

The Royal Commission's impact on corporate partnerships

The impact is being felt far and wide - what can we do to put our association's best foot forward in 2019?

The Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry has been a leading story in Australian news bulletins since December 2017. With story after story of conduct unbecoming the impact is weighing heavily on the financial sector and rippling through the community. Associations are not immune. We spoke with Julian Moore from Strategic Membership Solutions about the impact on corporate partnerships.

"This question has come up numerous times over the past few months. The commission is having a massive affect on partnerships and so it should. Most banks and other financial institutions are in the firing line and some could be hit with hundreds of millions - if not billions - of dollars in fines and payments. The uncertainty means that almost all financial institutions and related industries such as insurance and superannuation have all been affected. They've all gone into lockdown," Julian advised.

This impact has affected those with existing partnerships and those seeking to build partnerships.

"It's not just new prospects being affected. Existing partnerships have also been impacted by the fallout," Julian continued.

"Major Australian events and multi-year partnerships have been withdrawn over the last few months. The ripple affect of this mass withdrawal will be felt for many months and some events may simply not run."

Minimising the impact on existing partnerships

Julian highlights the importance of fulfilling your obligations and maintaining the relationship.

"Now is the time to ensure that your reports are in and they understand how much benefit they are receiving from the current partnership. Invite the key contacts

from the organisation to attend a range of your events for networking. If a cull must happen, do what you can to make sure it's not your organisation that is affected."

Currently seeking partners?

Julian advises patience and perseverance.

"If you're seeking a partner now is the time to build relationships so you can make sure you are on the front foot when this space opens up again.

"Keep your eye out for signs of recovery such as the revival of corporate and home loan lending. Keep in touch with contacts within your target audience and make sure you have a great proposal in front of them."

Be wary of other impacts

Staff turnover will be higher than usual over this period - make sure you have several contact points.

"Have coffee with a few people. Explain that you'll bring your CEO or a Board member and suggest they also bring other contacts. Now's the time to ensure you know many people at these organisations, not just one," Julian said.

"We believe that as soon as the Commission is completed and the uncertainties have been resolved the books will reopen and normal service will resume.

"However, this means that you're probably looking for a successful partnership with any of these organisations around March and April 2019 at the earliest. In the meantime take comfort from the knowledge that they're not declining your partnerships because of something you've done, they just don't have the ability to say yes at the moment."

Contact *Strategic Membership Solutions* for advice on developing a successful partnership strategy.
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