The Perceptions of Benefits and Drawbacks of Private, Corporate, and Local Funds on American High School Athletic and Activity Programs

James Abueg
University of Nebraska at Omaha

Follow this and additional works at: https://digitalcommons.unomaha.edu/edleadstudent

Part of the Educational Leadership Commons

Please take our feedback survey at: https://unomaha.az1.qualtrics.com/jfe/form/SV_8cchtFmpDyGfBLE

Recommended Citation
Abueg, James, "The Perceptions of Benefits and Drawbacks of Private, Corporate, and Local Funds on American High School Athletic and Activity Programs" (2021). Educational Leadership Theses, Dissertations, and Student Creative Activity. 15.
https://digitalcommons.unomaha.edu/edleadstudent/15

This Dissertation is brought to you for free and open access by the Department of Educational Leadership at DigitalCommons@UNO. It has been accepted for inclusion in Educational Leadership Theses, Dissertations, and Student Creative Activity by an authorized administrator of DigitalCommons@UNO. For more information, please contact unodigitalcommons@unomaha.edu.
THE PERCEPTIONS OF BENEFITS AND DRAWBACKS OF PRIVATE, CORPORATE, AND LOCAL FUNDS ON AMERICAN HIGH SCHOOL ATHLETIC AND ACTIVITY PROGRAMS

By

James Abueg

A DISSERTATION

Presented to the Faculty of

The Graduate College at the University of Nebraska

In Partial Fulfillment of Requirements

For the Degree of Doctor of Education

Major: Educational Administration

Under the Supervision of Dr. Kay A. Keiser

Omaha, Nebraska

March, 2021

Supervisory Committee:

Jeanne L. Surface, Ed.D.

Elliott Ostler, Ed.D.

Kay A. Keiser Ed.D.
ABSTRACT

THE PERCEPTIONS OF BENEFITS AND DRAWBACKS OF PRIVATE, CORPORATE, AND LOCAL FUNDS ON AMERICAN HIGH SCHOOL ATHLETIC AND ACTIVITY PROGRAMS

James Abueg, Ed. D.
University of Nebraska, 2021

Advisor: Kay A. Keiser, Ed.D

To fight tightened funding, high schools across the United States are turning to banks and other big businesses for financial support. Not the type of support a loan would offer but that of a sports sponsorship (Garofalo, 2016). This has differed from the traditional models of raising money such as collecting athletic fees and pay to play. As high school budgets are trimmed, sports and activities programs continue to feel the squeeze, creating a greater emphasis on fund-raising efforts (Troha, 2014). Corporate sponsorships were once unheard of for high schools but fundraising ideas that were once relegated to professional and Division I college teams have trickled into the high school culture (Troha, 2014). With school districts budgets becoming tighter and tighter every year, athletic departments are seeking avenues to help supplement the loss of money. The most common forms of alternative revenue generation are fundraising, participation fees, and sponsorship (Pierce & Bussell, 2011).

The purpose of this exploratory qualitative study was to examine the influence of corporate sponsorships on the ability of Midwest U.S. public schools to provide quality programs for students. This study may be used to discover how school leaders make decisions about community influences, and how their perceptions impact the athletic
programs and the roles of schools, families, and players. The framework for this study is based upon three levels of analysis including community, school district, and organization participants (Provan & Milward, 2001). As schools share more control of their budgets, they also balance the needs and philosophies of a wider groups of stakeholders. Analyzing the three levels of community, school district, and participants gave a better understanding of the role of sponsorships in high school athletics. The researcher also deduced suggestions for athletic directors and schools districts as the make decisions about entering partnerships with corporate sponsorships.
ACKNOWLEDGEMENTS

“The more that you read, the more things you will know. The more that you learn, the more places you’ll go.” – Dr. Seuss

This quote sums up my entire time going through the journey of writing a dissertation. I have learned more and accomplished more than I ever thought I would, and I have many people I need to thank. First, I want to thank my wife, Dr. Kristen Abueg, who went along with my crazy idea of getting a doctorate degree with me. You were by my side when I was stressed or struggling to gather my thoughts while writing this dissertation. I love you, and I appreciate everything you have done for our family. I want to recognize my daughter, Cecilia, and my son, Anderson. Your dad wants you to know that if you put your mind to something and stick with it, you can accomplish anything. When you do accomplish something as big as writing a dissertation, you open doors for yourself in the future.

Next I want to thank my parents for also supporting me in this process. You taught me to never give up or quit on a dream. You showed me that as long as you work hard, your accomplishments will not go unnoticed. Finally, I want to thank Dr. Kay Keiser, for being my chair during this process. You showed me how to look through a different lens instead of from my own point of view. Seeing multiple viewpoints allowed me to synthesize the research and put my own opinions aside. There are many other people out there to thank. I am grateful for friends and family who supported, listened, and stood by my side.
<table>
<thead>
<tr>
<th>TABLE OF CONTENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACKNOWLEDGEMENTS</td>
</tr>
<tr>
<td>LIST OF TABLES</td>
</tr>
<tr>
<td>LIST OF FIGURES</td>
</tr>
<tr>
<td>CHAPTER 1 INTRODUCTION</td>
</tr>
<tr>
<td>OVERVIEW OF CORPORATE SPONSORSHIP</td>
</tr>
<tr>
<td>CURRENT SPORT REVENUE SOURCES</td>
</tr>
<tr>
<td>FRAMEWORK</td>
</tr>
<tr>
<td>PURPOSE STATEMENT</td>
</tr>
<tr>
<td>RESEARCH QUESTION</td>
</tr>
<tr>
<td>SIGNIFICANCE OF THE STUDY</td>
</tr>
<tr>
<td>CHAPTER 2 REVIEW OF LITERATURE</td>
</tr>
<tr>
<td>FAMILY-BASED FUNDING</td>
</tr>
<tr>
<td>ACTIVITY CARDS</td>
</tr>
<tr>
<td>PAY-TO-PLAY</td>
</tr>
<tr>
<td>CORPORATE SPONSORSHIP</td>
</tr>
<tr>
<td>SCHOOL PROTOCOL</td>
</tr>
<tr>
<td>CORPORATE OBJECTIVES</td>
</tr>
<tr>
<td>GUIDELINES FOR SCHOOL-BUSINESS PARTNERSHIPS</td>
</tr>
<tr>
<td>SUMMARY</td>
</tr>
<tr>
<td>CHAPTER 3 METHODOLOGY</td>
</tr>
<tr>
<td>INTRODUCTION</td>
</tr>
</tbody>
</table>

v  
vi  
1  
1  
3  
5  
7  
8  
8  
10  
11  
12  
13  
17  
20  
21  
24  
26  
27  
27
RECOMMENDATIONS FOR PRACTICE ................................................................. 72
RECOMMENDATIONS FOR FUTURE RESEARCH.............................................. 75
SUMMARY ................................................................................................. 77
REFERENCES .......................................................................................... 79
APPENDIX A ............................................................................................ 87
LIST OF TABLES

Table 3.1: Respondents’ Location by Midwestern State ........................................... 29
Table 3.2: Reported Size of Respondents’ Schools .................................................. 31
Table 3.3: Socio-economic Status of Respondents’ Schools .................................. 31
Table 3.4: Table 3.4: Respondents’ Experience ...................................................... 32
Table 3.5: Athletic Base Funds in the Last Five Years .............................................. 33
Table 4.1: Use of Sponsorships to Counterbalance Funding Cuts ......................... 39
Table 4.2: Persons Responsible for Selling Sponsorships to Businesses ................. 41
Table 4.3: Purposes for Seeking Sponsorships ...................................................... 43
Table 4.4: Sponsorships Impacting Success ......................................................... 45
Table 4.5: Approval of Sponsorships ................................................................. 47
Table 4.6: Basis of Guidelines for Sponsorship Decisions ................................... 49
Table 4.7: Sponsorship Drawbacks ........................................................................ 51
Table 4.8: Policies in Place for Sponsorships ...................................................... 53
Table 4.9: Benefits of Corporate Sponsorships .................................................... 55
Table 4.10: Equity of Sponsorship among Sports ................................................. 58
Table 4.11: Sponsorship Impact on School Climate ............................................. 60
LIST OF FIGURES

Figure 1.1 The Three Influences of High School Athletic Budgets ........................................ 6

Figure 4.1: Use of Sponsorships to Counterbalance Funding Cuts ........................................ 39

Figure 4.2: Persons Responsible for Selling Sponsorships ................................................... 41

Figure 4.3: Purposes for Seeking Sponsorships ..................................................................... 43

Figure 4.4: Sponsorships Impacting Success ......................................................................... 45

Figure 4.5: Approval of Sponsorships .................................................................................. 47

Figure 4.6: Basis of Guidelines for Sponsorship Decisions .................................................. 49

Figure 4.7: Sponsorship Drawbacks .................................................................................... 51

Figure 4.8: Policies in Place for Sponsorships ..................................................................... 53

Figure 4.9: Benefits of Corporate Sponsorships .................................................................. 55

Figure 4.10: Equity of Sponsorship among Sports ............................................................... 58

Figure 4.11: Sponsorship Impact on School Climate ............................................................. 60
CHAPTER 1
INTRODUCTION

“Participating in sports provides young student-athletes an amplitude of benefits, including providing an escape from their home lives and lending a viable opportunity to attend college.” (Baker, 2015 para. 1) In today’s economic society school districts have to cut budgets and save any way they can. “According to Up2Us Sports, the leader in the sports-based youth development movement, $3.5 billion was cut from sports budgets in schools from 2009 to 2011. An estimated 27% of US public high schools will have cut sports programs of any kind by 2020” (Baker, 2015, para. 4). A study of 35,000 student-athletes conducted by Yahoo Sports found a striking correlation between student’s participation in interscholastic athletics and their performance in the classroom, as well as a difference in attendance rates. Students participating in sports were present in class an average of 21 days per school year more than their peers. “The grade point averages of student-athletes were also 0.55 to 0.74 points higher than their counterparts” (Baker, 2015, para 10). According to the U.S. Department of Education, athletes are four times more likely to attend college and are 50 % more present in school than their non-athletic peers. Times are tough for U.S. schools, tax cuts and economic troubles have sliced into the education budgets of many communities.

To combat tightening funding, high schools across the U.S. are turning to banks and other big businesses — not for loans, but for stadium-naming deals (Garofalo, 2016). This has differed from the traditional models of raising money such as collecting athletic fees and pay-to-play. As high school budgets are trimmed, sports and activities
programs continue to feel the squeeze, creating a greater emphasis on fund-raising efforts – both internal and external (Troha, 2014). Corporate sponsorships were once taboo for high schools (and remain so in some places) but fundraising ideas that were once relegated to professional and Division I college teams have trickled into the high school culture (Troha, 2014). Corporate sponsorships have crept more visibly into high school venues via scoreboard and stadium signage over the past two decades, while a handful of high schools have managed to sell stadium naming rights to corporate partners (Troha, 2014). School districts who have already begun collecting donations are now ready to start the process of selling naming rights to the most publicly visible assets, its athletic fields (Vogal, 2014).

The emergence and rapid growth of private funds and corporate sponsorships of athletic events has had a positive impact on the sports industry. Therefore, high school athletic directors are taking a more in-depth look at sports sponsorships. Currently, there has been little research done at the high school level on how private, corporate, and local funds impact high school athletics, and there is significant research of sponsorship at the collegiate, professional, and Olympic levels, perhaps because high school sports are not considered a major component of the sports industry. Investigating sponsorships at the high school level of athletic competition will be a valuable contribution to the existing knowledge on private and corporate sponsorship and current literature of sponsorships at the higher level of competition. Increased study will allow athletic directors in the high schools as well as private and corporate sponsors to evaluate the impact of sponsorship within high school athletics.
Current Sports Revenue Sources

With school districts budgets becoming tighter and tighter every year, athletic departments are looking for avenues to help supplement the loss of money. The most common forms of alternative revenue generation are fundraising, participation fees, and sponsorship (Pierce & Bussell, 2011). Fundraising is one option many school districts try to implement within its sports programs.

Fundraising is defined as the process of soliciting financial support and is an essential way for most nonprofits to bring in revenue for their organization’s mission (Cohen, 2020). Through fundraising, athletics and activities ask students and families to sell products to friends and families to help reduce the cost of equipment or other items needed. “It’s amazing how people are willing to help, and you’re reducing the price for something that benefits children” (Hoffman, 2016, p. 1). The downside to fundraising is it may be a deterrent for retaining coaches, and some players or parents do not participate for a variety of reasons.

Pay-to-play policy is instituted when students’ families pay a certain dollar amount to the school for participating, and the money helps to fund the activity (Smith, 2008). However, this can become a matter of inequity as some students do not have the necessary income to afford participation, and students who play multiple sports limit the programs’ full amount of the fee (Smith, 2001).

Sponsorship is when a business provides funds, resources or services to a club, in return for some form of rights and/or associations with the club that may be used to help the business commercially. This could be in the form of a logo on a football, signage
on a scoreboard, or free advertising in the newsletter. At Brunswick High School, Athletic Director Pietro Demonte helped land the department a 15-year deal with a local auto dealer worth $750,000, which helped provide the school more flexibility with its spending (Hoffman, 2015). In 2017, spending on sports sponsorships worldwide was approximately 62.7 billion U.S. dollars, up from 60.1 billion a year earlier (Guttmann, 2019). The current trend, according to the National Federation of State High School Associations, shows participation numbers for both boys and girls has seen a steady increase for the 29th consecutive year (Howard, 2018).

As school athletic budgets decrease, it is important for athletic departments to find new ways to supplement or recoup money lost. Sports sponsorships has evolved into a vast business enterprise, encompassing sport at all levels as ticket/gate sales, concessions, and activity cards, are not enough to cover those lost expenses. Athletic departments look outside of the school and family sources for funding, whether it is through private or corporate sponsorship (Blackburn et al., 2013).

Companies around the world are set to spend $65.8 billion on sponsorship deals in 2018, which is a 3 billion dollar increase from 2017 (Handley, 2018). Many schools have been forced to get rid of music, sports, and some educational programs in order to make ends meet (McCollum, 2005). “Some of the budget cuts in team sports are really coming to a head,” Charles Best, the CEO of DonorsChoose.org, said. “In a few years’ time, more than a quarter of public high schools will not have any sports because of these cuts (Wolf, 2015, para. 10). Budgets are tight in school districts across America, and when money becomes scarce, tough decisions have to be made. For some schools,
the cuts may come in the athletics departments, with a number of districts threatening to significantly decrease the athletic programs available to students or do away with sports altogether (Chen, 2015)

Naming rights, or paying to have facilities named after an organization, are an integral part of corporate sponsorships, and where a lot of the “big money” originates (Sherman, 2012). As extracurricular activity funds and district budgets are becoming tighter and tighter, reaching out to the community is a venue more school districts are looking towards for support and help.

**Framework**

The framework for this study is based upon three levels of analysis as seen in Figure 1--community, school district, and organization participants including parents and athletes (Provan & Milward, 2001). As schools share more control of budgets they are also balancing the needs and philosophies of a wider groups of stakeholders. Analyzing the three levels will give a better understanding of the role of sponsorships in high school athletics. Figure 1.1 displays the influences family, school, and community and their overlap.
Figure 1.1 The Three Influences of High School Athletic Budgets

These overlapping influences and sources guided the research to focus not only on high school athletics and exploration of funding but also to ensure sustainability of the programs. The three influences include family, school, and community. Within the three influences there will be overlap and crossover where two of the influences complement each other.

Family within this framework can be defined as parents supporting their students through activity cards and the pay-to-play model. Parents can purchase an activity card for their student for a small fee, which will provide their students a variety of benefits. The pay-to-play model requires parents to pay a fee if their student plays a sport or participates in a club. The difference between activity cards and pay-to-play model is activity cards are a one-time fee every school year and pay-to-play is a fee for every sport or activity in which the student is involved. Another influence which helps guide this study is school.
School within this framework is dependent on gate receipts, concession stand revenue, and fundraising. Many school districts rely on home gate attendance to help with activities budgets. As more people attend home games, concession stand sales tend to increase. Concession stand sales are also used for activity funding. Fundraising can be done by either the activity in need of funds or can be done school wide. Fundraising helps activities supplement funds within their accounts and allows coaches and sponsors to purchase equipment or other needs for the activity. When schools and activities look to fundraising, they are asking the students/athletes to sell some type of product in exchange for money. Many people are either uncomfortable with selling something or unwilling to buy something they do not need or want.

The third and final influence within this framework is community. Community can consist of private, corporate, and local sponsorships. Across the United States, athletic and activity budgets are becoming smaller and smaller, so school districts will reach out to sponsor to help support activities. Whether they are private donations, big corporations, or local businesses, schools are looking for partnerships to help fund and support programs and students. With reaching out for sponsorships the schools are promising to compensate businesses either through advertising or promotions. One concern with sponsorships is making sure the values of the sponsors align with the values or mission statement of the schools. This will be discussed further in chapter 2.

Purpose Statement

The purpose of this exploratory qualitative study was to examine the influence of corporate sponsorships on the ability of Midwest U.S. public and private schools to
provide quality programs for students. This study may be used to discover how school leaders make decisions about community influences, and how their perceptions impact the athletic programs and the roles of schools, families, and players.

**Research Question**

The central question that guides this research is: How do Midwest school leaders understand the ways corporate sponsorships impact the ability of schools to provide quality programs which support high school athletics?

**Significance of the Study**

According to Guttman from Statista, in 2015 global sponsorship spending amounted to 57.5 billion U.S. dollars. Sponsorship has slowly been increasing yearly and rose to 62.7 billion U.S. dollars in 2017 (para. 1). With the rapid growth of sports sponsorships, researchers have examined professional and intercollegiate sponsorships, but there is a void in the literature that investigates sports sponsorships at the interscholastic or high school level. It also must be noted that sponsorship of interscholastic sports was not considered a major component of the sport industry. Yet, sport sponsorship has now become an indelible aspect of high school students’ athletic experience to the point that it is common place throughout high schools across the United States (McFarland, 2002).

Investigating sponsorship at the high school level of athletic competition will be a valuable contribution to the existing literature on private and corporate sponsorship and current literature of sponsorships at the higher level of competition. Athletic directors and leaders in the public high schools need a wider perspective to evaluate the
impact of sponsorship with in high school athletics. The examination of how private and corporate sponsorship may or may not align with the educational system and high school athletics contributes to the literature in a new and unique way.
CHAPTER 2

LITERATURE REVIEW

High school athletic departments generally operate with funds from two major sources. They receive their largest amount from their school's general fund and supplement it with revenue from event admissions (Kalahr, 2010). Currently, high schools, will use one or more revenue streams to help augment their budgets whether it is activity cards, pay-to-play, fundraising, booster clubs, or sponsorships. The reason for using one or more revenue streams allows schools to purchase items or equipment that comes with athletics or activities.

A large majority of schools use fundraising activities to raise money from external sources to fund and support co-curricular activities and other school functions. This may be due to shrinking school budgets or the school's desire to supplement costly curricular activities or endeavors or to meet a school club or association’s mission, needs, or goals (Tan, 2017, p. 1).

This review of literature focused on the three influences of revenue streams schools can use to help support and maintain athletic and activities within its building. The following review of literature consists of the specific areas: activity cards, pay-to-play, corporate sponsorships, school protocol, corporate objectives, and guidelines for school-business partnerships.

Sports sponsorships has evolved into a vast business enterprise, encompassing sport at all levels. According to Handley (2018) companies around the world were set to spend $65.8 billion on sponsorship deals in 2018. That is a 3 billion dollar increase from
2017 and will continue to increase (Handley, 2018). By participating in sports, young student-athletes benefit both physically and mentally. The myriad of advantages includes an outlet for stress, socialization, exercise, and for some, a reasonable option to go to college (Baker, 2015). In today’s economic society school districts are having to cut budgets to save spending using multiple methods. Many schools have been forced to eliminate music, sports, and some educational programs in order to make ends meet (McCollum, 2005). “Schools across the country slashed athletic budgets an estimated $3.5 billion from 2009-11, according to Up2Us, a New York-based nonprofit that promotes youth sports” (Baker, 2015, para. 3). As budgets within school districts start to become tighter and athletic and activity programs start to become the causalities of these cuts, it is important for districts to look for other revenue streams.

In order to help make up for lack of funding given to schools and athletic budgets, districts are looking at several different avenues including activity cards, pay-to-play, and even corporate sponsorships to help fill the void.

**Family-Based Funding**

Through this literature review, family-based funding is any funding that comes from the home of the student or the athlete and goes to the school’s activity budget. Family-based funding can include but is not limited to activity cards and the pay-to-play model. Funds generated through activity cards will highly depend on the number of students within the school. Larger schools with a higher population will earn more money through activity cards. The pay-to-play model is based off of the number of
students deciding to play or participate in a sport or activity. Fees vary based on the sport or activity and the school or district.

**Activity Cards**

Many school districts look at different ways to help fund extra-curricular programs with their schools. One way is having parents and students pay for activity cards. Activity cards are commonly sold to high school students. Funds generated by the sale of student activity cards can be substantial, in most high schools, the card is priced from $15 to $50. In a school of 2,000, if half of the student body purchases a card, the revenue ranges from $15,000 to $50,000 (Townley, Schmieder-Ramirez, & Wehmeyer, 2005). These cards typically provide a variety of benefits, including admission to athletic events, school dances, or even a discount on a school yearbook.

Currently, within the Metropolitan area, school districts require students to have an activity card. Funds from the activity cards would continue providing athletic programs for students. Activity card fee would be distributed into the school’s athletic budgets. Bellevue East Athletic Director (Hirz, personal communication, 2020) notes that the number of players has roughly remained the same, but gate receipts are going down at both schools like they are everywhere in the nation (Gray, 2015). Within Bellevue Public Schools, the two high schools had their budgets reduced by 30 percent from 2013 to 2016. ($117,715 in 2013 – 14 school year to $77,700 in 2015 – 16 school year.) In Omaha Public Schools, activity card funds are distributed across the various activities in the school. Not all money received through activity cards is given to athletics. It also goes to clubs or organizations (Cano, personal communication, 2016). In Millard Public
Schools, each high school must generate the additional money needed to meet the remaining expenses of operating the activity/athletic program. These expenses include the costs for transportation, uniforms, equipment and supplies, officials/judges, security, entry fees, and other miscellaneous costs. Revenue is generated at each high school through gate receipts, concessions, vending machines, craft fair, participation fees, and fundraising. The activities/athletic participation fee is nonrefundable for any student who chooses to try out, even if they are not selected for a team or activity. This works as an activity ticket for admission (Millard Activities Handbook, 2015). In Lincoln Public Schools students are able to purchase a student pass for $35, which allows students to enter athletic events only. Parents are able to purchase a ticket book with five tickets for $27 or 10 tickets for $54. These funds go directly to the athletic departments of the respective high schools (Lincoln Public Schools District Page, 2021).

If students are eligible for free or reduced lunch and unable to purchase an activity card, many schools offer a waiver for the activity card (Cano, personal communication, 2016). Many schools require students to have an activity card before participating in any activity or any athletic program. Sometimes activity cards are not enough to help save programs, so some schools use a pay-to-play fee.

**Pay-To-Play**

School districts are considering a pay-to-play model where parents and students are required to pay a fee if they play a sport or participate in a club. The pay-to-play model is a reactionary tool to combat tightening schools budgets (Bucy, 2013). With high school athletic budgets being reduced some schools require families to pay a
certain amount per child per sport, club, or activity in which their child participates. People in support of the pay-to-play model assert that since money is tight, schools need to prioritize required programs related to state testing and graduation and cut the rest. The position embedded in this argument is taxpayer unwillingness to increase resources for education by raising taxes (Bucy, 2013). Moving into a pay-to-play model has many pros and cons that school districts need to be aware of before they fully commit to the model.

The pros of the pay-to-play model will help high schools fund activities within the building. Federal funds account for less than eight percent of the nation’s total education expenditure. State generated funds comprise the remaining ninety-plus percent of the primary and secondary education expenditure (Bucy, 2013). Every state constitution, to some degree, provides for free public education, but the means of funding it is left to the state legislature. State legislatures fund education through a combination of independent local and state revenue streams. Much of the money generated comes from income, sales and property taxes (Bucy, 2013). Within the past few school years, school districts around the metro have had to cut their school budgets upwards of 4 million dollars. Pay-to-play would not replace the loss of millions of dollars in school budgets, but it would help keep certain sports, clubs, or programs available to students. A study by the Detroit News determined that more than 88,000 high school student-athletes in southeastern Michigan will collectively pay over $10 million in fees to play sports this academic year (Popke, 2007). Pay-to-Play averages $113 per student-
athlete participating in a sport or club (Bucy, 2013). Many schools would not have to cut clubs or sports if they would implement pay-to-play.

From an alternative perspective, pay-to-play can have a negative impact on sport or club participation. One example of a negative implication of pay-to-play is the question of does paying a fee “to play” come with an expectation that the student will in fact “play”. Many felt that it placed coaches and athletic directors in an awkward position. Parents may feel that if they pay a fee then they will expect that their children will play in each game. This is not practical in high school sports, especially at the varsity level (Collins, 2011). “They weren’t happy to pay but they did. I was embarrassed to collect but we don’t pro-rate, otherwise, you have bench players who didn’t get into games wanting partial refunds,” Harrison says (Austin, 2012, para. 21).

Another example is the cost of pay to play can actually hinder the number of participants going out for the sport or club. Pay-to-play has had a socio-economic effect on who can participate in athletics. Many lower-income families cannot afford to pay for their children to play, which has led to sports becoming dominated by middle and upper-class families (Masson, 2015). A frightening message is being sent to families and their kids: opportunities are available to only those who can pay for them. For example, about 20 percent of households have incomes over $100,000, but 33 percent of households participating in sports have incomes at that level (Masson, 2015). Not surprisingly, then, as the cost of playing rises, the amount of players declines. Between 2011 and 2012, participation in team sports fell from 54% to 50% for students aged 6 to 17 (Holland, 2014). The rise in pay–to–play policies at schools and the ascent of club
and academy teams are natural responses to tight state and local budgets. When school districts cut funding for sports teams, some decide that participating students can pay to participate (Holland, 2014). Pay-to-play falls short on a number of counts. One of the biggest is the possibility of creating a system of haves and have-nots. Pay-to-play’s immediate effects are alarming, as most authorities are saying that implementation of the program is generally followed by a decline in participation (Collins, 2011). Rising financial barriers in youth sports have side effects. Many have criticized this model as providing an unfair advantage to schools in more affluent regions of the country, further dividing the have and have-nots (Greenhalgh, 2013). Children and adolescents who do not play sports are at greater risk for obesity. And if low-income students do decide to go outside and move around, they are more likely than wealthier children to live in high crime neighborhoods where the chances of getting in trouble are greater. Research shows that girls who participate in sports are less likely to get pregnant and more likely to graduate (Holland, 2014). Sports and clubs help students physically and academically. "We know that participating in school sports offers many benefits to children and teens: higher school achievement, lower dropout rates, improved health, reduced obesity and the development of skills like teamwork and problem-solving” (ScienceBlog, 2012, para. 8). The benefits of participating in high school athletics are clear, but participation has two other significant benefits: these activities help to keep students in school and on a path for success, and they keep teenagers active and healthy. A student-athlete experiences success and failure, develop a work ethic and is able to be passionate about something (Bucy, 2013). The only time pay-to-
play is an option for funding is if it prevents the athletic program or club from being shut down or eliminated.

While family-based funding is one revenue stream schools districts use, another income flow which seems to be an untapped market is sponsorships. Sponsorships can be developed between school and private, local or corporate businesses.

**Corporate Sponsorships**

Corporate sponsorship is most often a contribution of goods, in-kind services or money given by a company to a non-profit organization to fund a specific project or event. In 2014, $14.35 billion was spent in sports sponsorships (IEG, 2015). In return for the funding, the corporation becomes a sponsor, which is very similar to becoming an advertiser. The difference is that rather than paying for an ad, the sponsor pays a fee for the privilege of aligning its name and brand with the entity it promotes (McQuerrey, 2010). As school districts reach out more and more to businesses, the have to make sure values from the business and the values from the schools align to create a happy partnership.

According to Tom Carmichael, the owner of SportsImage, most sponsorships agreements between schools and business are fetching between $2,800 and $3,500 annually. Schools get some of the money they need to run their athletic programs or clubs. Students do not have to pay to play and businesses are able to market to one of the most difficult to reach groups; the 16 – 24 year-old demographic. Athletics at the high school level are being televised and have reached almost the same level hype as college athletics. One can turn on ESPN during the football season and find two high
school teams battling it out. Being televised nationally can also help bring in money to
costs of a sports program.

One way to potentially save programs would be to seek out corporate
sponsorships to help offset the cost of athletics and save the school district money. The
challenge of funding new athletic programs with no additional tax revenue has forced
school districts in the past to supplement their budget with gate receipts, team
fundraising, and participation (pay-to-play) fees. The new option? Corporate
Sponsorships. The new challenge? Balancing the need for cash with the integrity of the
educational and athletic programs (MacFarland, 2002).

Corporate revenue helps programs manage the growth, and interscholastic
sports have grown significantly over the last 10 years. By using sponsorships, athletic
departments are able to make the necessary changes to their facilities and keep sports
alive that might otherwise be tossed to the curb. An NBC article (Koba, 2012)
highlighted several Indiana schools using advertisements to pay for bleachers,
’boards, fields and new buildings. It also helped drive down, or in some cases
completely eliminate participation fees. The athletic director for one of the schools said
the parents did not view it as selling out, so it was refreshing to see that communities
(at least in Indiana) understand (Hoffman, 2012). Athletic departments across the
country are selling broadcast opportunities to local radio and television stations;
connecting with corporate sponsors for special events and promotions; seeking
corporations who will agree to make a substantial financial contribution in return for
naming rights to a local facility; signing deals with soda companies to distribute their
product exclusively in exchange for new electronic scoreboards, uniforms, or equipment; and soliciting advertising revenue from game programs, field, arena, bus and rooftop signage, and halftime promotions (MacFarland, 2002).

In an age of shrinking school budgets, school districts have about two percent or less of their overall budget to cover costs of their entire athletic programs (Fuller, 2013). Schools are having to find ways to help cover athletic budgets of uniforms, travel expenses, and equipment. Schools are reaching out to local and national businesses to help replace budgets that are being cut. Business are not simply giving a donation. They get something for their money. It has become increasingly obvious that corporations are clearly receiving both short and long-term advantages from sponsorship deals and are eager to engage in such business arrangements (MacFarland, 2002). First, the largest market segment in the country is made up of school-age kids and their families. Second, this is a group with great purchasing power and even greater purchasing influence. Third, this is a group attending school for up to 30 hours a week, and fourth, most companies are in a race to establish brand loyalty with young consumers before their competitor does (Thompson, 2000). According to Shaker, the Chair and CEO of Prism Communications (MacFarland, 2002, p. 9) students are not children anymore. They are “evolving consumers” spending at least 20% of their time in schools.

Advertisers can display banners in the gym, the football stadium or the fence. They can also display banners in their businesses and receive printed ads in the school's athletic programs (Wojcik, 2012).
There are also fears of being a ‘sellout’ to corporate sponsorships. For years, there was a big push to get soft drink machines out of the schools, and now the image around corporate sponsorships represents a new challenge. However, when levies don’t get passed, programs like athletics are among the budgets that are getting slashed. So, a form of privatization is necessary to provide funding. (Fuller, 2013, para. 7)

“In this economic climate, we’re struggling to involve more of our local businesses with the corporate sponsorship program we had set up initially,” said Mike Bakker, Fenton’s athletic director (Wojcik, 2012, para. 3). Before schools can go solicit corporate sponsorships, there needs to be a protocol set up by the school board. Clearly established expectations ensure that schools are not overstepping their boundaries.

**School Protocol**

School policies that do permit corporate sponsorship could review all corporate-sponsored materials used to ensure that they are accurate, objective, complete, nondiscriminatory, and non-commercial except for the corporate logo used only for identification (Chaika, 2012). Advertisers can display banners in the gym, the football stadium or the fence. They can also display banners in their businesses and receive printed ads in the school’s athletic programs. School leaders agree to give corporations exclusive rights to sell and promote their goods and/or services in a school or district. The school or district gets a percentage of the profits from the arrangement. Such agreements may entail granting a corporation the right to be a sole supplier of a product or service. The corporate programs provide, money, goods, or services to a
Corporations pay to place corporate logos and/or advertising messages on school scoreboards, rooftops, bulletin boards, walls, and programs. Corporations provide electronic programming for the right to advertise online to students, families, or community members (Molnar, 2000). There are limits to ensure there is not a corporate free-for-all that plasters advertisements on everything from backboards to the players themselves. However, sponsorships fill a void partially created by a sluggish economy that’s affected both school budgets and fundraising revenue. Without them, opportunities are lost (Hoffman, 2012). When looking at corporate sponsorships school districts need to be aware of what objectives the corporation may have on its own agenda.

**Corporate Objectives**

It has long been assumed that the primary goal of negotiating corporate sponsorships is to convey the positive returns the business will receive from a sponsorship agreement. In other words, our sponsorship mantra in the past has always been, "What's in it for them?" In some cases, corporate sponsorship funding can have positive tax implications for the companies making the donation and the organizations receiving the funding. A tax adviser can determine the extent to which a company can deduct its contributions (McQuerry, 2012). Businesses contract to receive both short and long-term benefits from sponsorship deals, and are therefore ambitious to develop such business arrangements (MacFarland, 2002). Sponsorship objectives have been increasingly market-oriented with a return on their investment as the most important characteristic in determining sponsorship (Wartella, 2009).
By identifying the objectives and benefits that sponsors believe to be important, the opportunity exists to improve the relationship between private and corporate sponsors and athletic associations and athletic directors in ways that could be mutually beneficial (Wartella, 2009). "Most business people want to get involved because high school students are their future workforce," (Anderson et al., 2012, para. 39).

To that end, Weiner and his staff have worked to develop a number of programs that aim to interest students in those companies' jobs, including one program with Boeing (Anderson et al., 2012). Private or corporate sponsors say they are trying to create awareness and become more visible to the consumer (Andrews, 2017).

Business and education have a long and sometimes troubling relationship. Schools have had a chronic need for funding for programs and equipment. Local businesses have long played a role in supporting schools with contributions in cash, time, expertise, or even equipment. In exchange for such handouts, businesses often get commercial plugs in school yearbooks, newspapers, and events programming, or on school uniforms and playing fields. Essentially, companies now involved in sponsorship agreements are looking for products and events that enable them to target specific market segments in order to ultimately increase sales (Hanks, 2012). Sponsors can request several types of rights in their sponsorship agreements. A major corporate contributor can request to be the exclusive event sponsor or have the event named for the corporation. If the event has merchandise for sale, sponsors can request to have their company names and logos featured prominently on such merchandise. Sponsors may also request to have their names and logos included in any press coverage related
to the event to gain the maximum public exposure for their contributions (Hanks, 2012). The specific criteria that companies were looking for as a sponsor were opportunities to offer product/service exclusivity, increase brand awareness, and to reinforce company image (Wartella, 2009).

New companies that want to get their name and product in front of the public often choose to do so through corporate sponsorship funding. This approach allows the company to align its brand with an established organization and promote its commitment to the community at the same time. The approach can also help corporations reach a target market. For example, a company that manufactures bowling balls would benefit from sponsoring a large bowling tournament while an office supply store may profit from sponsoring a back-to-school fair. Many corporations chose the types of organizations they fund based on the tie-in to their particular product, industry or market (McQuerrey, 2012).

With the aforementioned changes that have seen sponsorship evolve from an activity that was primarily philanthropic in nature to one that is now “market-driven”, several researchers interpreted the change by describing fundamental differences between philanthropy and the “bottom line” and how they relate to sponsorship. There are five main strategies for assessing sponsorship effectiveness. These include: (a) media exposure, (b) levels of sponsorship awareness by spectators, (c) product sales, (d) spectator feedback, and (e) cost-benefit analyses (Copeland et al., 1996).

Corporate sponsorship funding can benefit both the corporation making the financial contribution and the organization receiving the donation through a resulting
positive affiliation. For example, an environmentally aware company that supports an Earth Day celebration at a local school or a large medical supply company that funds a community health fair has the opportunity to promote itself as being a good corporate citizen. At the same time, the organization hosting the event gets a boost of credibility by showing it has the support of large and influential companies (McQuerrey, 2012). After determining the objectives of the corporations, school districts need to create guidelines for schools to follow for partnerships.

**Guidelines for School-Business Partnerships**

The U.S. General Accounting Office (GAO) reports that state laws governing commercial activities in schools vary widely (Larson, 2001). The GAO found that “in most cases, local school officials are responsible for making decisions about commercial activities” (Larson, 2001, p. 10). Schools that decide to form partnerships with businesses are advised to identify the specific educational goal to be achieved by the partnership (Larson, 2001). Implementation includes:

- Brainstorm for potential partners and think about what your school has to offer.
- Come up with a sales pitch for why a business should get involved.
- Focus on sustainable, mutually beneficial partnerships, because most of the decisions are made at the local level, different preferences that local officials have will result in different levels of commercial activities across the district and across schools.
A typical mission or vision statement has the notion of good citizenship, a sense of community, and a quality education for all students. A business mission statement normally parallels this concept because they too are concerned with having a positive reputation and being good corporate citizens, as well as developing strong ties within the community. A school-business partnership can only be successful when the school’s integrity is recognized and a truly reciprocal relationship exists. Each partner’s goals need to be congruent, preliminary plans must be established, systems need to be in place and continuous re-evaluation is required in order to monitor progress. For a sustainable relationship to flourish, there must be a clear understanding of shared values and a willingness to make adjustments. District leaders need to acknowledge that collaboration is a complex process that takes time and commitment. Businesses have a vested interest in school districts that succeed because it reflects well on them and the community as a whole (Potter, n.d.). These partnerships reflect both gifts of dollars and volunteer hours. With schools under pressure to perform, businesses can underscore the need to meet standards (Adams, 2013). Corporate revenue helps programs manage the growth, and interscholastic sports have grown significantly over the last 10 years. By using sponsorships, athletic departments are able to update their facilities and continue sports and activities that may be in jeopardy of being otherwise cut. Schools need money to build new facilities and support expanding extracurricular activities, and corporations need new and profitable methods of promoting their products. By having clear guidelines in place, schools and business can have positive relationships where neither partner oversteps their boundaries.
Summary

Interscholastic athletics in the United States has grown into a prominent aspect of a child’s educational experience and the American culture. Sports sponsorships has become an integral part of interscholastic activities in today’s society. What is needed is an empirical study that examines the cost-benefits and drawbacks of sponsorships at the interscholastic athletic level. Specifically, there are several facets that may shed light upon the decisions school leaders make when considering sponsorships. These include: examine the high school athletic directors’ objectives of sponsorships with in State High School Athletic Associations, determine how high school athletic directors select the type of sponsorship is needed for their high school, identify the drawbacks for having a corporate sponsorships within high school athletic/activity associations, determine the impact of how corporate sponsorships affect the school’s athletic culture or school climate, identify how schools use sponsorships to counterbalance funding cuts for athletic programs, and develop a framework for sponsorship of state high school athletic/activity to assist in the understanding of corporate sponsorship benefits and drawbacks.
CHAPTER 3

METHODOLOGY

This exploratory qualitative study examined how school leaders perceive corporate sponsorships and their impact on Midwest US public schools to provide quality programs for students. This study utilized a pragmatic approach, considering what methods are most appropriate in a given situation (Creswell, 2015). Using the pragmatic approach, the researcher was able to undertake qualitative research by combining the use of questionnaires and interviews to complete the study. This approach was appropriate for this study because it evaluates the reality of budgeting for interscholastic athletic programs while examining the benefits and drawbacks to corporate sponsorships within athletic departments.

Research Questions

With school funding and budgets continuing to be cut coupled with the lack of research on sponsorships within interscholastic sports, the purpose of this study is to examine the use and value of sponsorships with interscholastic athletics and activities. In order to achieve the purpose of the study, the following research questions were explored.

To examine the high school athletic directors’ objectives of sponsorships within the State High School Athletic Associations:

1. What are the incentives for having a corporate sponsorship within high school athletic/activity associations?
To determine how high school athletic directors select the type of sponsorship is needed for their high school:

2. What are the drawbacks for having a corporate sponsorships within high school athletic/activity associations?

To determine the impact of corporate sponsorships affect the school’s athletic culture or school climate;

3. How does corporate sponsorships affect the athletic culture or school climate within high school athletic/activity associations?

To develop a framework for sponsorship of state high school athletic/activity to assist in the understanding of corporate sponsorship benefits and drawbacks.

4. How are schools using sponsorships to counterbalance funding cuts for athletic programs?

Participants

Participants for this study were athletic directors from across the Midwest United States to discuss their beliefs and actions to incorporate corporate funding within their athletic programs. The participants were invited from the 12 states which are a part of the National Federation of High School Association: North Dakota, South Dakota, Nebraska, Kansas, Minnesota, Iowa, Missouri, Wisconsin, Illinois, Indiana, Michigan, and Ohio (see Table 1). For the purpose of this study, the Midwest region was selected because the researcher is from the Midwest. Because of differences in traditions and policies among the various states, economic factors could differ, the number of sponsors each state high school athletic directors has compared to other
states, and the support and dedication toward interscholastic sports that could be more prevalent in certain states compared to others; among others. Of the 12 states that were invited to participate in the research, surveys were sent to 87 athletic directors. Of the 87 athletic directors, each athletic director fit in to a certain category, by size of student population categorized as large, medium, or small size. Then they were put in another category of either being a public school or a private/parochial school. Theoretically, each state should have returned six surveys representing both a public or private/parochial school and the size of the student population. The exception is Nebraska, which had 13 surveys, as the researcher is from Nebraska and has worked with many of the current athletic directors within the state.

Table 3.1: Respondents’ Location by Midwestern State

<table>
<thead>
<tr>
<th>State</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iowa</td>
<td>3</td>
</tr>
<tr>
<td>Illinois</td>
<td>1</td>
</tr>
<tr>
<td>Indiana</td>
<td>1</td>
</tr>
<tr>
<td>Kansas</td>
<td>1</td>
</tr>
<tr>
<td>Michigan</td>
<td>1</td>
</tr>
<tr>
<td>Minnesota</td>
<td>1</td>
</tr>
<tr>
<td>Missouri</td>
<td>2</td>
</tr>
<tr>
<td>Nebraska</td>
<td>13</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>2</td>
</tr>
</tbody>
</table>
Response Rate

There were 87 questionnaires emailed to athletic directors, and 28.7% were returned \((N = 25)\). Of the 25 returned surveys, seven surveys were not useable for data analysis because they were not fully completed and were labeled as “partials”. These surveys were excluded from the tabled results, but retained for qualitative comments.

Responding School Demographics

Information about the participants and their sites was gathered from the demographic section of the survey entitled “About Me” and was Part 1 of the four part survey, “Athletic Director Questionnaire”. Part 1 allowed the researcher to gain a better understanding of the participants representing the school that took part in the study. A demographic analysis of respondents was included. The descriptive information allows for the examination of types of schools, size of schools, and experiences of the athletic directors reaching out or using sponsorships. Of the 25 responses returned, 16 were returned from public schools, and nine were returned from private/parochial schools. Thirteen of the 25 responses of the came from athletic directors in Nebraska. Also within those responses, the school’s population varied in sizes, six of the returned responses had a student populations of under 500 students. Only one school that returned the survey had a population of over 3,000 students. Socioeconomic status of schools was determined by percentage receiving free or reduced price lunch, and is displayed on Table 3.3. Table 3.4 reports the experience of participants.
### Table 3.2: Reported Size of Respondents' Schools

<table>
<thead>
<tr>
<th>Size of High School</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;500</td>
<td>6</td>
</tr>
<tr>
<td>501-999</td>
<td>4</td>
</tr>
<tr>
<td>1000-1499</td>
<td>5</td>
</tr>
<tr>
<td>1500-1999</td>
<td>3</td>
</tr>
<tr>
<td>2000-2499</td>
<td>3</td>
</tr>
<tr>
<td>2500-2999</td>
<td>3</td>
</tr>
<tr>
<td>3000&gt;</td>
<td>1</td>
</tr>
</tbody>
</table>

### Table 3.3: Socio-economic Status of Respondents' Schools

<table>
<thead>
<tr>
<th>Percent of student body receiving Free or Reduced Priced Meals</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 20%</td>
<td>10</td>
</tr>
<tr>
<td>20% - 60%</td>
<td>8</td>
</tr>
<tr>
<td>&gt;60%</td>
<td>4</td>
</tr>
<tr>
<td>Not known</td>
<td>3</td>
</tr>
</tbody>
</table>
Table 3.4: Respondents’ Experience

<table>
<thead>
<tr>
<th>Experience Range</th>
<th>Years of experience in education (N)</th>
<th>Years of experience as an Athletic Director (N)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 – 9 years</td>
<td>2</td>
<td>18</td>
</tr>
<tr>
<td>10 – 19 years</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>20 – 29 years</td>
<td>10</td>
<td>3</td>
</tr>
<tr>
<td>30 – 39 years</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td>40 – 49 years</td>
<td>1</td>
<td>0</td>
</tr>
</tbody>
</table>

**Athletic Offerings**

Respondents reported between 22% and 90% of their student body participating in school athletics. With 13 of the 25 reporting at least half of their student body participating in school athletics. Schools offered between 10 and 50 sports and activities in which students could participate. Those schools offering more than 25 sports and activities were typically the larger schools. Respondents also indicated whether their base funding has changed in the last five years (Table 3.5).
### Table 3.5: Athletic Base Funds in the Last Five Years

<table>
<thead>
<tr>
<th>Description</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steadily Increasing</td>
<td>2</td>
</tr>
<tr>
<td>Steady</td>
<td>14</td>
</tr>
<tr>
<td>Fluctuating increasing and decreasing</td>
<td>2</td>
</tr>
<tr>
<td>Steadily Decreasing</td>
<td>5</td>
</tr>
<tr>
<td>No Response</td>
<td>2</td>
</tr>
</tbody>
</table>
Questionnaire

The participants responded to a questionnaire modified from Pierce and Bussell Survey (Pierce & Bussell, 2011) (see Appendix A). The modified instrument was piloted and validated by six athletic directors from varying school sizes, who have an average of 18 years of teaching experience and have been in the position of athletic director for an average of 4 years. The questionnaire asks athletic directors for background information about themselves and their school. It is important to know this demographic information for analysis as some schools may have a greater need for sponsorship because of the size of their school or their decrease in athletic funds. The questionnaire explores the different streams of revenue they seek out beyond the school’s base funds. These questions are important to know as it puts into perspective how much athletic directors look to different types of sponsorships or private donations. If sponsorships (whether it is corporate or private) have been sought out, athletic directors are asked what about their experiences were and how it impacted their athletic programs.

The rationale for using and modifying the Pierce and Bussell Survey is so the researcher is able to dive deep into what actions athletic programs are taking to help combat school budgets getting tighter and tighter. Using this survey also allows athletic directors to look at what they are doing within their own schools and decide if they should be seeking out other sources of funds. By gathering the data from the survey, it allows the researcher to see the benefits and drawbacks of seeking out sponsorships whether it is local, corporate, or private.
Data Collection and Analysis

Participants were invited via their district email from Qualtrics to complete the questionnaire. Qualtrics is a research platform used to input the survey questions and determine the format the participants would answer the survey questions e.g. fill in the blank, multiple choice, or yes/no answers. Qualtrics will then allow the researcher to download the data into an Excel spreadsheet and then code the data. Participants had three weeks to fill out questionnaire, with a reminder email sent at the beginning of the second week and a final reminder sent at the middle of the last week. Returned questionnaires were checked for a complete set of responses. After receiving results from the questionnaire, the information was coded as the following:

- Analyzing questions 7 - 22 by using descriptive statistics (counts of answers and display)
- Analyzing questions 15 - 23 by looking for themes in the answers
- Taking an analysis of questions 10 - 23 and identify if answers vary by demographics as stated in questions 1 – 7

All data collected has been represented by percentages and displayed on tables in Chapter 4. Responses to the open-ended questions provided qualitative data that to add depth to interpretation in Chapter 5.

Role of the Researcher

As an interscholastic coach with aspirations of becoming an athletic director, the researcher sought to identify different and creative ways for athletic departments to increase budgets through different avenues. Though finances are not the only factor
enabling the establishment of an optimal environment, sufficient funding is important in developing and sustaining a top-notch interscholastic athletic program.
CHAPTER 4

RESULTS

The purpose of the study was to examine the influence of corporate sponsorships on the ability of Midwest US public schools to provide quality activity/athletic programs for students. The following chapter reports the results from the questionnaire and the examination of the study’s four research questions.

The questionnaire was sent to athletic directors in the 12 Midwest states during the 2020/2021 school year. The information gathered asked athletic directors to look at their schools during the 2018/2019 school year as the athletic seasons for the 2019/2020 school year was cut short due to the COVID-19 pandemic.

Research Question 1

What are the incentives for having a corporate sponsorship within high school athletic/activity associations?

This question was posed to examine the high school athletic director’s objectives of sponsorships with in State High School Athletic Associations. It was also meant to explore what the incentives are for having a corporate sponsorship within high school athletic/activity associations.

Several survey questions were analyzed separately, and then combined to better understand the incentives of corporate sponsorship for high schools. Results for survey questions 12, 13, 17, and 20 are displayed below.
**Survey Question 12:** Has your school used sponsorship as a way to counterbalance funding cuts for athletic programs?

According to Table 4.1, only eight athletic directors, or 32% of the respondents, use sponsorships as a way to counterbalance budget cuts. One athletic director commented that sponsorships seem to be targeted for specific purposes (field, loan payment, special projects). Alternatively, 10 athletic directors said they do not use sponsorships as a way to counterbalance budget cuts.

Additional comments from some of the Yes responses include:

- The school uses sponsorships to continue to pay down a loan the school secured for a turf field, a new track, and walking trail around the campus.
- Through the booster club and specific sports. Example our baseball and softball teams sell banners to local businesses. Our football team also sales sponsorships to local businesses.
- Sometimes booster clubs are acting as a go-between for sponsorships
Table 4.1: Use of Sponsorships to Counterbalance Funding Cuts

<table>
<thead>
<tr>
<th>Response</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>8</td>
</tr>
<tr>
<td>No</td>
<td>10</td>
</tr>
<tr>
<td>NA</td>
<td>1</td>
</tr>
<tr>
<td>No Response</td>
<td>6</td>
</tr>
</tbody>
</table>

Figure 4.1: Use of Sponsorships to Counterbalance Funding Cuts

Q12: Sponsorships to counterbalance funding cuts?

- Yes: 32%
- No: 40%
- NA: 4%
- No Response: 24%
**Survey Question 13**: Who is in charge of selling sponsorships to businesses?

The data from Table 4.2 suggests athletic directors are the ones who most likely talk to businesses about sponsorships. Booster clubs and foundations were the next highest in charge of selling sponsorships to businesses.
Table 4.2: Persons Responsible for Selling Sponsorships to Businesses

<table>
<thead>
<tr>
<th>Response</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advancement Team</td>
<td>2</td>
</tr>
<tr>
<td>Athletic Director</td>
<td>4</td>
</tr>
<tr>
<td>Booster Club</td>
<td>3</td>
</tr>
<tr>
<td>Central Office</td>
<td>1</td>
</tr>
<tr>
<td>Development Office</td>
<td>1</td>
</tr>
<tr>
<td>Foundation</td>
<td>3</td>
</tr>
<tr>
<td>Superintendents, Principal, or Athletic Director</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>2</td>
</tr>
<tr>
<td>No Response</td>
<td>8</td>
</tr>
</tbody>
</table>

Figure 4.2: Persons Responsible for Selling Sponsorships to Businesses
Survey Question 17: If your school does participate in corporate sponsorships, what were the incentives to do so?

Within Table 4.3, eight viable answers were given, but there was some confusion on this question about whose perspective the question should have been answered from. The point of view was intended to be from the perspective of athletic directors. Examples of this confusion are: 30 second commercial; featured sponsor for varsity game per season, exposure for the company or business; support for student-athletes, and depends upon the amount given. The majority of the athletic directors stated the main incentive of working with a corporate sponsor is to increase funds or receive rebates on goods. It was also interesting to note the high number of participants who did not respond to this item.
Table 4.3: Purposes for Seeking Sponsorships

<table>
<thead>
<tr>
<th>Response</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money, Rebates</td>
<td>5</td>
</tr>
<tr>
<td>Products</td>
<td>3</td>
</tr>
<tr>
<td>Confusion on Perspective</td>
<td>5</td>
</tr>
<tr>
<td>No Response</td>
<td>12</td>
</tr>
</tbody>
</table>

Figure 4.3: Purposes for Seeking Sponsorships
Survey Question 20: Are your athletic programs more successful because of the local or corporate sponsorship?

The data from Table 4.4 shows 24% of athletic directors do not believe their programs are more successful because of corporate sponsorships. One athletic director stated, “our athletic programs are successful because of the following: 1) excellent coaches 2). committed student athletes 3). facilities 4) supportive parents”. Another athletic director added, “No, but sponsorship funds will help ensure all athletic programs have quality equipment.”

Other information taken from Table 4.4 is the 16% of athletic directors who responded yes their athletic programs are more successful. One commented, “Our sponsorships have afforded us some luxuries (ex. Help pay for the turf facilities, tennis courts resurfacing, etc.) that make our facilities top notch. So, yes.”
Table 4.4: Sponsorships Impacting Success

<table>
<thead>
<tr>
<th>Responses</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>4</td>
</tr>
<tr>
<td>No</td>
<td>6</td>
</tr>
<tr>
<td>Unsure</td>
<td>2</td>
</tr>
<tr>
<td>No Response</td>
<td>13</td>
</tr>
</tbody>
</table>

Figure 4.4: Sponsorships Impacting Success
Research Question 2

What are the drawbacks for having a corporate sponsorships within high school athletic/activity associations?

Several survey questions were analyzed separately, and then summarized to better understand the incentives of corporate sponsorship for high schools. Results for survey questions 14, 15, 18, 21, 22, 23, and 24 are displayed below.

Survey Question 14: When seeking local or corporate sponsors, are you the lone decision maker or is there a committee that needs to be consulted before approving the sponsorship?

It is important to first understand who interacts with the business for sponsoring initiatives (see Table 4.2). When it comes to approving corporate sponsorships, it is interesting to see that 28% of the athletic directors responded said that someone is included and consulted before approving the sponsorship. It was also interesting to see that only 16% of athletic directors are the lone decision makers when it comes to approving sponsorships (see Table 4.5).
Table 4.5: Approval of Sponsorships

<table>
<thead>
<tr>
<th>Decision Maker</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Committee</td>
<td>5</td>
</tr>
<tr>
<td>Lone Decision Maker</td>
<td>4</td>
</tr>
<tr>
<td>Other</td>
<td>7</td>
</tr>
<tr>
<td>No Response</td>
<td>9</td>
</tr>
</tbody>
</table>

Figure 4.5: Approval of Sponsorships
**Survey Question 15:** If you use a committee, what are the guidelines they use to ensure the sponsorship is a good fit?

According to Table 4.6, when looking at guideline to ensure the sponsorship is a good fit for the school, eight percent of the athletic directors stated they take it by a case by case basis. One athletic director stated, “Need, time, community member and yearly funds” when it comes to looking for a sponsor who is a good fit. Four percent of the athletic directors stated they work with a committee and “works with the superintendent to determine if it is a good fit or not.”
Table 4.6: Basis of Guidelines for Sponsorship Decisions

<table>
<thead>
<tr>
<th>Responses</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case by Case Basis</td>
<td>2</td>
</tr>
<tr>
<td>Committee</td>
<td>1</td>
</tr>
<tr>
<td>Development Office</td>
<td>1</td>
</tr>
<tr>
<td>Mission Statement</td>
<td>1</td>
</tr>
<tr>
<td>N/A</td>
<td>3</td>
</tr>
<tr>
<td>No Response</td>
<td>17</td>
</tr>
</tbody>
</table>

Q 15: Guidelines to ensure sponsorship is a good fit

No Response: 17
N/A: 3
Mission Statement: 1
Development Office: 1
Committee: 1
Case by Case Basis: 2

Figure 4.6: Basis of Guidelines for Sponsorship Decisions
Survey Question 18: Have you experienced any negative results from the sponsorships?

Over half (56%) of the athletic directors stated they have not had a negative experience with corporate sponsorships. The remaining 44% did not have a response to this question. One non-responder wrote, “Some businesses don’t think they will get enough bang for their buck.”

Survey Question 21: If your school does NOT participate in corporate sponsorships, what are the drawbacks or impacts of your choice?

According to Table 4.11, 12% of the athletic directors stated the drawbacks for not working with a corporate sponsor was having less revenue. An athletic director stated “Not working with a sponsor give you less opportunity for money.” Another athletic director echoed this comment by saying, “There is less revenue towards athletic programs.”

Only 4% of the athletic directors stated the drawback to not working with a corporate sponsor is being in a small community. An athletic director said, “Going to same people for money all the time creates hurt feelings on corporate side,” which makes it difficult to keep asking the same people for money.

Another athletic director perceived partnerships as a drawback. “We don't have a huge corporate sponsor, but we do partner with corporations from time to time. The challenge is trying to find ways to give these partners more exposure or business so they will continue support our building.”
Table 4.7: Sponsorship Drawbacks

<table>
<thead>
<tr>
<th>Response</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less Money</td>
<td>3</td>
</tr>
<tr>
<td>N/A</td>
<td>4</td>
</tr>
<tr>
<td>Partnerships</td>
<td>1</td>
</tr>
<tr>
<td>Small Community</td>
<td>1</td>
</tr>
<tr>
<td>No Response</td>
<td>16</td>
</tr>
</tbody>
</table>

Figure 4.7: Sponsorship Drawbacks
Survey Question 22: Are there policies, procedures, or statutes that impact your decision not to have a corporate sponsor?

One third of athletic directors said there are policies, procedures or statutes that impact their decision to not have a corporate sponsor (see Table 4.7). Many of those athletic directors stated that it is a board policy that has an impact on their decision making. Another 32% stated there are not policies, procedures, or statutes.

Additional comments from some of the Yes responses include:

- Fundraising via board policy
- None that I know of. We do have some district guidelines on advertising that we must follow
- Policies in place
- Board Policy
- Board policy limiting appropriate businesses and naming rights
- Only a "non-compete" clause on our scoreboards. Can't have multiple sponsorships of the same genre (ex. 2 car dealerships)
Table 4.8: Policies in Place for Sponsorships

<table>
<thead>
<tr>
<th>Response</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>8</td>
</tr>
<tr>
<td>Yes</td>
<td>8</td>
</tr>
<tr>
<td>No Response</td>
<td>9</td>
</tr>
</tbody>
</table>

Figure 4.8: Policies in Place for Sponsorships
**Survey Question 24:** What is the main benefit of working with a corporate sponsor? What would you do differently?

Table 4.8 displays the main benefit of corporate sponsorships. Thirty-two percent of athletic directors’ statement the main benefit of corporate sponsorships is having the extra revenue for them to use. Eight percent of the athletic directors said the main benefit for them is the relationships they get to build with their community partners.

Additional comments from some of the Extra Money responses include:

- Recognition for them and income for us,
- Sponsorships can help reduce some cost that you have for your school,
- Steady income for school not necessarily athletics
- Large return with minimal interactions

Additional comments from some of the 3rd Party Vendor responses include:

- Seek out advertising/sponsorship helps take that off of my plate.
- We do give up a percentage of our sponsorship, however.

Additional comments from some of the Relationships responses include:

- Comment Relationships - I feel that our businesses contribute to not only help support us but to give them a little ownership in our school. We are strict in not allowing them to cross that line.
Table 4.9: Benefits of Corporate Sponsorships

<table>
<thead>
<tr>
<th>Response</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extra Money</td>
<td>8</td>
</tr>
<tr>
<td>3rd Party Vendor</td>
<td>1</td>
</tr>
<tr>
<td>Relationships</td>
<td>2</td>
</tr>
<tr>
<td>Research</td>
<td>1</td>
</tr>
<tr>
<td>NA</td>
<td>1</td>
</tr>
<tr>
<td>No Response</td>
<td>12</td>
</tr>
</tbody>
</table>

Figure 4.9: Benefits of Corporate Sponsorships
Research Question 3

How do corporate sponsorships affect the athletic culture or school climate within high school athletic/activity associations?

Several survey questions were analyzed separately, and then taken together, to better understand the incentives of corporate sponsorship for high schools. Results for survey questions 16, 19, 21, and 23 are displayed below.

**Survey Question 16:** Are your corporate sponsorships dispersed evenly across sports? If not, which sport accumulates the most amount of revenue?

Table 4.9 shows 40% of athletic directors distribute the revenue of corporate sponsors evenly amongst its athletics and/or activities. Only 20% of athletic directors stated they use the revenue for certain sports and/or activities or it will go back to the athletic department for the athletic director to use it at their own discretion.

Additional comments from athletic directors who said sponsorships were dispersed evenly include:

- Evenly for facility improvement and maintenance
- Fairly even-leans toward football since private businesses have funded a new scoreboard
- Baseball, Softball, and Football keep their funds so they can use them for field maintenance.

Additional comments from athletic directors who said sponsorships were not dispersed evenly include:
• These are targeted projects like redoing the gym floor or building storage space etc.

• Just back to the athletic department – can use wherever

• Goes to advancement – some will trickle to the department as a whole

• We do not break down sport by sport sponsorships. Either outdoors or indoor advertising.

• Football
Table 4.10: Equity of Sponsorship among Sports

<table>
<thead>
<tr>
<th>Response</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Even</td>
<td>10</td>
</tr>
<tr>
<td>No</td>
<td>5</td>
</tr>
<tr>
<td>No Response</td>
<td>10</td>
</tr>
</tbody>
</table>

Figure 4.10: Equity of Sponsorship among Sports
**Survey Question 19:** How do corporate sponsorships affect the athletic culture or school climate?

Table 4.10 records how sponsorships have an effect on athletic or school climate. Over one fourth (28%) of the surveys returned stated sponsorships have had positive effects on the athletic culture or on the school’s climate. A few athletic directors stated that having a corporate sponsor helps bring a sense of belonging and having a sponsor help build community connections with their school. Another athletic director said, “They have an all-inclusive athletic brand contract and that provides uniformity across all the sports.” One athletic director also stated that “Our school provides our sponsors recognition and many of the sponsors have children or relatives that attend the school.”

A few athletic directors did not think sponsorships had any effect on their athletic culture or school climate. One athletic director said, “Not sure people even notice. It does allow us to do some projects that enhances our facilities and helps project a better image.”

Twelve percent of athletic directors thought sponsorships possibly had no effect on their athletic culture or school climate. One athletic director thought “Certain groups are partial to certain brands.” For example, some people might want Pepsi instead of Coke and vice versa. Another athletic director said sponsorships “Help purchase programs for home games for fans to see their names.”
Table 4.11: Sponsorship Impact on School Climate

<table>
<thead>
<tr>
<th>Response</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive</td>
<td>7</td>
</tr>
<tr>
<td>N/A</td>
<td>4</td>
</tr>
<tr>
<td>No</td>
<td>2</td>
</tr>
<tr>
<td>Possibly</td>
<td>3</td>
</tr>
<tr>
<td>No Response</td>
<td>9</td>
</tr>
</tbody>
</table>

Figure 4.11: Sponsorship Impact on School Climate
Research Question 4

How are schools using sponsorships to counterbalance funding cuts for athletic programs?

After analyzing all of the survey items, the researcher discovered that when it comes to working with or selling corporate sponsorships, it depends on the school (whether it is a private/parochial or public school). Either the booster club, a foundation, or the athletic director are the ones who are working with or selling the sponsorship to the businesses.

Most athletic directors are using sponsorships to counterbalance funding cuts. The sponsorships are used to help fund projects or purchase goods to give to programs or activities. Aside from money or goods, athletic directors appreciate having corporate sponsorships because it helps build relationships between schools, families, and the community businesses.
CHAPTER 5

CONCLUSIONS AND DISCUSSION

This exploratory study examined the influence of corporate sponsorships on the ability of Midwest US public schools to provide quality programs for students. The specific goals of the study were to find if schools are using sponsorships to counterbalance funding cuts, understand the benefits of using a sponsorship, uncover the drawbacks of sponsorships, and explore how sponsorships affect the athletic culture and school climate.

To address the focus of the research study, the “Athletic Director and Sponsorship Questionnaire” was a modified from the Pierce and Bussell Survey by David Pierce and Leigh Bussell (2011). Along with the survey, 13 open-ended questions were provided to further identify benefits and drawbacks of corporate sponsorships. Lastly, demographic information was collected to develop a profile of each athletic director who participated in the study.

Questionnaires were emailed to 87 athletic directors across the 12 Midwest states. Athletic directors were selected from a variety of school sizes, which included public and private/parochial schools during the fall of 2020. The questionnaire asked the athletic directors to look at their revenue streams from the 2018 – 2019 school year to avoid the pandemic-interrupted 2019-2020 and 2020-2021 school year. Of the 87 questionnaires emailed, 25 or 28.7% were returned. The low response rate could have been due to the timing of the survey. Many athletic directors were beginning to embark on a new school year and athletic season that needed to look far different than previous
years. They were establishing new safety protocols and developing plans for both in-person and online spectators to view games.

Conclusions for Practice

Athletic Directors’ Objectives for Sponsorships

Research Question one (RQ #1) sought to discover the incentives for having a corporate sponsorship within high school athletic/activity associations. The answers of the participants suggest that athletic directors are the primary sellers of corporate sponsorships, and the incentive is to add to their revenue or exchange goods, i.e. water bottles, shirts, or cups for advertising. Furthermore, it seemed athletic directors are using sponsorships for “extras” for their departments or even for facility improvements.

Some athletic directors are using sponsorships to counterbalance funding cuts to “Fund additional items necessary for the successful administration of our athletics and activities programs.” One athletic director stated, their school had a specific brand agreement that helps with the offset the costs of uniforms and apparel. Furthermore, some athletic directors are using sponsorship revenue to help pay down loans that helped them secure a turf field and new track or even use the funds to enhance targeted projects around the school. There are a few athletic directors who are not using corporate sponsorships. One athletic director stated that they currently have no corporate sponsorships but are going to start using them at the beginning of the 2020-2021 school year.

According to the results from item 13, depending on the type of school whether it is a public school or a private/parochial school will determine who is in charge of
selling sponsorships to businesses. The data shows that a private/parochial school under 500 students will use either an advancement team/office, booster club, or foundation to help get into contact with those businesses. Private/parochial schools with a student population of 900+ students will use an advancement team, a development office, or a third-party vendor to help sell those sponsorships. Within public schools there a variety of people or groups who are in charge of selling sponsorships. Athletic directors are the main advocate for the athletic and activity departments as many of them are the face that sponsors see during those meetings. Another advocate for public schools to work with sponsors is booster clubs and foundation offices. By selling sponsorships schools have incentives to have a partnership with them.

One interesting result was that the view of who was responsible for sponsorship depended on other factors than athletic director initiative. One said, “Money from our school is raised by our development office.” This perspective encompassed larger monetary or district sponsorships. Another comment made was that the booster club deals with all of the sponsorships which are not a part of their school’s funding. Those sponsorships that are at the discretion of the athletic director alone were often in the area of getting extras to enhance the school spirit, usually tangible items. A few athletic directors felt having to maintain the relationships with the sponsorships was difficult to manage because of all the other responsibilities athletic directors have within their buildings. Many athletic directors did find incentives for having sponsorships including revenue and rebates for the athletic/activity programs. Another incentive for athletic
directors to sell sponsorships is receiving products or goods in return instead of getting money.

The overall results from the questionnaires showed athletic directors, booster clubs, and foundations are the primary sellers to corporate sponsors with the incentives of working with sponsorships to add to the schools or districts athletic revenue or exchange goods i.e. water bottles, shirts, or cups for advertising. Although it can be work for the athletic director, there are incentives to work with a corporate sponsor.

*Improving Program Success*

In this study, 16% of athletic directors stated revenue from corporate sponsors does make their programs more successful. One athletic director stated “Our sponsorships have afforded us some luxuries (ex. Help pay for the turf facilities, tennis courts resurfacing, etc.) that make our facilities top notch.” According to MacFarland (2002), by using sponsorships, athletic departments are able to make the necessary changes to their facilities and keep sports alive that might otherwise be eliminated. They are also able to provide tangible items to programs such as new uniforms and better equipment. Does having nice facilities and fancier apparel make a program successful? Success might come from the items and facilities you have to work with, but it is how a program uses those amenities will determine the success, not the sponsorship.

Twenty-four % of athletic directors did not believe having a corporate sponsor has made their athletic programs more successful. While looking at the responses, the researcher discovered many athletic directors believe their programs are successful
because of the people working with those programs. One athletic director said “our athletic programs are successful because of the following: 1). excellent coaches 2). committed student athletes 3). facilities 4). supportive parents.”

If people are the reason programs are successful, do sponsorships help athletic directors get the right people - excellent coaches and committed athletes? One might think newer facilities and better equipment could aid in recruiting better coaches and players. A student’s high school is often determined by where the individual lives. For a growing number of students, families shop around to find the right fit for their child. The right school fit often includes certain athletics and activities. A sponsorship might provide the tangible items to bring quality competitors to the school. In order to sell these sponsorships, athletic directors must ensure the values, vision, or mission statement of the sponsor aligns with that of the school.

Conclusions and Recommendations for Policy and Procedures

When seeking out sponsorships, athletic directors need to ensure they are finding the right fit for their school and for their athletic/activity programs. Research question two (RQ # 2) sought to discover the drawbacks for having corporate sponsorships within high school athletic/activity associations. The athletic director is most likely the person who is selling the sponsorships to businesses, but they are working alongside either a committee or a group to determine if the sponsor is a good match for the school and the athletic/activity programs. One athletic director works with their superintendent to determine if the sponsor is a good fit or not. Another athletic director stated they take every school year on a case by case basis. They look at
if a sponsorship is warranted based on their yearly funds available and schools needs for that year.

In some cases, there are policies, procedures, and statutes in place that athletic directors and the committee or group need to follow in order to accept sponsorships. Policies are in place in order to protect both the school and the sponsor. Many times policies ensure company beliefs coincide with school values and that partnerships are equal and fair. Guidelines may come from the district or state level and can also sanction the type of businesses who are able to partner with high schools. Thirty-two % of athletic directors stated there is some form of policy, procedure, or statute in place for them to follow before committing to a sponsorship, whether it is a board policy or district procedure to follow.

In the current study, 56% of schools and athletic directors who were working with corporate sponsorships did not feel they had a negative experience. Sponsorships were able to supplement school’s overall budget and provide amenities that would otherwise not be funded. Koba (2012) highlighted several Indiana schools using advertisements to pay for bleachers, scoreboards, fields and new buildings. If a sponsorship is desired the athletic director meets with the sponsors to determine what a sponsorship might look like (Koba, 2012).

Athletic directors who had a negative experience felt sponsors wanted more in return than what was being given to the schools for revenue. The researcher suggests having a clear agreement stating what the school is offering and what the business is providing before a partnership is made. Both partners need to follow-through with their
agreements in order to have a successful sponsorship. The partnership also needs to be reassessed regularly, at least annually in order to ensure both parties are still in agreement. When evaluating the sponsorship, schools and businesses then clarify needs and wants and readjust the agreement if needed. Athletic directors must understand any policies, procedures, or statutes that are put into place and confirm the sponsor meets are requirements.

The overall sponsorships require transparency. Each partner should know policies that are to be followed, the missions/vision of the groups, and the clear arrangement being agreed upon.

**Drawbacks of electing to use corporate sponsors**

There are drawbacks athletic directors see when electing to use corporate sponsors. One athletic director stated that some of the drawbacks of using a corporate sponsor is the competition of working with multiple sponsors and trying to keep all parties happy. Keeping all parties happy means building and maintaining good positive relationships with those sponsors. Another athletic director said, “Some corporations or businesses want access to our student information that we cannot give them.” One of the biggest drawbacks to using a corporate sponsors is making sure the sponsor’s vision and mission statement aligns with the school’s vision and mission statement. As previously stated there are corporate sponsors who want access to things that a school cannot give to them. Another drawback to working with a sponsor especially in a small community is you are consistently going to the same people for money, according to an athletic director. Another athletic director stated a drawback of using a corporate
sponsor is having to split or share the revenue amongst all or certain activities or athletic programs. Some sponsors only want to donate to certain programs such as the football program. Athletic directors must be cognizant of what each program is receiving. There are time when it can become a Title IX issue.

Forty percent of the athletic directors stated corporate sponsorship revenue received is dispersed evenly amongst sports/activities. One athletic director stated the revenue received is dispersed evenly for facility improvement and maintenance. Athletic directors have to balance the need for cash with the integrity of the educational and athletic programs (MacFarland, 2002). The idea behind corporate sponsorships is to help keep athletics/activities functioning so students are able to participate and be involved with the school community.

Benefits of Corporate Sponsors

Sponsorships to counterbalance funding cuts

Thirty-two percent of athletic directors who answered the questionnaire said they are using sponsorships to counterbalance funding cuts. One athletic director stated, “The added income helps fund additional items necessary for the successful administration of our athletics and activities programs.” Another athletic director said, “The school uses sponsorships to continue to pay down a loan that they secured for a turf field, a new track, and walking trail around the campus.” A third athletic director stated, “We have an exclusive brand agreement that helps offset the costs of uniforms and apparel. We have a Scorevision Scoreboard contract that once the boards are paid
for we will generate advertising revenue.” The final athletic director said, “We use them to enhance our funds but mostly for targeted projects.”

The research findings in the above-mentioned section all address RQ #4 which examined how are schools using sponsorships to counterbalance funding cuts for athletic programs. The findings showed working with corporate sponsorships has a positive effect on the athletic culture and school climate. It allows schools to afford things that outside their normal budget that maybe they would consider in this time of budget crunches. As equipment and facilities age, it becomes more expensive to update necessary equipment and facilities to meet the ever changing safety standards and equability resource distribution to all activities.

Thirty-two % of athletic directors believe the main benefit of working with corporate sponsors is the extra revenue gained by the sponsorship. Sponsors can help reduce some of the cost athletic directors have for their school. Athletic directors that work with corporate sponsors can create a steady income for the school that doesn’t necessarily have to go to athletics and activities. One athletic director said, “I feel that our businesses contribute to not only help support us but to give them a little ownership in our school.” By sponsoring interscholastic athletics, sponsors are able to reach and more importantly establish long lasting relationships with participants and spectators. These relationships include high school students and school personnel, along with participants’ family and extended family and can be long-lasting. MacFarland (2002) stated “Lately, it has become increasingly obvious that corporations are clearly receiving both short and long-term advantages from sponsorship deals, and are eager to engage
in such business arrangements.” The connections made through corporate sponsorships have positive implications over both an immediate time frame and over the course of time.

The research findings in the above-mentioned section all address RQ #2 which examined the drawbacks for having a corporate sponsorship within high school athletic/activity associations. Although there were a few drawbacks mentioned, many athletic directors see them as beneficial to both their schools and their athletic/activity programs. This discussion provides key details on what athletic directors need to do and what to look for when working with a corporate sponsorship. One of the findings that emerged to the researcher is the relationships athletic directors are able to develop with sponsors. The relationships they are building between the school/district, families, and the sponsors themselves create a sense of community among stakeholders. As Wartella (2020) stated, “By supporting interscholastic athletics, sponsors believe they positively impact the lives of young individuals and in turn help them develop into productive citizens and leaders with their communities” (p. 134). These impacts are not just immediate, having a direct effect on the students’ high school experience, but also long-term by establishing a connection that can last into the future.

**Sponsorships effects on athletic culture or school climate**

As athletic directors stated in question 19 of the questionnaire working with sponsorships has had a positive effect on the athletic culture/school climate. A few athletic directors stated that working with corporate sponsors builds community
connections and a sense of belonging to the school. Companies now involved in sponsorship agreements are looking for products and events that enable them to target specific market segments in order to ultimately increase sales. Two other athletic directors said working with a corporate sponsor allows their schools to have exclusive brand deals that gives the schools uniformity across all sports and offsets the cost of uniforms and apparel for the school. Corporate sponsorship funding can benefit both the corporation making the financial contribution and the organization receiving the donation through a resulting positive affiliation.

The research findings in the above-mentioned section all address RQ #3 which examined how corporate sponsorships affect the athletic culture or school climate. The findings showed working with corporate sponsorships has a positive effect on the athletic culture and school climate. This positive effect is the relationships that are built. Wartella (2009) stated, “By sponsoring interscholastic athletics, sponsors are able to reach and more importantly establish long lasting relationships with participants and spectators” (p. 130). Sponsorships allow schools to afford things that outside their normal budget and would most likely not be considered in a time of budget crunches.

**Recommendations for Practice**

Corporate sponsorship is the widely used form of generating budget funding for athletic/activity programs in high schools. In an age of shrinking school budgets, school districts have about two percent or less of their overall budget to cover costs of their entire athletic programs (Fuller, 2013). From this study, it is evident that not all athletic directors are maximizing corporate sponsorships. Those Midwest athletic directors are
using sponsorships for “extras” or facility improvements. Also, because of the low return on surveys, it may be that corporate sponsorships are not a current priority, or athletic directors have not thought enough about corporate sponsorships. Athletic directors frequently had the role of generating sponsorships; however, some respondents were unable to identify the amounts of revenue generated by sponsorships. They either did not want to share the information or they could not locate the information because the researcher wanted the athletic directors to look back at the 2018-2019 school year. Soda companies were the most common type of business to be a sponsor, followed by insurance companies, fast food restaurants, and apparel companies. MacFarland described common uses of corporate sponsorships in the following statement.

Athletic departments across the country are selling broadcast opportunities to local radio and television stations; connecting with corporate sponsors for special events and promotions; seeking corporations who will agree to make a substantial financial contribution in return for naming rights to a local facility; signing deals with soda companies to distribute their product exclusively in exchange for new electronic scoreboards, uniforms, or equipment; and soliciting advertising revenue from game programs, field, arena, bus and rooftop signage, and halftime promotions (MacFarland, 2002, p. 3).

Just over 32% of the respondents said main reason for working with corporate sponsors is the extra revenue that is generate. Even though athletic directors said they enjoy the extra revenue, it does not necessarily translate into more successful athletic
programs. From overall survey information, the researcher concluded the most valuable impact of corporate sponsorships were the relationships that could be built due to the partnership. This could be relationships with school and business, business with families, or families with school.

As the Covid-19 pandemic has progressed, some states are allowing athletics and activities to take place with specific restrictions. Money and revenue has become even more important to athletic directors and schools because many schools are having to limit the number of in-person spectators and many concession stands are not open. Not having as much revenue from ticket and concession stand sales impacts the overall athletic budget. In Lincoln, Nebraska, the Lincoln Journal Star reported, “Game fees collected at games hosted by the city’s high schools totaled $550,033 in the 2019-2020 schools year. This schools year: $270,167” (Reist, 2021, para. 6). These figures are comparable because only fall and winter seasons were included. Concession stand sales at two of the city’s schools were down 55% and 85% from 2019-2020 to 2020-2021 (Reist, 2021).

The effects of the pandemic have forced programs to consider other options for increased funding. Many schools have utilized streaming options for different activities. A suggestion for increased funding is to sell advertising or commercial time to businesses while streaming. Tiered or leveled advertising options allow businesses, no matter what size, the ability to select the amount they want or can afford to purchase in exchange for advertising time during the event or the activity. The streaming option allows athletic directors to continue to build relationships between the school and
families who may not be able to attend the games. Adding sponsorships to streaming options also builds relationships with businesses and families. Streaming live high schools events might become more commonly practiced even after the pandemic restrictions are lifted. High schools may want to consider advertising as regular method to increase funding.

Another recommendation is for schools to incorporate naming rights within their events or within their districts. For example, allowing businesses to place bids for naming rights of fields or events/tournaments, permits districts and schools to generate revenue or other goods for their activities or groups. Allowing athletic directors to incorporate naming rights will again help build relationships between school/districts and businesses, between families and schools, and between families and businesses. As athletic directors are able to build these relationships they are setting up the students of the school for success. Education-based interscholastic athletics are widely believed to be one of the last forms of amateur sport in the United States. By supporting interscholastic athletics, sponsors positively impact the lives of young individuals and help them develop into contributing member of their communities (Wartella, 2009).

Hall and Gibson (2005) also agree and argue that by sponsoring interscholastic athletics, businesses are able to connect with and form long lasting relationships with participants and spectators.

**Recommendations for Future Research**

A limitation of this study is the number of survey responses from athletic directors. This could be due to the timing of the survey. During the spring of 2020,
athletic directors and school districts shut down due to the Covid-19 pandemic. Many of those athletic directors came back to the 2020-2021 school year trying to navigate new protocols for athletics and activities and did not have time for something they considered to be extra. The researcher could create a questionnaire that required the participants to respond to the current question before moving forward. This would possibly increase the number of participants who only partially complete the questionnaire. Qualitative interviews with athletic directors would be a good follow up, as individual stories could provide a deeper insight into sponsorship decision making. This may also provide the opportunity to research post-Covid implications on high school athletic budgets and opportunities corporate sponsorships may offer.

Another recommendation for future research pertains to examining interscholastic corporate sponsorship from a different perspective. The present study examined and provided the insights of athletic directors using sponsorships to generate revenue for their programs. Future research could study the partnerships from the sponsors’ perspective. With corporate sponsorships being a fast growing area and a now permanent aspect of interscholastic athletics, it is a space of research that needs to be examined more extensively.

A final recommendation is to make the sample size smaller. The study was done across the 12 Midwest states, and only nine of the 12 states responded. Surveying the four surrounding states or completing a state-based study on interscholastic corporate sponsorship would be more logical for a researcher to consider in this area. By doing so,
the researcher would be able to get a better response rate while receiving similar Midwest characteristics.

Summary

Extracurricular activities offer students life lessons beyond reading, writing, and arithmetic. They offer the opportunity to improve and refine inter and intra–personal skills that are important for success. The benefits do not stop at character building; studies have shown that participation in extracurricular activities, such as athletics, increases the likelihood that students stay on the path towards graduating high school (Baker, 2015). With school budgets getting tighter or even cut, it is important for schools to find another venue to generate revenue.

As previously mentioned in Chapter 1, there are three influences of High School Athletic Budgets including family, school, and community. These three entities work together to form relationships to better both the school and community. As a growing aspect of the community support for interscholastic sports and activities, corporate sponsorships have gained momentum and are no longer reserved for only college and professional sports and activities. The partnerships between schools and corporate sponsors need to be well thought out and aligned with the values of both the school and the sponsor. District, local, state, and national policies must be known and followed. Both parties should have open communication and a clear vision for the sponsorship in order to build a successful relationship. The agreements need to be regularly evaluated and reassessed. If this framework is followed, these relationships can be long lasting for the students, families, school, and sponsors.
When looking to add the option of corporate sponsorships, athletic directors need to weigh the costs and benefits. Many times this analysis is completed with at least one other person such as the superintendent and sometimes an entire committee. Schools and sponsors both expect to gain from the partnership, and those expectations should be clear from the beginning in order to ensure both parties are happy with the arrangement. The goal is to create a lasting relationship that benefits, the school, the participants, the families, and the community. Overall though, the sponsorship is not what is going to make an athletic or activity program successful. The people do, the coaches, the athletes, the family, the community. A sponsorship could bring a new stadium, better equipment, and fancy uniforms, and these amenities may just be what brings the right people to the school.
References


Fuller, D. (2013, December 9). Can sports sponsorship solve the high school athletics
budget crunch? Retrieved February 21, 2016, from
http://www.uc.edu/news/NR.aspx?id=18940

As National Trend Spreads. Retrieved October 15, 2016, from

Gray, K. (2015, April 15). BPS athletes will need activity card to play. Retrieved October
13, 2016, from https://www.omaha.com/sarpy/bellevue/bps-athletes-will-need-
activity-card-to-play/article_aad2f6bd-cdf2-537a-ab49-7727652bb704.html

Greenhalgh, G., Dr. (2013, October 2). CSL Daily. Retrieved March 4, 2016, from
http://wp.vcu.edu/sportleadership/2013/10/02/faculty-forum-high-school-sports-
corporate-sponsorship/

sponsorship-spending-since-2007/

Hall, S., & Gibson, A. K. (2005). Interscholastic sport sponsorship: Following the
footsteps of professional and collegiate sports. *Mississippi Association for Health,
Physical Education, Recreation, and Dance*. Retrieved December 1, 2020, from
http://www.msahperd.com/

Handley, L. (2018, September 25). Sponsorship spending to hit $66 billion worldwide,
but most firms don't know if it really works. Retrieved March 25, 2019, from


the game. Retrieved June 16, 2016, from https://scienceblog.com/54337/pay-to-
play-sports-keeping-lower-income-kids-out-of-the-game/


http://scholarworks.uark.edu/mktguht/15

high schools (Doctoral dissertation) [Abstract]. (UMI No. ATT 3013025)

from https://www.statista.com/statistics/196864/global-sponsorship-spending-
since-2007/

[Scholarly project]. In Education Law. Retrieved June 16, 2016, from
https://educationlaw.org/images/annual-conference/2017/2017Papers/C4-2-
Tan.pdf

Thompson, S. (2000, October 9). Pepsi hits high note with schools. Advertising
Age, 30(71), 42.

Troha, M. (2014, July 17). Non-traditional Fundraising Methods Emerge for High ...

Retrieved June 12, 2016, from https://www.nfhs.org/articles/non-traditional-fundraising-methods-emerge-for-high-school-activities/

Vogel, C. (2014, April 1). NAMING RIGHTS. Retrieved from

http://jconeteamonedream.com/Naming-Rights


APPENDIX A

Modify Pierce and Bussell Survey

Questions 1 - 5 will help in the analysis of questions 6 - 21

(1) Which State are you located in?
(2) How long have you been the school’s Athletic Director?
(3) How long have you been a certified teacher?
(4) What is the estimated number of students that attend your high school?
(5) What is the estimated number of students that participate in athletic programs?
(6) How many sports does your athletic department offer?

(7) Please check one of the following that best fits the population of the community surrounding your school?

☐ Under 20% Free and Reduced Lunch    ☐ Between 20% to 60% Free and Reduced Lunch

☐ Over 60% Free and Reduced Lunch

(8) Only considering funds allocated from your district to the school (base funds), what term best describes your athletic base funds in the last five years? Please do not include private or corporate funds, fundraising, or booster club funds

☐ Steadily Increasing    ☐ Steadily Decreasing   ☐ Steady

☐ Fluctuating increasing and decreasing

(9) Please identify all high school athletic revenue streams beyond the base funds provided by your district. Check all that apply.

<table>
<thead>
<tr>
<th>Revenue Streams for 18-19 school year</th>
<th>Yes/No</th>
<th>Estimated 18-19 $ amount</th>
<th>Quid Pro Quo (ie Naming Rights)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funds from the district for high school athletics</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation Fee/Activities Fee/Student Activities Pass</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation Pay to Play</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------------------------</td>
<td>---</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Concession Stand</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gate Receipts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local Business Sponsorship</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate Business Sponsorship</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private Individual Donor</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Booster Club</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other___________</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other___________</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

TOTAL High School Athletic Budget:

10. Has your school used sponsorship as a way to counterbalance funding cuts for athletic programs?

11. Who is in charge of selling sponsorships from businesses?

12. When seeking donations are you getting support from local businesses or corporate sponsors?

13. Are your corporate sponsorships dispersed evenly across sports? If not which sport accumulates the most amount of revenue?

14. What types of companies are sponsors for your athletic programs? Considering your local business and corporate sponsorships check all that apply.

- Soft Drink Companies
- Car Dealership
- Fast Food
- Restaurants
- Dining Restaurants
- Radio/TV
- Banks
- Grocery Stores
- Department stores
- Insurance Companies
- Dental Offices
- Apparel Companies
- Real Estate
- Pizza
- Other ____________________________
(15) If your school does participate in corporate sponsorships, what were the incentives to do so?

(16) Have you experienced any negative results from the sponsorships?

(17) How do corporate sponsorships affect the athletic culture or school climate?

(18) Are your athletic programs more successful because of the local or corporate sponsorship?

(19) If your school does not participate in corporate sponsorship, what are the negative factors?

(20) Are there policies, procedures, laws, or statutes that impact your decision not to have a corporate sponsor?

(21) What are the drawbacks or impacts of your choice?

(22) What is the main benefit? What would you do differently?