



Benchmarking Survey of Corporate State Government Relations Programs

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Summary

After consulting with the Public Affairs Council, the State Public Affairs Council, trade associations and several companies, a state government relations benchmark survey instrument was developed to evaluate successful programs.

Six corporations were evaluated. The following attributes equated to a successful state government relations program:

- long-term relationships with state officials
- early identification and aggressive early management of issues
- track record of successfully won projects
- recruitment of talented state government relations representatives
- support and engagement of top management
- adequate funding, especially for relationship building (charitable and political giving) and special projects (grassroots/mobilization)
- coordination with community relations and philanthropic functions
- joint targeting between state and federal priorities and staff
- expert information for legislators and staff and the ability to respond to specific requests promptly.

Highlights

The benchmark survey of six corporations revealed enormous diversity in their approach to state government relations. Companies surveyed represented a range of industries and corporate needs.

The state government relations programs ranged from a single, full-time person devoted to state government relations to a staff of 20. Some provided only lobbying and political services, while others were involved in grassroots, community relations and regulatory affairs. Some had strong ties to business units, community relations and philanthropy, while others did not. All thought it desirable.

At least one company sees the primary focus of its state governmental affairs program to assist with procurements, including the passage of legislation that creates the opportunity for government to purchase new types of goods and services. The degree to which the

companies engage in ongoing evaluation of the success of their state government relations program and its professional staff also varied.

Nonetheless, a number of patterns emerged from the benchmark survey. Among these are:

- Most federal and state government programs are operated independently, but with the heads of each program reporting to the same individual
- The survey split between those headquartering their state government relations staff in DC and those choosing corporate headquarters. Also, some companies had regional or field operations, while others have the bulk of the state government relations staff in one location.
- There was no apparent relationship between the size of the company and either the number of states in which it does political business or the number of state government relations staff it employs.
- Most state government relations budgets are flat, but a few are going up. All profess to retain considerable ability to move budget dollars around to meet new needs and opportunities.
- Contract lobbyists are almost universally viewed as necessary, with corporations typically using them in 10 to 20 states. Average fees for contract lobbyists run about \$50,000 or slightly higher, while the range of actual fees appears to be \$5,000 to \$300,000.
- The policy development process generally involves state government relation personnel, but the level of inclusion in decision making varies. Most processes appeared to be informal. There was sentiment for greater formalization generally, but especially for assuring that planning and business impact assessments occur and include state government relations perspectives.
- The measure of success for all companies was similar: the movement of legislation or regulation, winning procurements or otherwise achieving business objectives, and whether senior management was satisfied. There was sentiment for more concrete measurement.

We were certainly struck by the creativity and commitment of individuals involved in running state government relations staffs. Most of the differences in program reflected corporate differences in objective, priority, or budget, rather than differences in what state government relations professionals considered important.

Details (omitted from website)

Part A – Overall Corporate Government Relations Basics

Part B – Coverage of States

Part C – Budgets

Part D – State Government Relations Representatives/Lobbyists

Part E – Evaluations and Future Plans

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