# NACRO™

## Establishing Gold Standards for Financial Metrics in Corporate Relations

**WHAT** NACRO has tasked the Benchmarking Committee's Gold Standards Subcommittee with developing a survey to collect data indicative of broad corporate engagement across institutions—part of NACRO's goal to establish key metrics that will serve as a hallmark of effective corporate relations.

To date, the subcommittee has administered two pilot surveys, and, using the collected responses, has developed a tool and process to generate the data that can be replicated annually by NACRO.

**WHY** Developing and measuring universal metrics is critical work that will benefit both our profession and our corporate partners, helping broaden understanding of the extent to which universities are engaged with the private sector.

Establishing these benchmarks elevates the profession, provides a means of measuring the success of corporate relations programs against true peer institutions, and allows institutions to develop consistency in terms of how corporate engagement is valued and managed internally. The single metric most frequently used to evaluate corporate relationships is revenue secured. While institutions can answer this for themselves (often restricted to organizational silos), there is no national repository for an "all sources" data set captured with clear and consistent rules. This gap creates an inability for institutions to accurately identify and compare revenue streams against peers.

It is the goal of the Gold Standards Subcommittee to use the information collected by our annual survey to build a dataset that will serve as the industry standard reference point for understanding how corporations support universities.

**HOW** The Gold Standards Subcommittee began this project by developing a robust list of financial data points. The group defined these data points explicitly to ensure that data being reported was consistent from institution to institution. Financial data was requested using an Excel spreadsheet formatted to calculate additional derivative data. The intended advantage of this approach was that those institutions that

had limited details on financial metrics could still provide some responses and it would demonstrate the level of detail sought to institutions, effectively signaling aspirant data to be collected.

NACRO's Gold Standards are inclusive of all the funding that comes from a corporation or corporate foundation—no exclusions. We seek the "all-in number," with sufficient granularity to shed light on the nature of programs supported. It is not the same answer as the other questions being asked (see CASE or HERD data as examples); but for the corporate relations professionals represented at NACRO, it's the data we want to know.

*(For a detailed report on the original pilot survey, see NACRO's 2012 white paper, Establishing Gold Standards for Effective Corporate Engagement: A Pilot Survey.)*

**IMPACT** The value that would derive from collecting this data over a series of years—showing not just trends across the data each year, but macroscopic shifts in funding over time as well—cannot be overstated. The sooner we establish a baseline, the sooner we will be able to see those trends over time. Our world is continuously changing, and university corporate relations need to keep pace with dynamic corporate priorities. The results from the longitudinal analysis of established data on corporate engagement will enable institutions to understand trends and respond accordingly.

**NEXT STEPS** In fall 2020, the Gold Standards Subcommittee will administer its inaugural annual survey to all NACRO member institutions. While the data from these institutions will be officially collected using Qualtrics, the group will also provide participants with a toolkit consisting of an Excel workbook for data collection, access to an FAQ document, value statements from advancement and research leaders, and a letter to university leadership from the NACRO Co-Presidents. The data submitted through Qualtrics, which will be managed by the subcommittee, will then be stored in a data analytics program. This process will be repeated annually, with the first full analysis of the collected data planned for 2023.