NACRO

Industry Perspectives
on Academic Corporate Relations

Results, Opportunities, and Best Practices from a NACRO Survey

EXECUTIVE SUMMARY

Talent and skills shortages, reimagining work, the "great resignation," social responsibility, brand awareness, supply chain issues, production costs, financial/market, and geopolitical instability. These are just a few of the challenges facing companies today and an example of the wide-ranging conversations that academic Corporate Relations Officers (CRO) engage in with industry partners.

CROs are responsible not only to their institutions, but also support industry with finding solutions to myriad challenges. As such, CROs must develop and maintain strong relationships across campus—with leadership, faculty, research offices, government and community relations, career centers, and alumni. CROs must also communicate industry priorities with these various constituencies and ensure a return on investment for all involved.

> Prior to the COVID-19 pandemic, CRO roles were already challenging. Throughout 2020 and 2021, CROs adapted, adjusted, and found creative ways to strengthen industry relationships. Recruiting and hiring university graduates and increasing brand awareness remained top priorities for industry. Virtual engagement, from panels to conferences, career fairs to interviews, and remote internships became the norm.

Similar to the first survey in 2019, the majority of respondents prefer a single point of contact on both the company and university side. University-led outreach to initiate new relationships and engagements is favored by companies at 67% compared to 33% for company-led outreach.

Company representative rate of satisfaction with university partners was 63/100, compared to 65/100 previously.

A significant change from the 2019 survey is the increase in corporate priorities in diversity, equity, and inclusion work.

> Based on the survey, to be regarded as a fruitful partner, NACRO recommends that universities ought to 1) establish a streamlined communication protocol, and 2) propose well-thought-out win-win scenarios when engaging with current and potential corporate partners.

This report summary is a follow-up to the first NACRO Industry Survey conducted in 2019. To inform this update, NACRO collected survey responses from over a dozen industry sectors in Q4 of 2021 and Q1 of 2022.

A total of 102 respondents completed this survey. 29% of respondents work on a University Relations team within Human Resources (HR), 29% work in Research and Product Development, 27% work in HR/Talent Acquisition, and 5% of respondents work in each of the remaining categories of Corporate Social Responsibility (CSR), Business Development, or they are a passionate alumnus/a working on university partnerships beyond their day.

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SURVEY RESULTS

Companies Approach the Management of University Partnerships in Varying Ways

54% of respondents' companies have a dedicated university relations coordinator or team—the exact same percentage as NACRO's previous survey. 20% of respondents have business units which engage with universities independently, including regional headquarters and branches. Fewer respondents manage university partnerships in a hybrid model shared between departments (10%), through human resources (8%), or on a case-by-case basis (7%).

Company Goals for Academic Engagement Remain the Same

The top four goals for company academic engagement are the same as the 2019 survey. Respondents ranked **recruiting graduates for employment** as the most important goal with **85% ranking the goal as "very important**." Other very important goals include: build company brand awareness (64%), support corporate social responsibility (46%), and support basic research in areas relevant to products/services (34%).

The remaining goals include, in order, (5) increase sales/business development, (6) fund applied research to accelerate product/service development, (7) drive economic development/ commercialization, and (8) staff professional development/continuing education (Figure 1).

Regarding "moderately important" goals, staff professional development/continuing education (43%) and supporting basic research in areas relevant to products/services (40%) led the responses. While continuing education and research may not always be at the forefront of why companies engage with universities, compared to talent needs, it is a secondary goal. Companies may be more likely to engage in these additional ways where achievement of the more important goals of recruiting graduates or engaging through CSR occur.
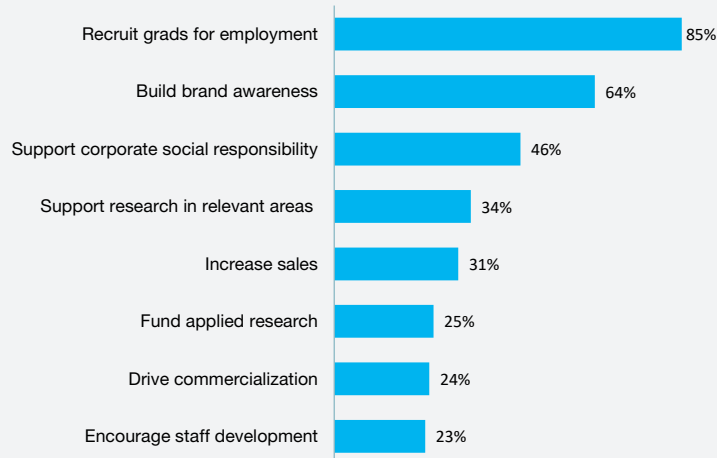

FIGURE 1. Corporations prioritize recruitment and brand awareness above other academic engagement goals.

Impact of the Virtual Environment

Most academic engagement goals are either not or only slightly impacted negatively by remote/virtual environments. The highest concerns are with recruiting graduates for employment and building company brand awareness, each receiving 25% of responses noting a significant negative impact on these goals.

Both of these engagements are traditionally in person and involve an on-campus presence. CSR activities usually include sponsoring events and volunteer activities, which have been difficult to execute in virtual settings. Companies with a recognized brand on campus may not struggle to maintain a presence in a virtual setting. It could prove difficult for companies to build new relationships in a virtual setting.

COMPANY APPROACH TO UNIVERSITIES

Number of Strategic University Partners

The academic side has assumed that companies are shrinking university partner lists and concentrating time with fewer institutions. When asked about the number of strategic partnerships maintained by a relationship manager, 26% have more than 25 strategic partnerships, 27% have 11-25 partnerships, and 20% have fewer than 10 partnerships.

Beyond research universities, Primarily Undergraduate Institutions and Community Colleges are the top institutions with which industry builds partnerships (49% and 29%), followed by Independent Research Labs (9%) and Medical Centers/Research Hospitals (8%).

"There has been a major push for building and maintaining relationships with HBCUs, HSIs, and Native American institutions, but various business units still maintain relationships outside those categories based on specialized technical needs and historical success."

Companies Do Not Have One Common Approach to Working With Universities

26% of respondents have a systematic process to determine university partners, 30% have a case-by-case consideration, and 40% utilize both processes. **The majority (67%) of companies do not have a formal RFP program for research collaborations.** A majority of respondents prefer a primary relationship manager at a university to streamline communication, versus companies being open to multiple lines of communication (53% to 41%).

"We have a list of 'core' schools where we concentrate recruiting efforts, but also engage with other schools to help fill specialty openings as needed."

An equal number of respondents (39%) answered that their companies are increasing the number of academic partnerships or maintaining the same level;

21% reported that their companies are decreasing the number of partnerships. The demand for talent was the number one reason driving the change. The need to diversify the workforce and streamline operations to focus on core partnerships were the next two top reasons.

"We have two tiers of relationships, strategic (research) and recruiting."

Compared to the 2019 report, 43% of companies were maintaining the same number of partnerships, 27% were increasing the number, and 15% were decreasing the number.

"[We're] moving to a more inclusive model - open / equal opportunity for all universities and students."

Respondents have varied opinions on how to initiate relationships. University-led outreach received 67% compared to 33% for company-initiated outreach. Additional details on preferred outreach are included in Figure 2.

Company's Preferred Method of Outreach for Initiating a Relationship	%	#
University-led: university contact the company's university relations coordinator	32%	36
Company-led: company researchers contact university researchers	25%	28
University-led: university researchers contact company researchers	18%	21
University-led: university contact company's manager in university's area	9%	10
University-led: university contact company's HR Dept	8%	9
Company-led: company initiates partnerships; universities should not contact company	8%	9

n = 113

FIGURE 2. Companies have varied opinions on preferred outreach methods to initiate relationships.

Breadth and Depth of Partnerships

More than half of respondents (55%) indicated that the breadth and depth of individual academic partnerships will continue to be "about the same," while 40% plan to increase the size of individual partnerships. The top two factors driving these trends are the need for talent in a competitive labor market and the need to demonstrate a return on investment.

University Relations Budget Distribution

Distribution of company university relations budgets vary between recruiting, research, and philanthropy. On average, companies spend 48% on recruiting, 33% on research, and 25% on philanthropy. Regarding company approach to research, 35% are conducting research in the same manner, 35% did not know, 13% are increasing federal/university collaborations, and 9% are outsourcing research.

Preparing Students for Industry

Respondents expressed a need for students to enter the workforce with stronger technical and soft skills. There was an emphasis on students gaining internship experience and working on large team projects outside their classrooms or lab work with professors. Universities also need to help students improve their interviewing, communication, and presentation skills.

In terms of research, respondents expressed a need for clear communication about the practical, real-world applications of faculty research for industry. Additionally, campus equipment and instruments should match what is being used by industry. Respondents also noted that campuses would benefit from more interdisciplinary collaboration and fewer silos.

Selecting University Partners

Industry respondents were provided with 13 potential criteria used to evaluate how their companies select university partners. Respondents ranked each of the 13 criteria in terms of importance (extremely, moderately, and not important). While all criteria received some level of support, the following stood out.

Extremely Important:
- » **Alignment of degree programs with company's recruitment goals (67%)**
- » **Geographic proximity of university to company's headquarters or facilities (43%)**
- » **University rankings and reputation (41%)**

Moderately Important:
- » Existing relationships with faculty or administration (60%)
- » History and level of current or recent research support by company at university (60%)
- » Executives (past or present) who are alumni (57%)
- » Number of current employees who are alumni (52%)

While alignment of degree programs with a company's recruitment goals ranked the most important, the distance/online education programs offered by a university ranked the least important (72%). Selection criteria is ranked by percentages of responses noting extremely or moderately important.

Diversity, Equity, and Inclusion are a Priority for Industry

Not all companies, however, have clear goals or plans for how to achieve this. At a minimum, companies are focusing on attracting and recruiting diverse talent and providing mentorship and professional development opportunities. Several respondents noted support for professional groups and student chapters of the National Society of Black Engineers, Society of Hispanic Professional Engineers, and Society of Women Engineers.

"We want to follow the lead and best practices that the DEI groups and universities set for us. We want a long-term, authentic relationship that has multiple touchpoints each year."

Affiliate Programs and Research Consortia

Companies are active with research and corporate partner programs, most of which require an annual membership fee or sponsorship level. In regard to **college level and research programs**, 42% of respondent companies participate in corporate partner programs, 26% belong to industry affiliate programs, and 26% belong to research consortia. Corporate partner programs typically provide industry with tiered membership and benefit levels such as priority access to events and engagement with students, faculty, and administrators. Industry affiliate programs and research consortia tend to be research-focused and provide an opportunity for industry sponsors and university researchers to explore broad topics of mutual interest.

Priorities in participating in corporate partner, industry affiliate, and research consortia, in ranked order, include:

1. Access to student/postdoctoral talent
2. Increased visibility of corporate brand
3. Keep up with competitors
4. Insight into research trends
5. Networking with academic scholars/researchers

How Companies Measure Success of Academic Relationships

1. ROI metrics (36%)
2. Recommendation by corporate researchers (22%)
3. Periodic review without quantitative metrics (22%)
4. No formal process (14%)

Common ROI metrics include number of alumni employed at company, success of alumni at company, depth and breadth of university relationship, comprehensive relationship, influencing curriculum, research, co-authoring papers, and total philanthropic giving.

In survey comments, more than 75% of respondents indicated that talent and recruitment was a top metric used to assess the ROI of a university partnership, followed by the number of alumni employed at the company and research/innovation.

"There are two areas that we focus on—recruiting and research. Recruiting is weighted heavier than research."
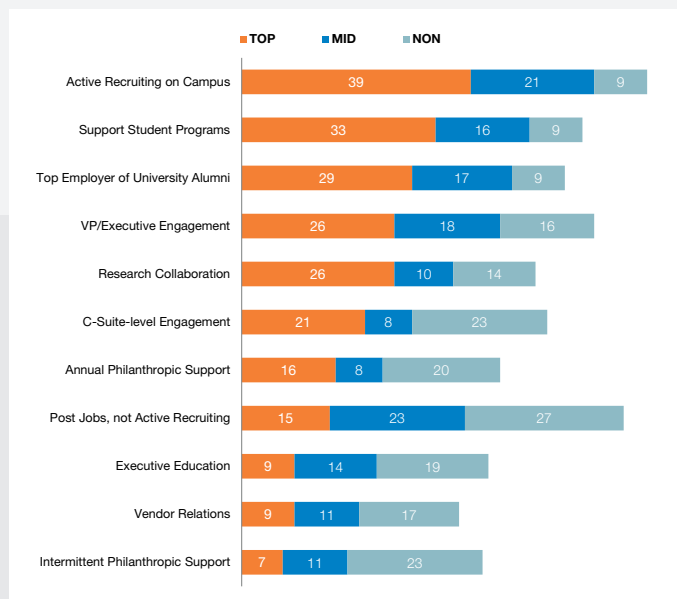
Scores are the number of respondents who rated each partnership activity as characteristic of universities who are Top-Level, Mid-Level, or Non-Partners.

FIGURE 3. Corporations associate different engagement activities with universities that they consider to be Top-Level, Mid-Level, or Non-Partners.

How Industry Categorizes Its Partnerships

Similar to methods CROs use to tier top corporate partners, company engagement varies based on the level of university partnership. Survey respondents categorized 11 types of engagement into top-tier, mid-tier, and "nonpartners"— institutions where the company has only occasional activity. The top ranked engagement for top partners is Active Recruiting on Campus (same as 2019), and Support Student Programs rose three spots from 5th to 2nd.

At the other end of the spectrum, job postings without active recruiting and intermittent philanthropic support are lowest ranked with top partners and frequently cited as an activity at non-partner institutions. In this second industry survey, Executive Education and Vendor Relations were ranked very low with top partners, suggesting these transactional engagements are not a key activity with identified partners (see Figure 3).

CONCLUSIONS

Overall, the industry perspective on academic corporate relations did not significantly change in the last two years. Despite the COVID-19 pandemic, lockdowns, and the shift to remote work environments, university relationships were maintained and company goals for engagement remained the same. Competition for top talent remains high, brand awareness continues to be a priority, and companies are maintaining the same number of university partners while also remaining open to new partnerships, especially with universities that help meet corporate DEI goals.

TWO KEY RECOMMENDATIONS FROM INDUSTRY

Streamlined Communication

Clear communication and a division of responsibility is important to company representatives. Having one point of contact is ideal, keeping communication simple and direct. When the contact is identified, companies prefer communication solely through the assigned contact. University partners often "go around" the assigned company contact, which can work against institutional interests. Universities that understand these rules of engagement are typically well regarded within the company and have more fruitful relationships.

It's About the Win-Win

Working toward the mutual win in partnership and research collaboration is key. Companies engage with universities for talent or to make a sale, while universities come to a company wanting support. According to respondents, there is plenty of room in the middle for both to win in a partnership. A win-win for research alliances involves actively pursuing local industry partners to collaborate where company products and strategies align with research topics.

NEXT STEPS

This summary will be followed by a deeper dive into Industry Perspectives in the coming years, including conducting interviews with corporate colleagues.

The 2019 Industry Survey included learnings from 16 interviews with corporate colleagues. Company representatives shared suggestions for improvement, including:

» Tighten internal communication;

» Contract procedures and IP;

» Articulate value and benefit of corporate relations;

» Demonstrate understanding of the goals of the company; and

» Prepare students for the recruiting process.

These areas will be revisited as NACRO assesses the industry perspective on academic Corporate Relations in the next biennial survey.

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