

Whistle stop tour - charities in 2010

Charities in 2010 – the issues to be considered

- **Legal and regulatory**
- **Scope of the sector**
- **Finance and funding**
- **People**
- **Transparency and accountability**
- **Strategic leadership**

Legal and regulatory

- **Public benefit enshrined in law**
- **Modernised Charity Commission**
- **Community Interest Companies widespread**
- **Tougher regulation from public sector bodies**

Scope of the sector

- **Much less provision of social services by public sector**
- **Private and voluntary sectors competing intensely**
- **Public, private, voluntary boundaries will be increasingly fuzzy**
- **Concentration of larger branded charities – through growth and mergers**

Finance and funding

- **Greater diversity of funding sources (PRI, VP, loans)**
- **Greater attention will be paid to fitting sources to application**
- **More services funded by users (directly and indirectly)**
- **Strategic importance of small number of large donors**

People

- **People will be managed and rewarded as the key asset**
- **Coaching, mentoring and shadowing will be more prevalent**
- **Poor quality HR will have been exposed – charities will be expected to meet or exceed private sector standards**
- **Salary gap with other sectors will have narrowed**
- **Traditional volunteering will decline – greater demand for personally fulfilling experiences**

Transparency and accountability

- **Reputation management will be key – risks to brands will be tightly managed**
- **Donors will expect clear links between their funding and charity impact**
- **GuideStar will enable quick and easy comparisons of charity performance**
- **Quarterly performance reports posted on the web will be common**

Strategic leadership

- **Many long term alliances between larger and smaller charities**
- **More long term strategic alliances with corporate sector**
- **Standards expected of governance will be much higher**
- **Performance management will differentiate the most successful charities**

Compass Partnership books:

Managing Without Profit, Mike Hudson, (DSC, 2009) sets out the theory and practice of creating highly successful nonprofit organisations.

Managing at the Leading Edge, Mike Hudson, (DSC, 2003) describes what can be learned from the management and governance of nonprofit organisations in the USA.

Both are available from www.dsc.org.uk

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