67 per cent of all corporate sport sponsorship dollars, in contrast to amateur and high-performance sport, which receive just over 11 per cent of all corporate sport sponsorship dollars.¹

What is needed?

Increased media coverage of amateur and high-performance sport to create more

attractive opportunities for corporate support. In addition, it is recommended that the professional sport community examine its moral responsibility to invest in the amateur and feeder levels of sport to ensure that world-class Canadian athletes are continually being developed and trained.

Who can take a leadership role to overcome this barrier?

The media, the corporate sector and the professional sport community.

Recommended actions

The media are encouraged to:

- Broadcast more Canadian amateur and high-performance sport.
- Make a greater differentiation between professional and amateur sport in decisions regarding their coverage of sport.

The corporate sector is encouraged to:

- Recognize the values inherent in amateur sport and support the transmission of these values through its funding and support.

The professional sport community is encouraged to:

- Seek out cross-level partnerships with amateur sport organizations to help ensure that the athletic developmental structure is healthy; a potential professional–amateur level sport partnership could take the form of a multi-level, multi-sport event.

Barrier 7: There is insufficient dialogue between the government, the media, the corporate sector and the sport community

Conference delegates were almost unanimous in agreeing that this conference provided an unparalleled opportunity for

¹ The Conference Board of Canada, *Survey of Corporate Support of Sports in Canada*, 1998.

necessary dialogue among the key players in the various sectors. This opportunity for discussion provided a foundation for further and future dialogue. And although an important first step was taken, it was recognized that this was only the beginning of a most fruitful exercise that warrants repetition on a regular basis.

What is needed?

A structural mechanism to allow stakeholders to build on the foundation of knowledge that has been laid and to maintain the momentum of this conference.

Who can take a leadership role to overcome this barrier?

The federal government.

Recommended actions

The federal government is encouraged to:

- Convene an annual cross-sector sport conference that would allow participants to sustain the current dialogue and facilitate the process of acquiring appropriate knowledge for action.

- Form a minister's committee that includes key players from corporations, sport, the government and the media. Senior representatives of various corporations should be included along with top people in amateur sport. This committee would ensure an ongoing dialogue among the parties thus facilitating appropriate knowledge for action.

Other workshop outcomes

Beyond the identification of barriers, workshop participants put forward several other recommendations for action to promote the cause of sport in Canada. These included:

- The development of a comprehensive strategy to establish more athletic scholarships in Canadian universities and colleges.
- Altering the current tax system to allow tax exemptions for their athletic scholarships and bursaries to high-performance athletes who are working full time.

A CALL TO ACTION

Although this conference was an important and necessary exercise, it was clear from delegate responses that this opportunity for dialogue was only the beginning of an exercise that warrants repeating on a regular basis. Many important suggestions were made, and all participants now have the opportunity to respond accordingly and build on the momentum created at the conference.

In addition to the suggestions made by delegates, the conference re-emphasized two points:

1. There is a great need for increased corporate and government support of sport in Canada if Canada is to maintain and improve on its international success as a world-class sporting nation.

If Canada wants to maintain and improve its established performance levels in the international arena, the high-performance sport community must diversify its funding base and develop a stronger relationship with the corporate sector. Five sports have been successful in doing this over the past 10 years; the others have been less successful and, in some cases, are in danger of serious decline.

2. There are many success stories and opportunities for mutually beneficial corporate–sport partnerships that must be made known.

Several excellent examples of corporate–sport partnerships already exist and should be made widely known. In addition, many opportunities for such partnerships exist. Among them are support for athletes, coaches, national sport centres, NSOs, the Canada Games and other major games and events.

