

# The State of the Third Sector 2007

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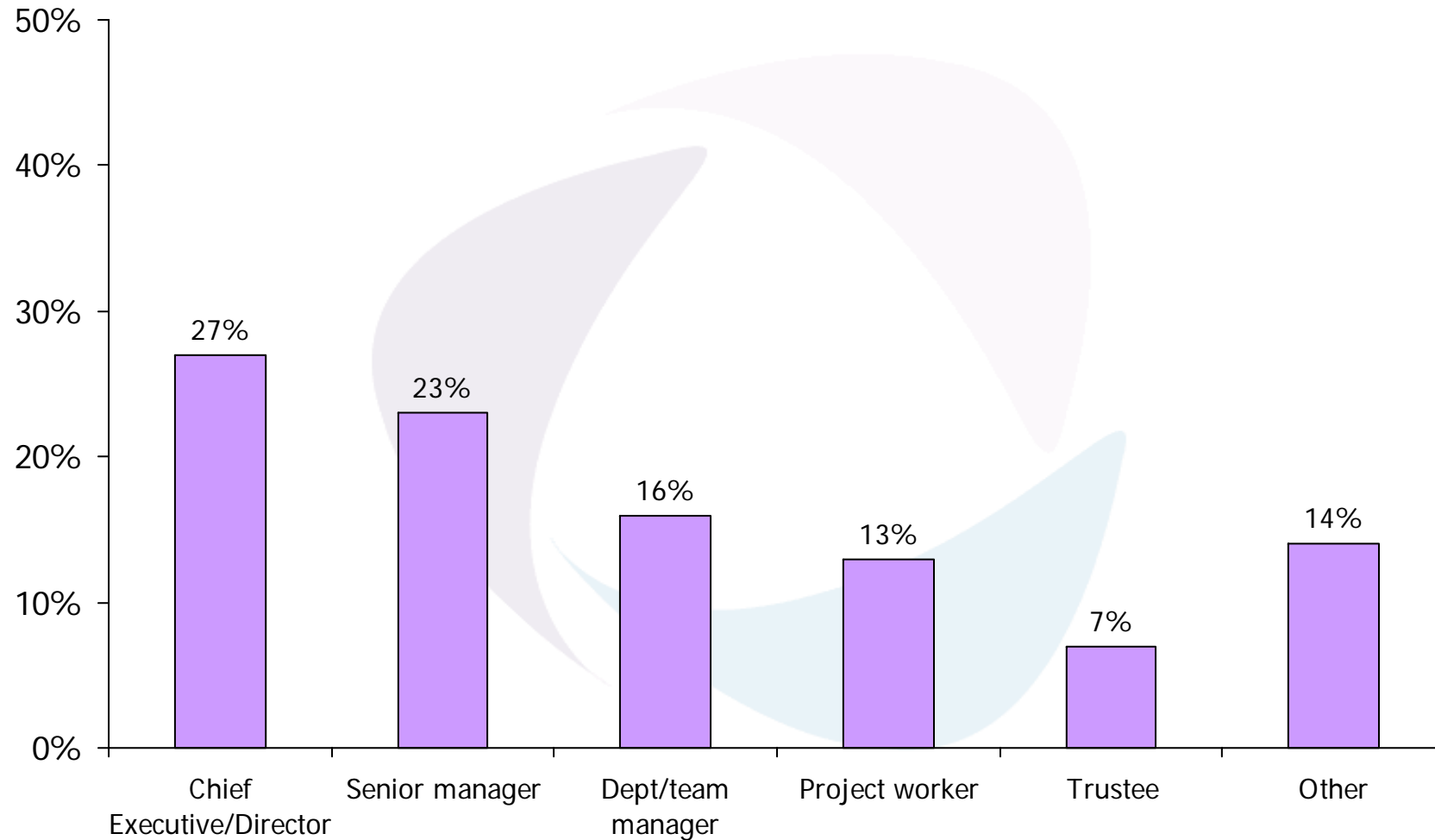
# Introduction

- Research completed by **nfpSynergy** in partnership with **ThirdSector**  
Charities | Voluntary Organisations | Social Enterprise
- Purpose: to get a regular trackable sense of how the sector feels about itself, and what it thinks the future looks like
- First time it has been completed, therefore a number of unknowns and benchmarks to be set
- Fieldwork completed between January and Feb 2007
- Online questionnaire between 300-500 completed responses depending on the question

# Profile of respondents

- Good spread of roles and size of organisations
- Half of respondents were Chief Executives, Directors or Senior Managers
- The largest number of respondents were involved with fundraising (22%) followed by management, communications, marketing and leadership
- Geographical spread of respondents mirrors that of the UK

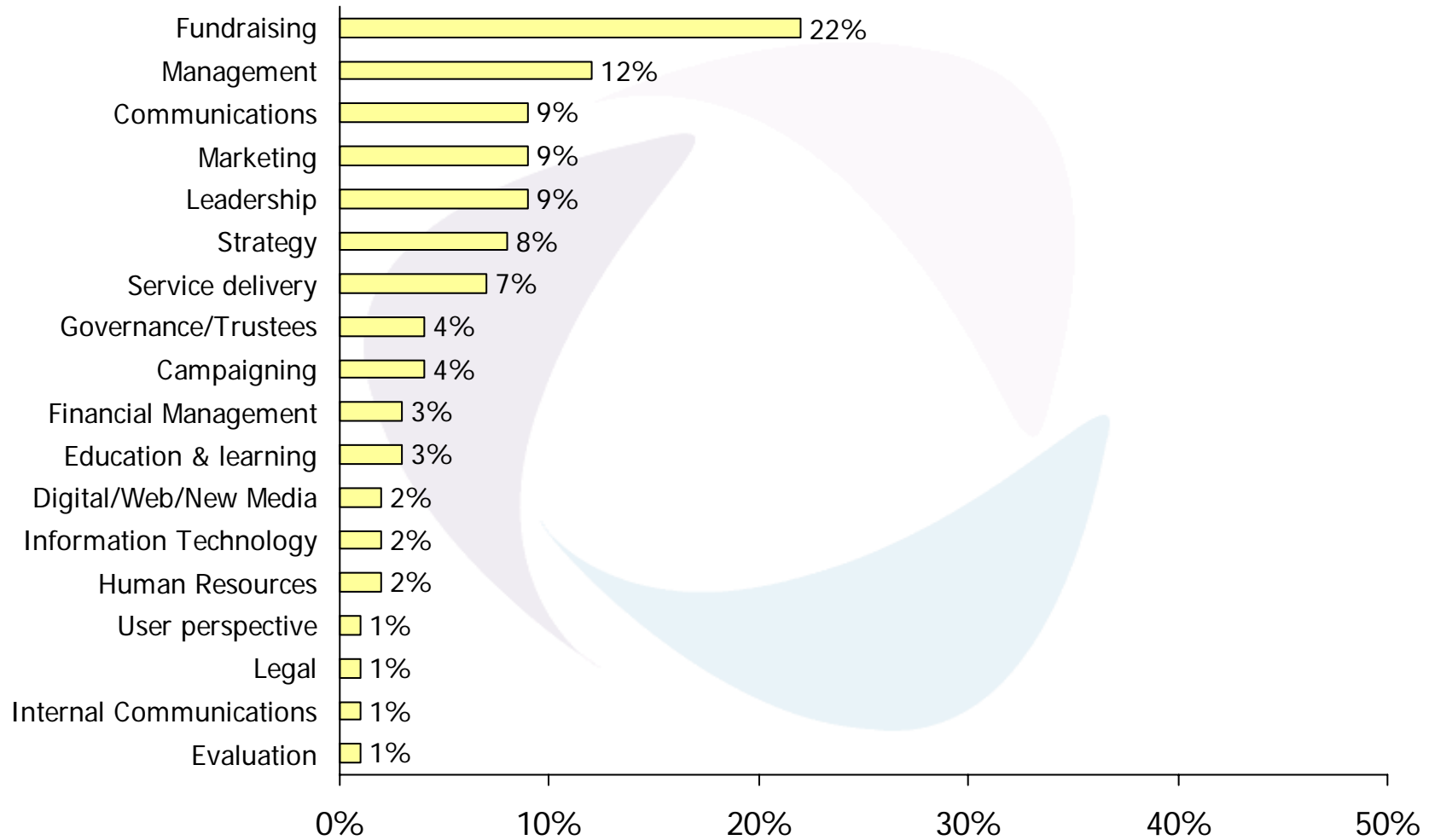
# Your role



Base: 290 respondents

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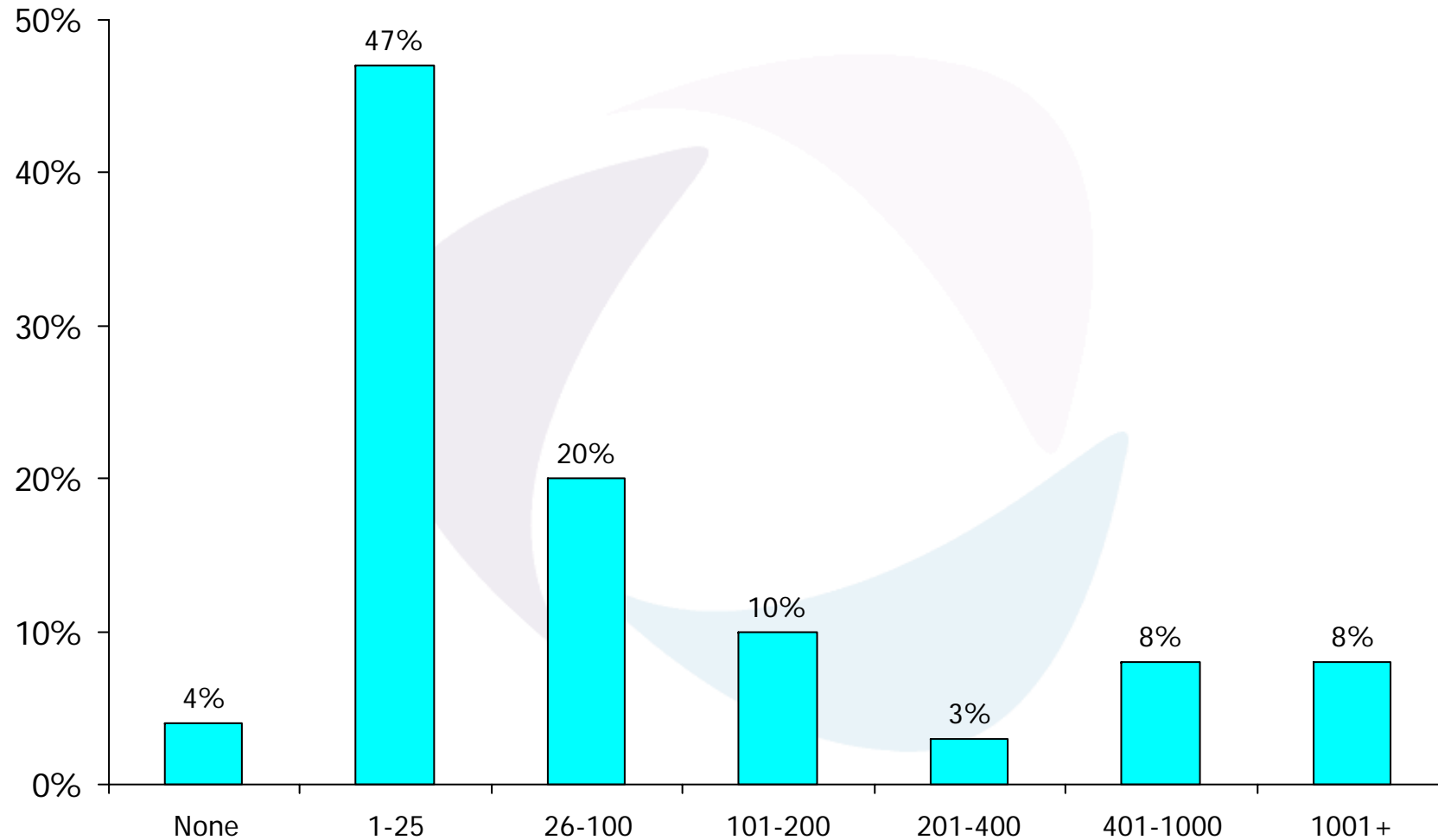
# Your specific skills or expertise or department



Base: 284 respondents

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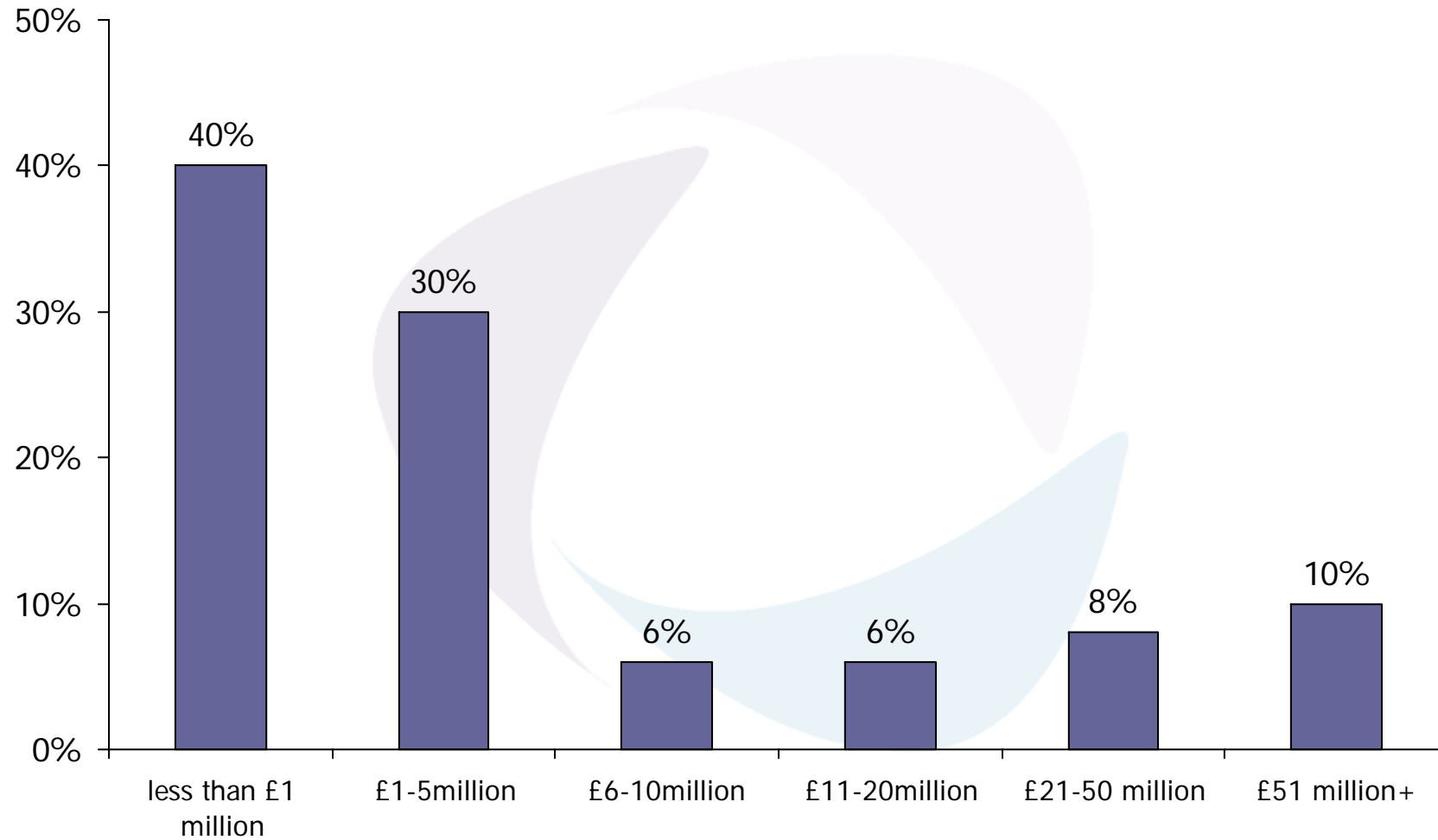
# Number of employees



Base: 287 respondents

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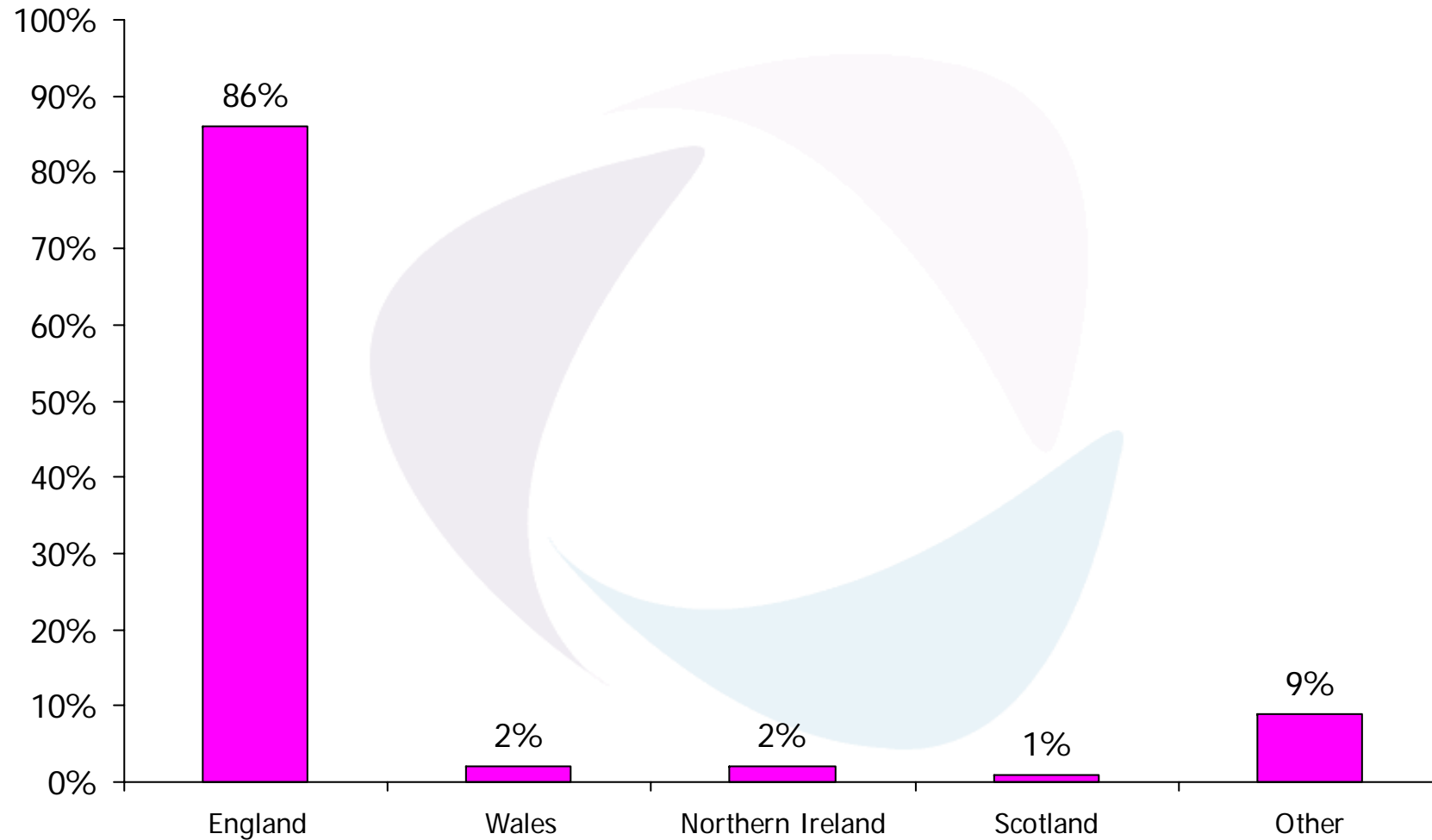
# Annual turnover



Base: 284 respondents

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# Which country do you work in?



Base: 290 respondents

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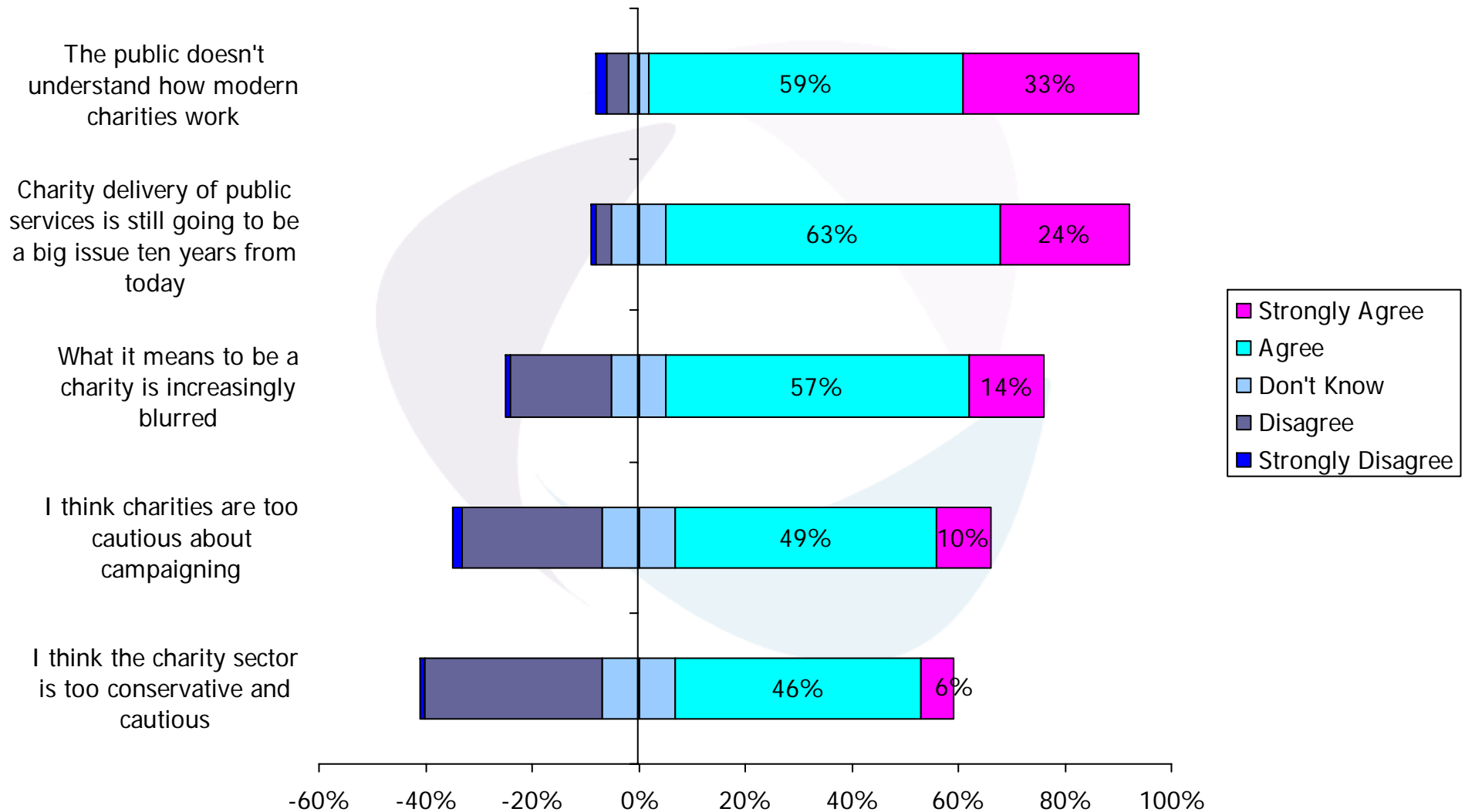
# The research.....





# Most pressing issues for the sector

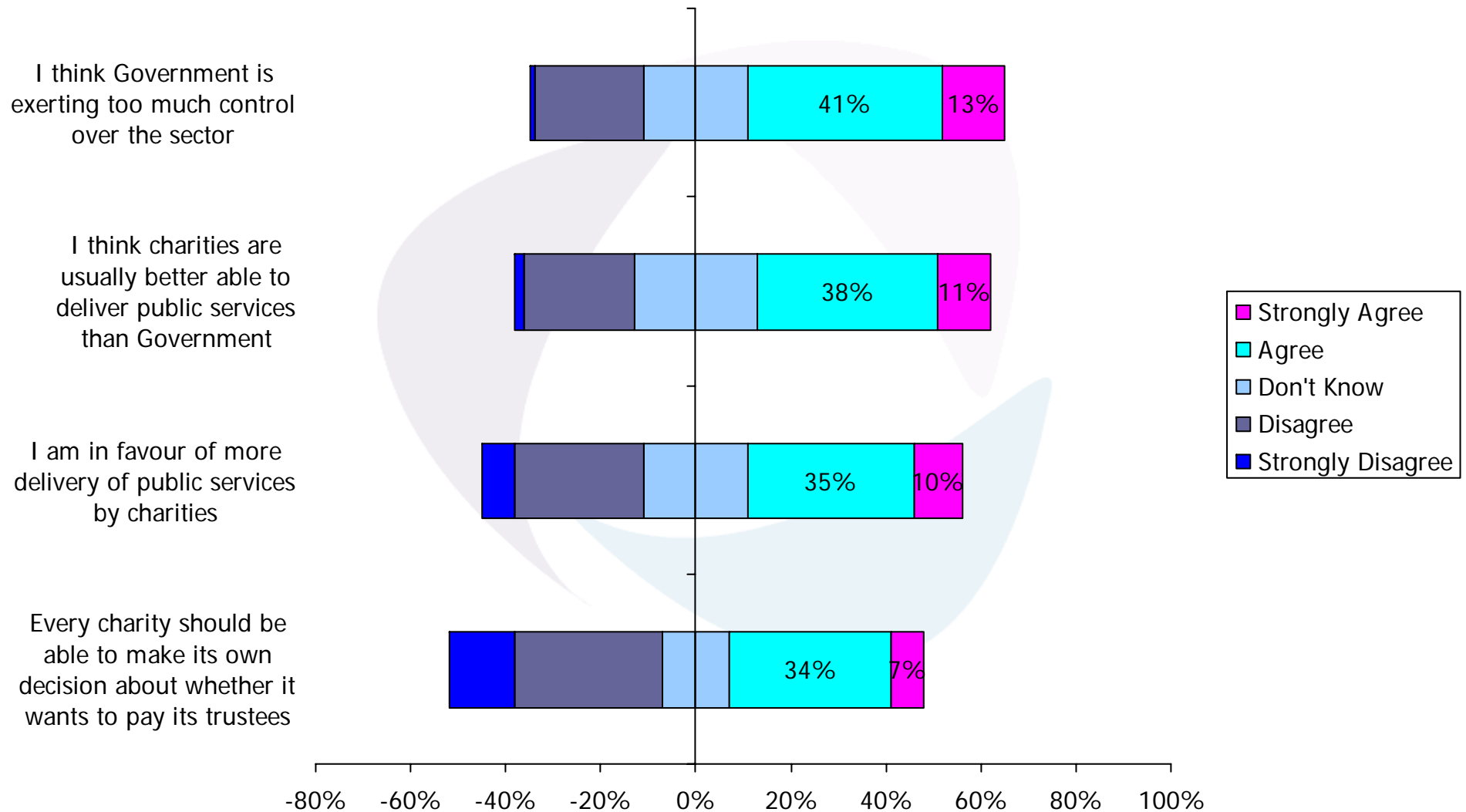
There is a range of big issues facing the sector. Please indicate how much you agree or disagree with each of the statements below



Base: 435 respondents

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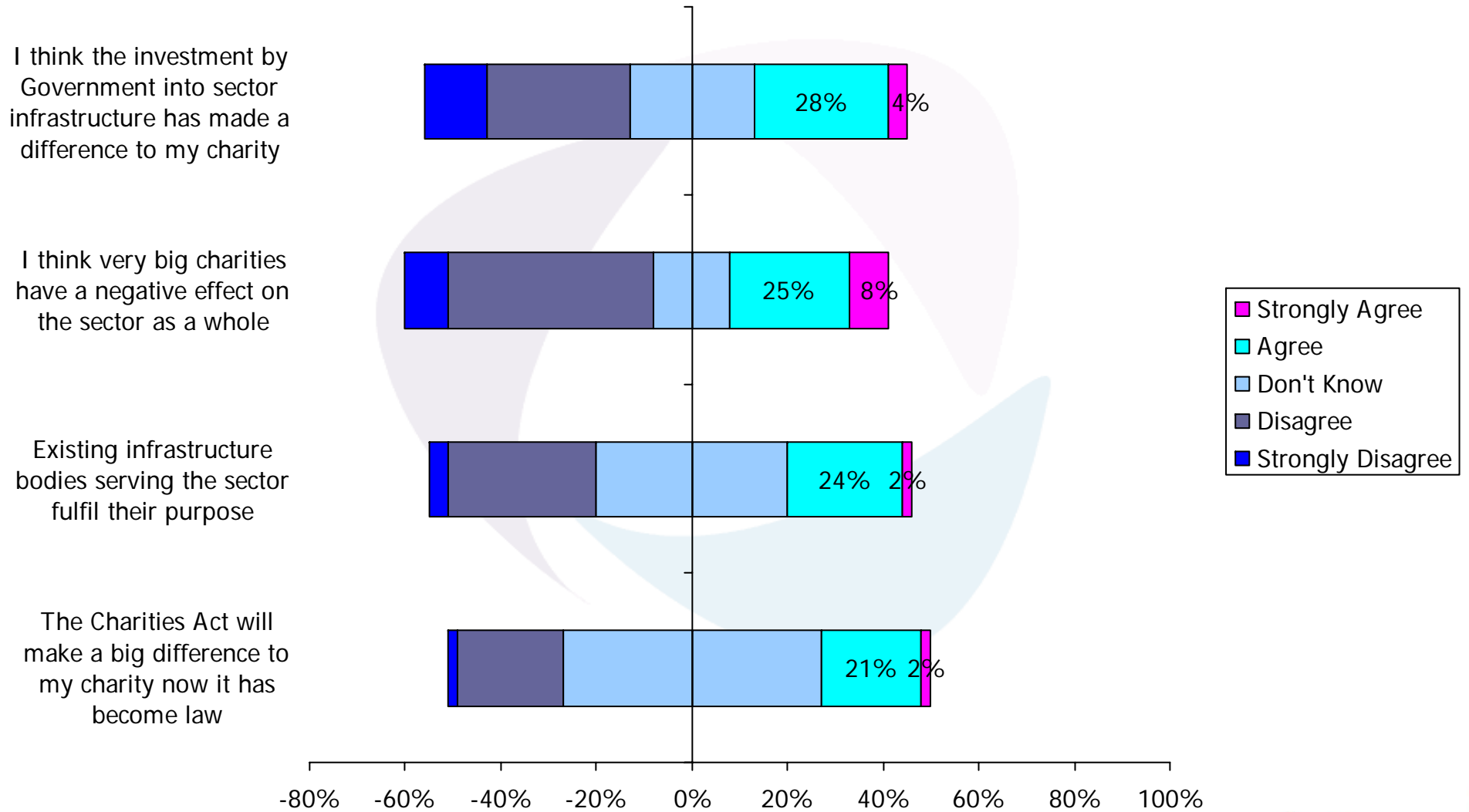
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Base: 435 respondents

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# There is a range of big issues facing the sector. Please indicate how much you agree or disagree with each of the statements below



Base: 435 respondents

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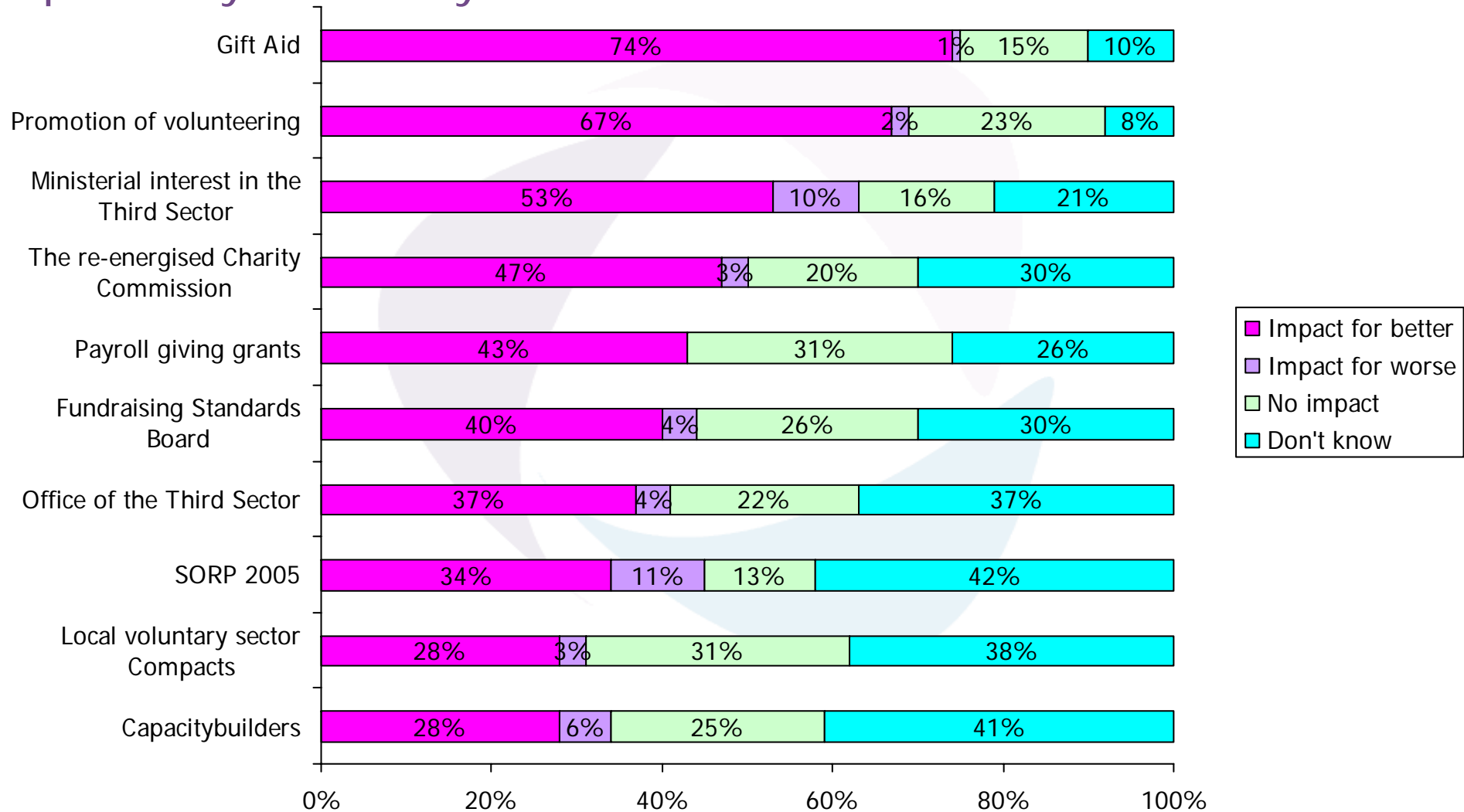
## Most pressing issues for the sector

- *'The public doesn't understand how modern charities work'*  
Huge agreement (92%) with this statement leads us to ask, do charities see it as the public's responsibility to understand them? What are charities doing to change the nature of the public's understanding?
- 87% believe that *'the charity delivery of public service is still going to be a big issue ten years from today'*.
- Over half believe that government is exerting too much control over the sector and 49% that charities are usually better able to deliver public services than government.
- The only statement with a large level of disagreement was *'I think very big charities have a negative effect on the sector as a whole'*. Unsurprisingly the majority of those who felt that this statement was true were from small charities.



Which initiatives have had an impact?

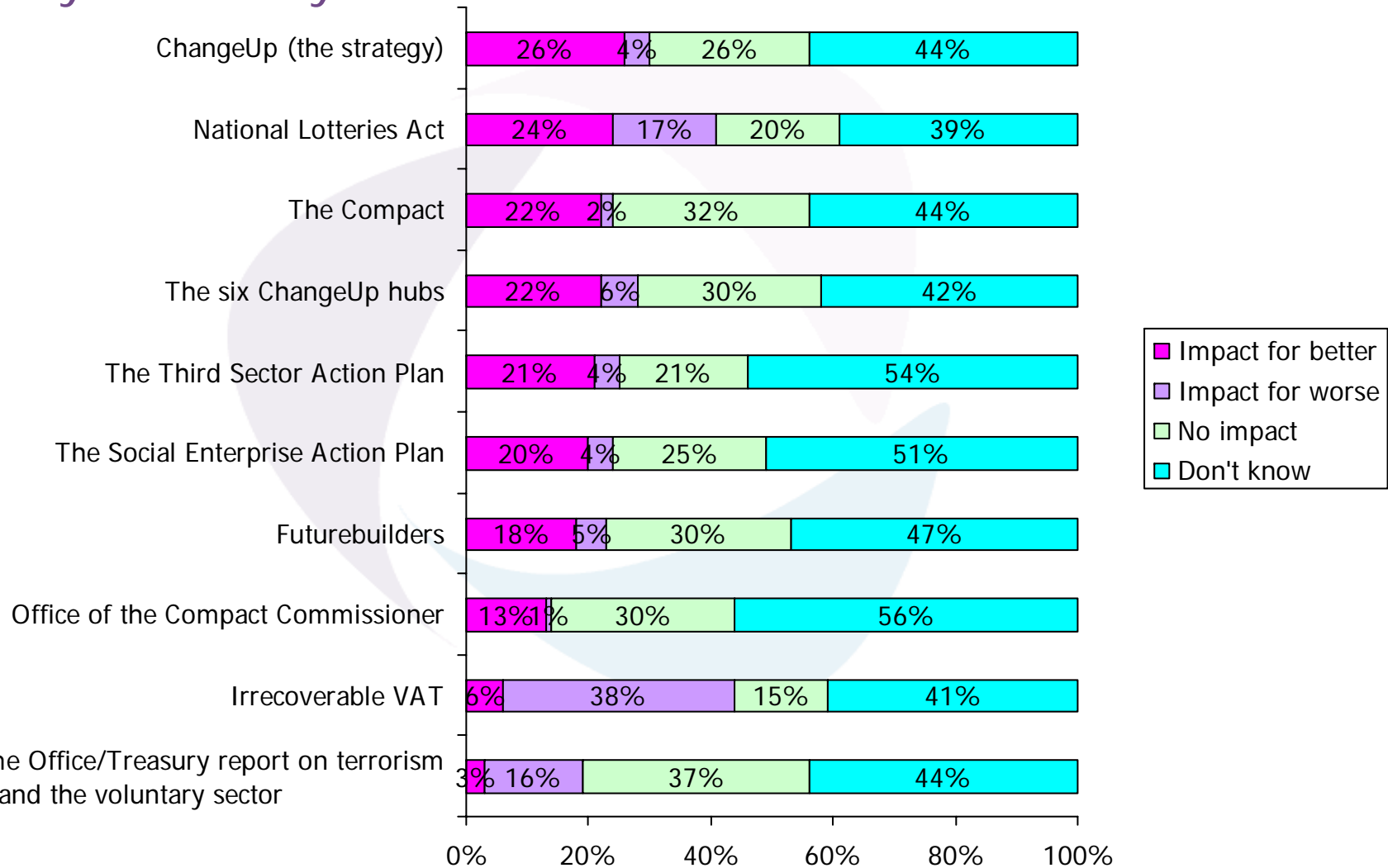
# Please tell us which government initiatives relating specifically to the third sector you think either have had or will have the biggest impact on your charity



Base: 370 respondents

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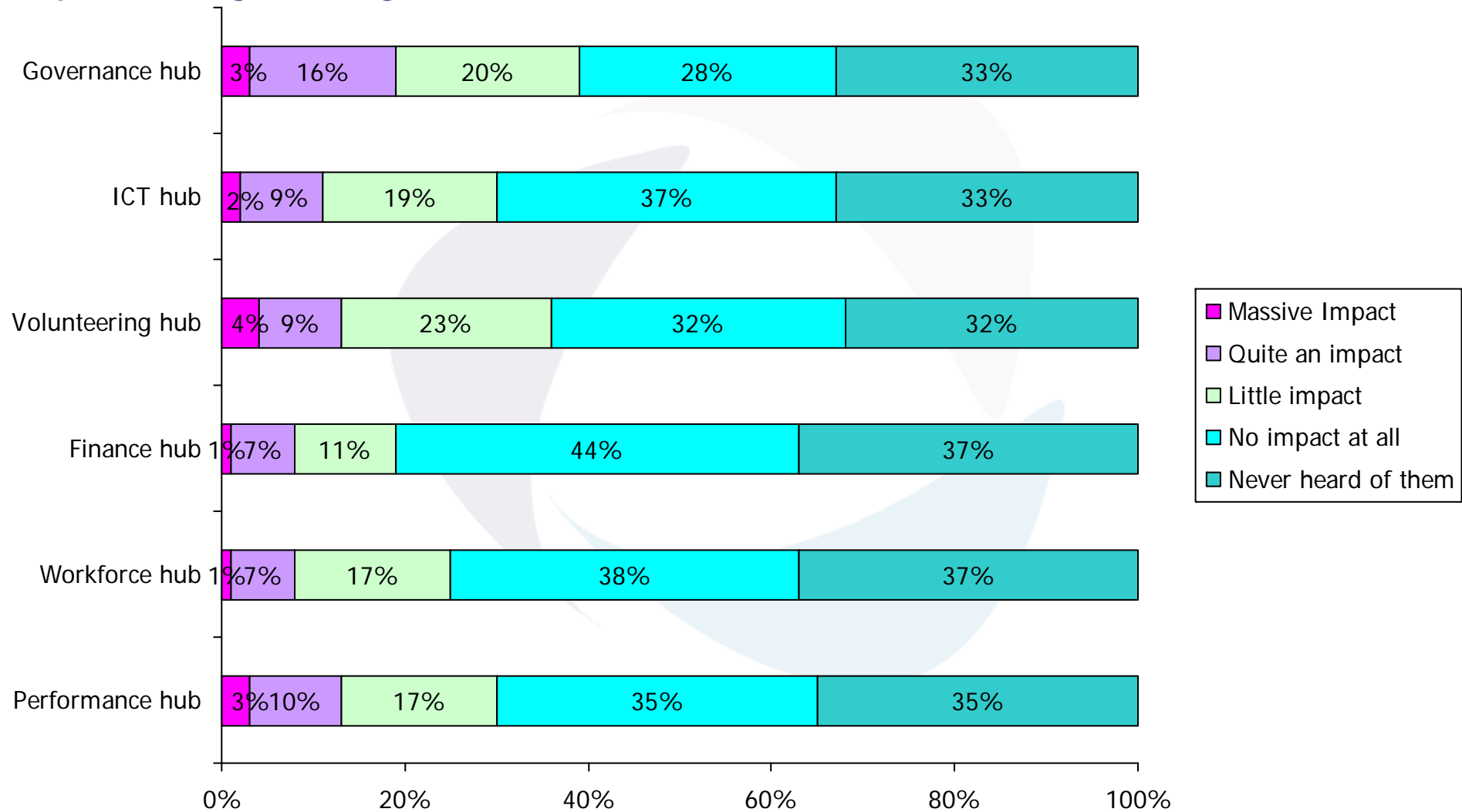
# Government initiatives for the third sector

- Gift Aid is felt to have had a positive impact on the sector as has the promotion of volunteering
- No issue was felt to have had a negative impact apart from the issue of irrecoverable VAT
- There is a lack of awareness of government initiatives for the sector. Over 40% of respondents stating '*don't know*' when asked about many initiatives



# ChangeUp and the infrastructure bodies

# Please tell us which of the six ChangeUp hubs has had the biggest impact on you in your work



Base: 286 respondents

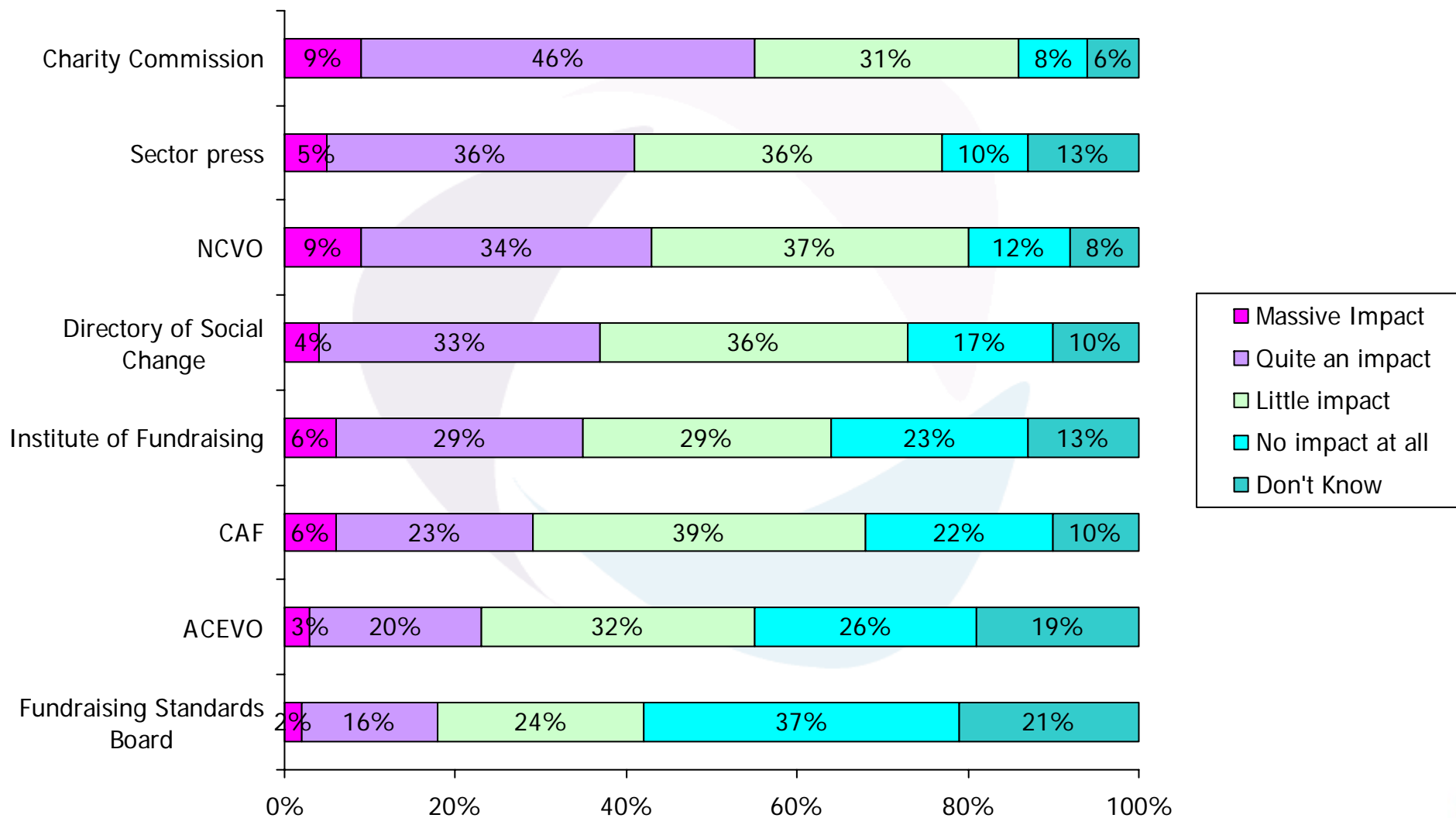
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Please tell us which sector and infrastructure bodies you would turn to if you needed information, help or advice on any of the specific issues or disciplines below by writing in their name in the appropriate line.

- Finance
- IT or ICT
- Human Resources
- Fundraising
- Communications
- Campaigns
- Volunteering
- Training
- Service delivery
- Voice and sector representation
- Community delivery
- Charitable giving
- Trusts and foundations



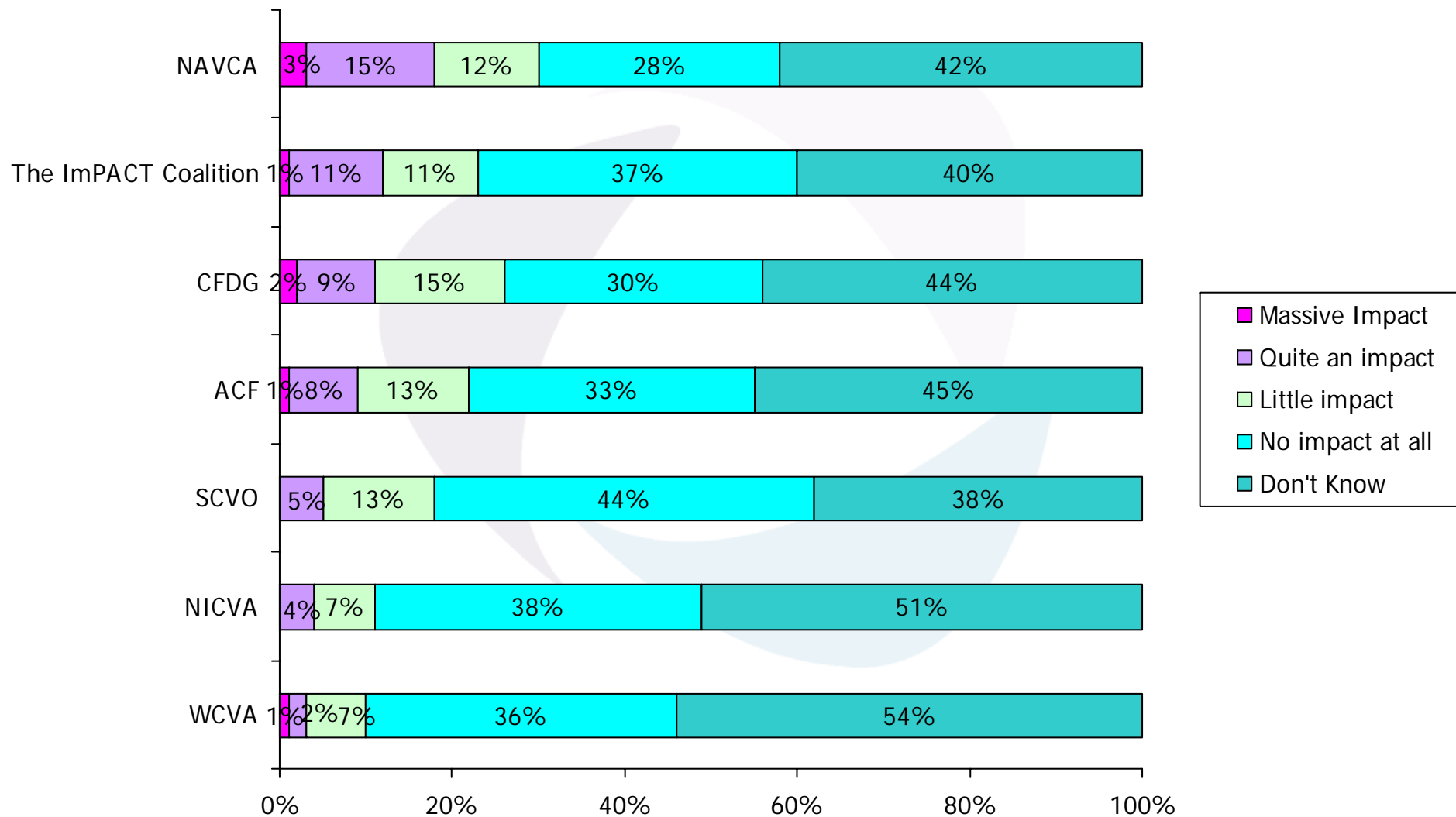
There are a lot of sector and infrastructure bodies in the third sector. Please tell us which have the biggest impact on you and your work by ticking the appropriate box next to each body. If you're not sure you can just leave the line blank.



Base: 260 respondents

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There are a lot of sector and infrastructure bodies in the third sector. Please tell us which have the biggest impact on you and your work by ticking the appropriate box next to each body. If you're not sure you can just leave the line blank.



Base: 260 respondents

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# ChangeUp hubs and infrastructure bodies

- The ChangeUp hubs were launched in 2005. They will be funded until March 2008 and then abolished
- Dreadfully low level of awareness of the ChangeUp hubs across the board with one third of respondents stating that they have never heard of the hubs
- Even where there is awareness respondents state that they have had little impact on their work
- When asked about infrastructure bodies, the Charity Commission, the sector press and NCVO are the bodies that first come to mind as having an impact
- The Fundraising Standards Board scores fairly low but had only been launched to the general public a few months previously



What should the 7<sup>th</sup> hub be?

- 2nd Tier Infrastructure organisations
- A hub to get rid of useless infrastructure agencies that use up the money that should go to the grass roots
- A hub to inform you about all the ones noone has heard of
- A local hub for local people
- Abolish them all
- Advocacy and campaigning
- Advocating on behalf of the sector to policy makers
- All waste of time and money. Jobs for the boys
- Animal charities
- campaigning
- Campaigning
- Campaigning
- Campaigning
- campaigning
- campaigning as it can conflict with funding
- Campaigns
- Central hub to replace all others and give grants to existing infrastructure organisations
- Charitable giving
- children and young people's participation
- Close down the lot and give more grants to working charities?
- Cohesion
- Common sense hub
- Communication / PR
- Communication hub
- communication hub as I've no idea what the hubs are so they are not communicating very well!
- communications
- communications
- Communications
- Communications and Publicity

- Community Development
- COMMUNITY DEVELOPMENT PRACTICE
- Dealing with hubs hub
- Dismantling the other hubs and putting the money to better use.
- Dissolving the other 6
- enterprise
- Entrepreneurship
- ethics
- Ethics - to ensure Ministers did what they said they would do at meetings
- ethics and morality
- Explaining what the other six hubs are - never heard of them!
- External Relations and Lobbying
- Fundraising
- Fundraising
- Fundraising
- Fundraising
- Fundraising
- Fundraising and more business like in raising funds - but perhaps this is the Finance Hub?
- Fundraising hub
- Fundraisig, but it would be useless so don't bother
- get rid of them! unnecessary bureaucracy. we should be promoting internal sectoral skills!
- Heaven forbid anymore!
- I would scrap the previous 6 and have a national consortia with sub-groups for the above specialisms
- I wouldn't
- I wouldn't - jobs for the boys
- I wouldn't - national hubs have little relevance locally
- I wouldn't there is already too much 'structure'
- I wouldn't!!

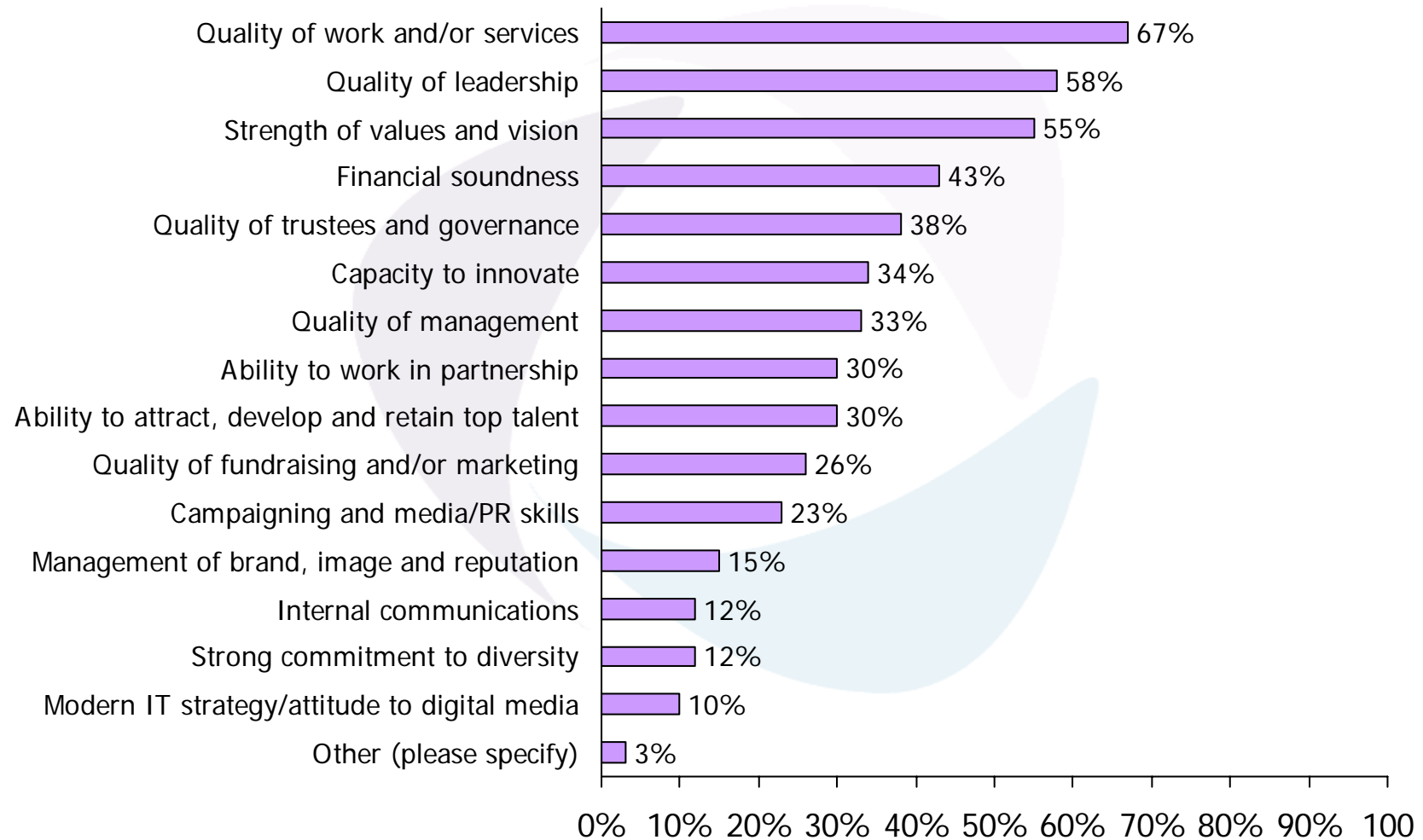
- impact specific
- influencing policy/campaigning
- Information
- Information and knowledge management
- Is this a joke question?
- Joining up the work of VCS infrastructure bodies such as NAVCA, CVO, ACEVO etc. to provide a more unified and coherent approach
- Knowledge management, to draw together who's doing what in the sector
- knowledge of the other 6 hubs
- leadership
- Leadership
- 'leave us to get on with it' hub
- Legal
- Legal Issues
- Marketing
- marketing
- Marketing/promotion
- none
- None - not convinced this approach works
- Not applicable in Scotland
- nothing - I think they've been a waste of money - it would have been better to put more money into localised infrastructure services
- Oh please! Stop with the hubs already
- Partnership/Networks Hub
- Policy and Campaigning
- Policy development
- Procurement
- PROMOTIONS
- Public services
- Quite enough already
- removing the rest of them
- Replacing all of the others

- Research
- Sector promotion
- Small organisations friend hub
- Standards
- Strategic development and sustainability
- SUSTAINABILITY
- The hubs hub?
- Think 6 is enough
- to tie them all together into one simple version
- Training hub
- Training on how to Campaign
- Trustees
- umbrella bodies
- Unsure - have little involvement - just look at their websites
- Use of plain English and clarity of organisations and roles
- Values
- Values
- Volunteering and community activity hub
- Waste of Public Spend Hub (thus replacing all of the above)
- wouldn't bother

# Work and ethics

- Charity workers feel that the quality of work is the most important attribute for creating a successful charity with a high impact on its beneficiaries
- The quality of leadership and strong values and vision are the next most important. Are these currently being displayed within the sector?
- Interestingly, the quality of fundraising and marketing to support these activities comes fairly low down the list as did a modern IT strategy or attitude to digital media

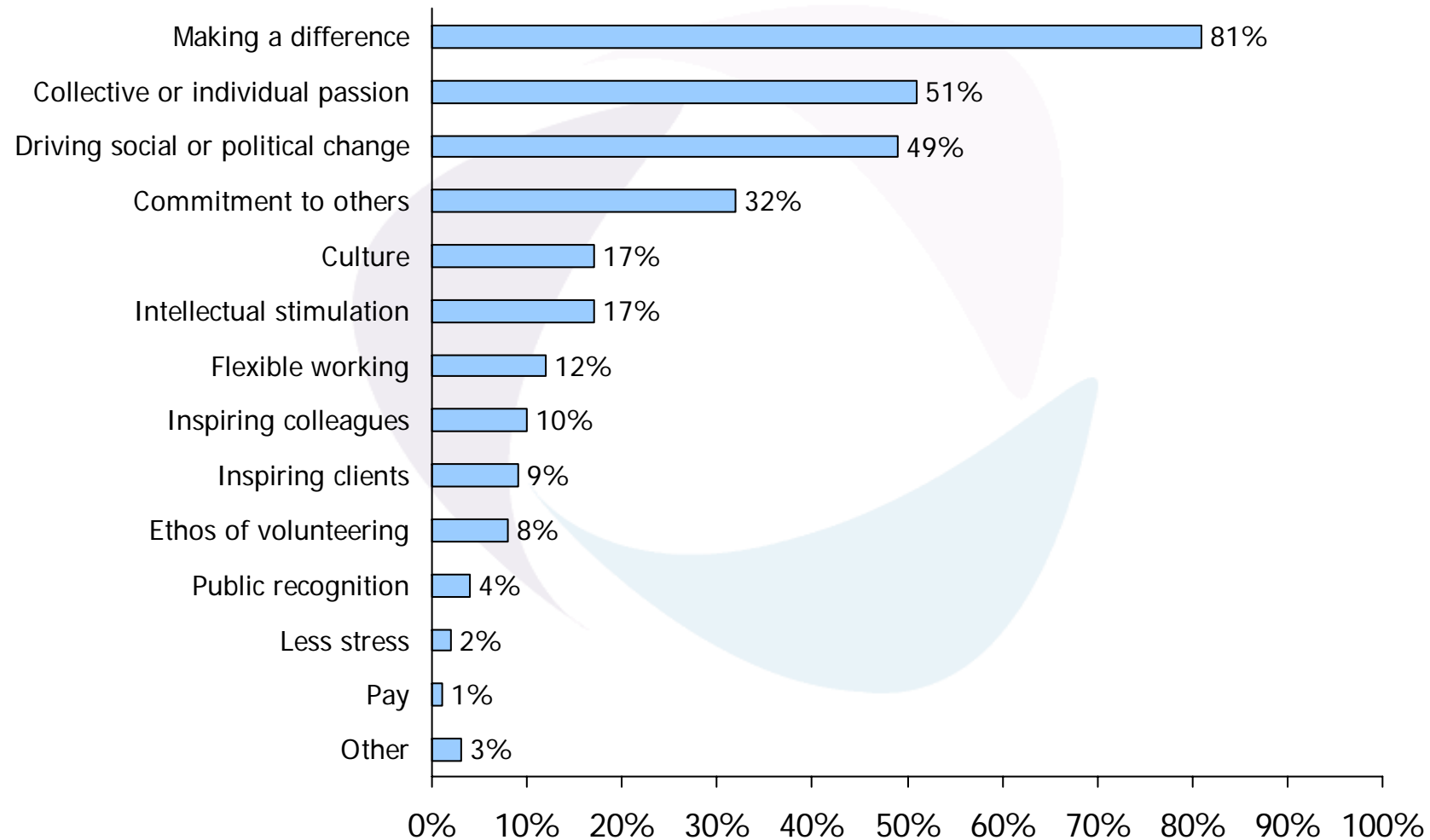
Please choose up to five of the following attributes which you believe are most important in creating a successful charity with a high impact on its beneficiaries.



Base: 295 respondents

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# What do you consider to be the three biggest motivating factors for working in the Voluntary/Third Sector?



Base: 295 respondents

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# Motivating factors

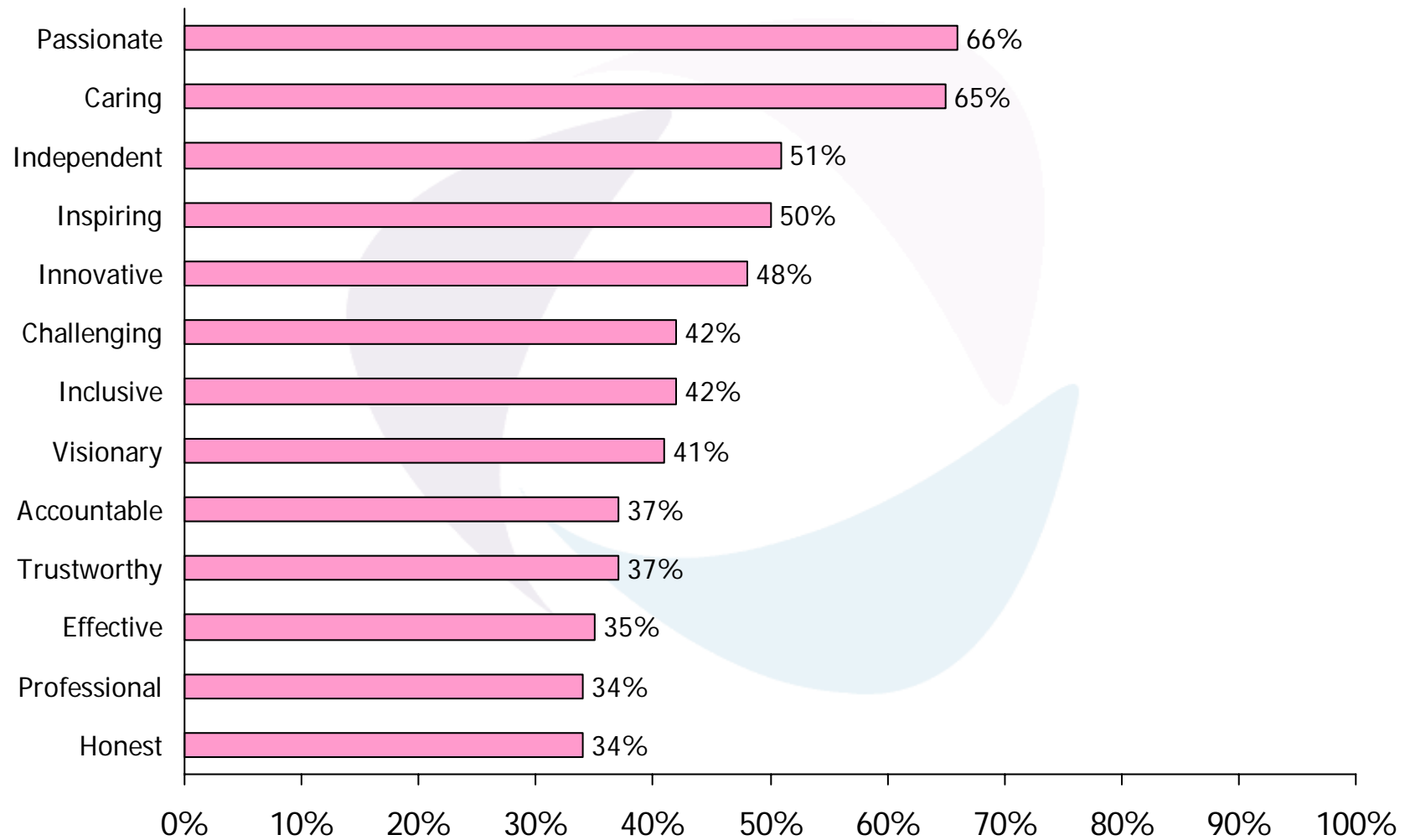
- The most frequently cited reason for working for a charity is *'making a difference'* (67%)
- *'Passion'* and *'driving social or political change'* are also important to our respondents
- *'Less stress'* comes nearly at the bottom of the list suggesting respondents believe working in the sector is not an easy, stress free choice
- *'Pay'* comes at the bottom of the list – the level of pay does not motivate people to work in the sector (or they don't have to worry about money...)

# Brand attributes

- Respondents were asked to choose up to ten words from a list to describe the voluntary sector and then their own charity
- The top three words chosen to describe the sector were *'passionate', 'caring'* and *'independent'*. (*Independence and fear of its erosion comes up later in the research*)
- *'Passionate'* also came top of the list to describe individual charities but this was followed by *'professional'* and *'effective'*
- It is interesting to note where there are the biggest differences. Respondents chose words that are much more practical to describe their charities; *professional, effective, trustworthy, accountable* and *honest*. While more emotive words were chosen to describe the sector; *passionate, caring, inspiring*

## Brand attributes: **the voluntary/third sector.**

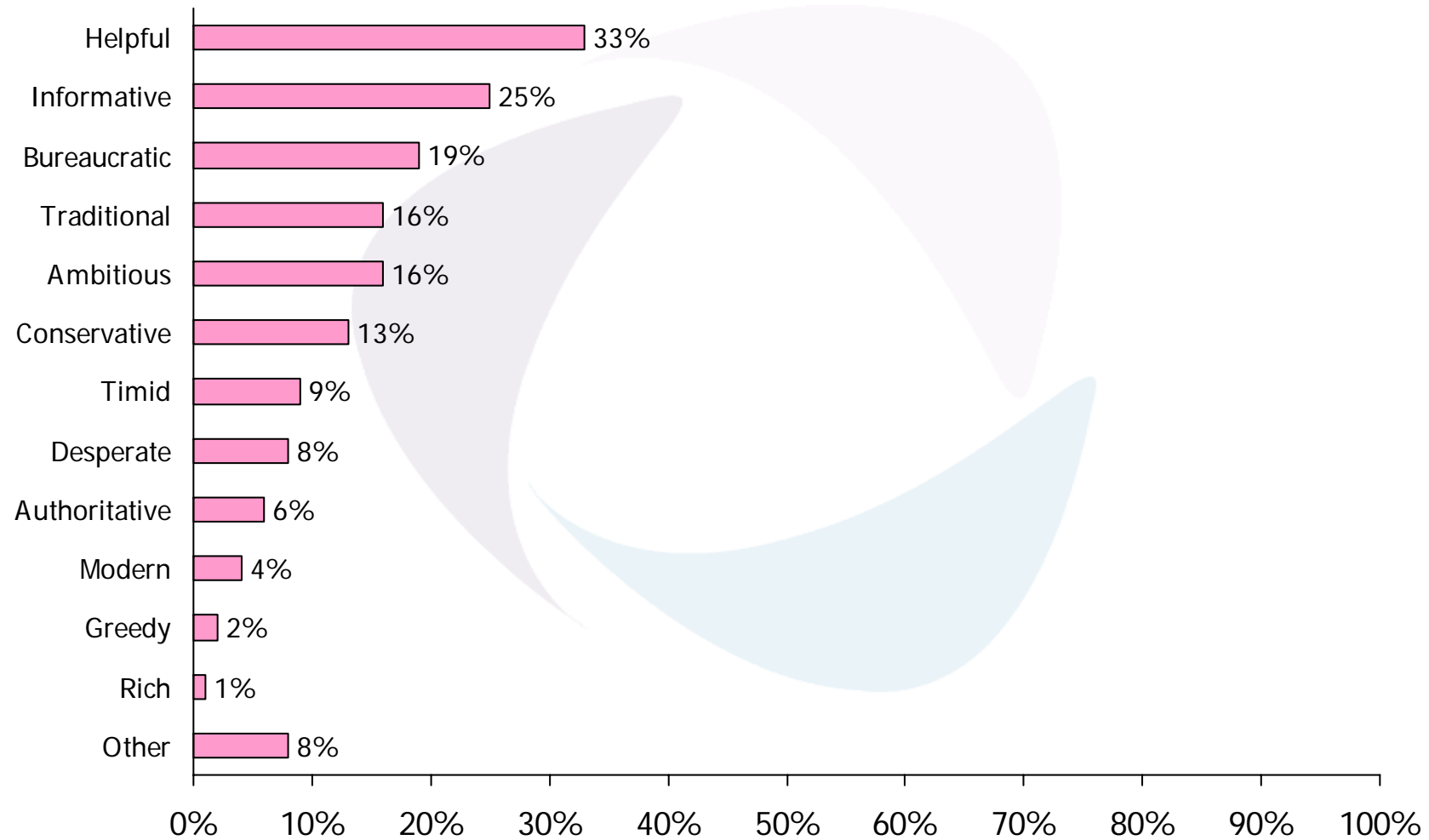
Please choose as many as ten words that best describe the voluntary/third sector



Base: 296 respondents

## Brand attributes: **the voluntary/third sector cont'd**

Please choose as many as ten words that best describe the voluntary/third sector

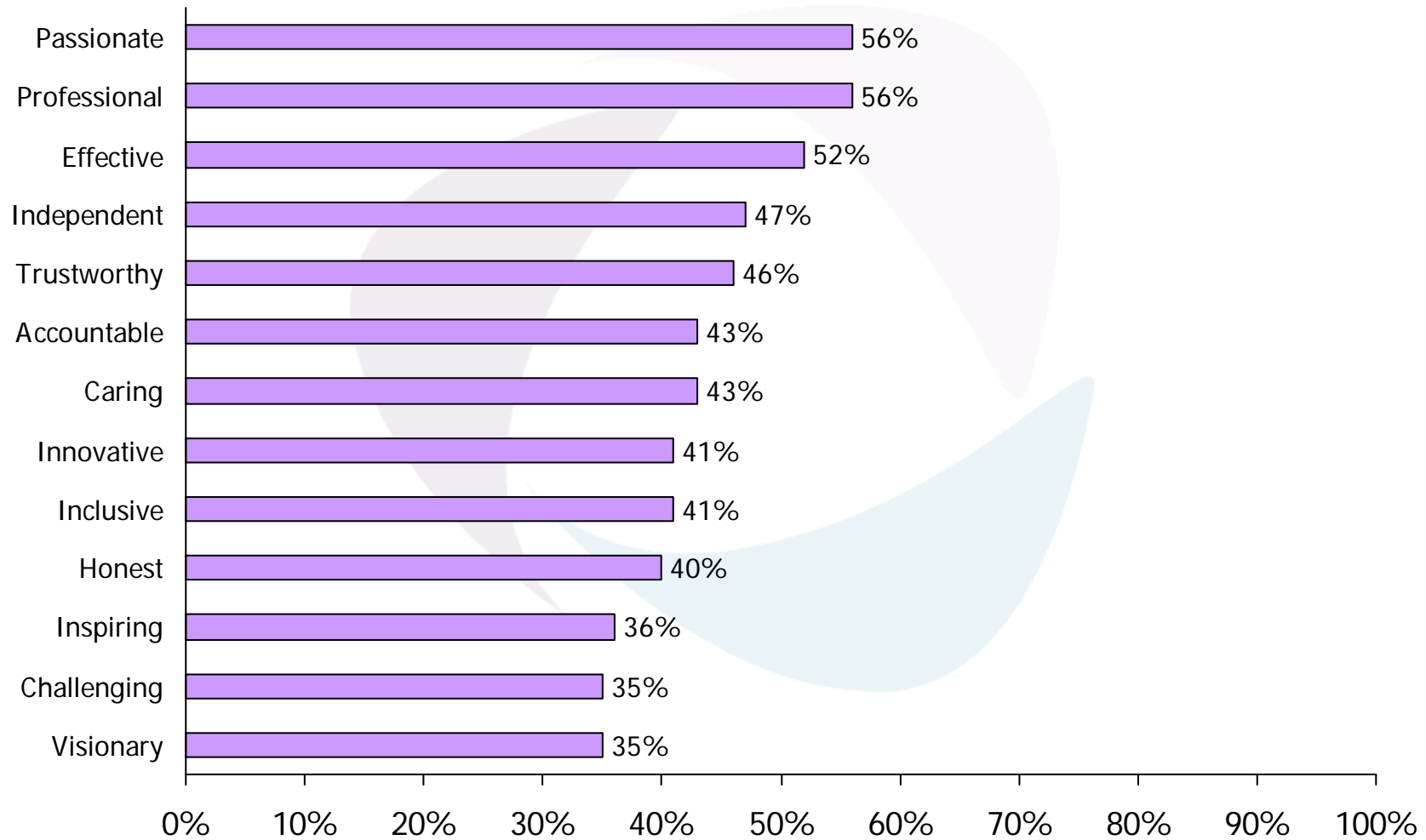


Base: 296 respondents

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## Brand attributes: **your organisation**

Please choose as many as ten words that best describe the charity you work for

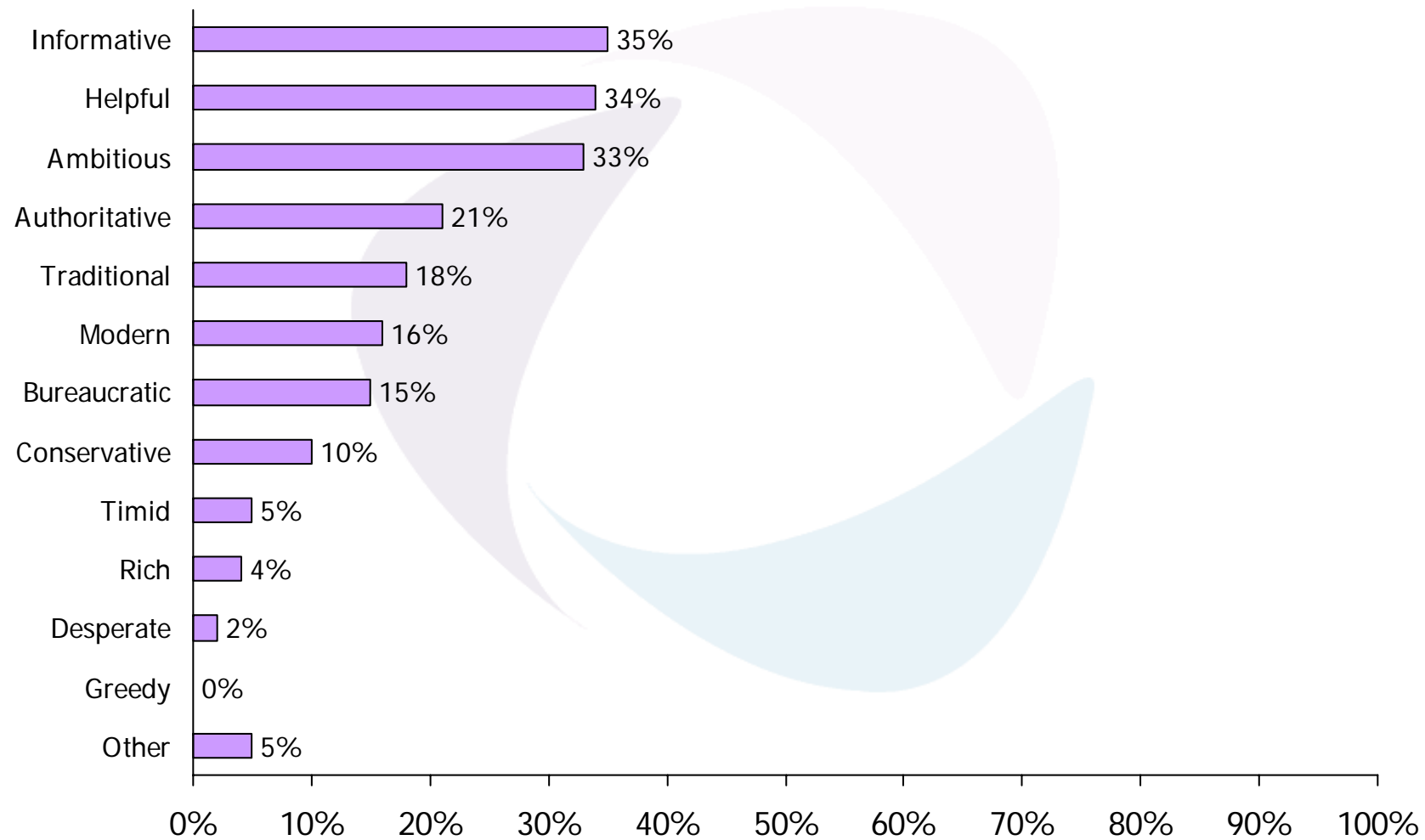


Base: 293 respondents

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## Brand attributes: **your organisation cont'd**

Please choose as many as ten words that best describe the charity you work for

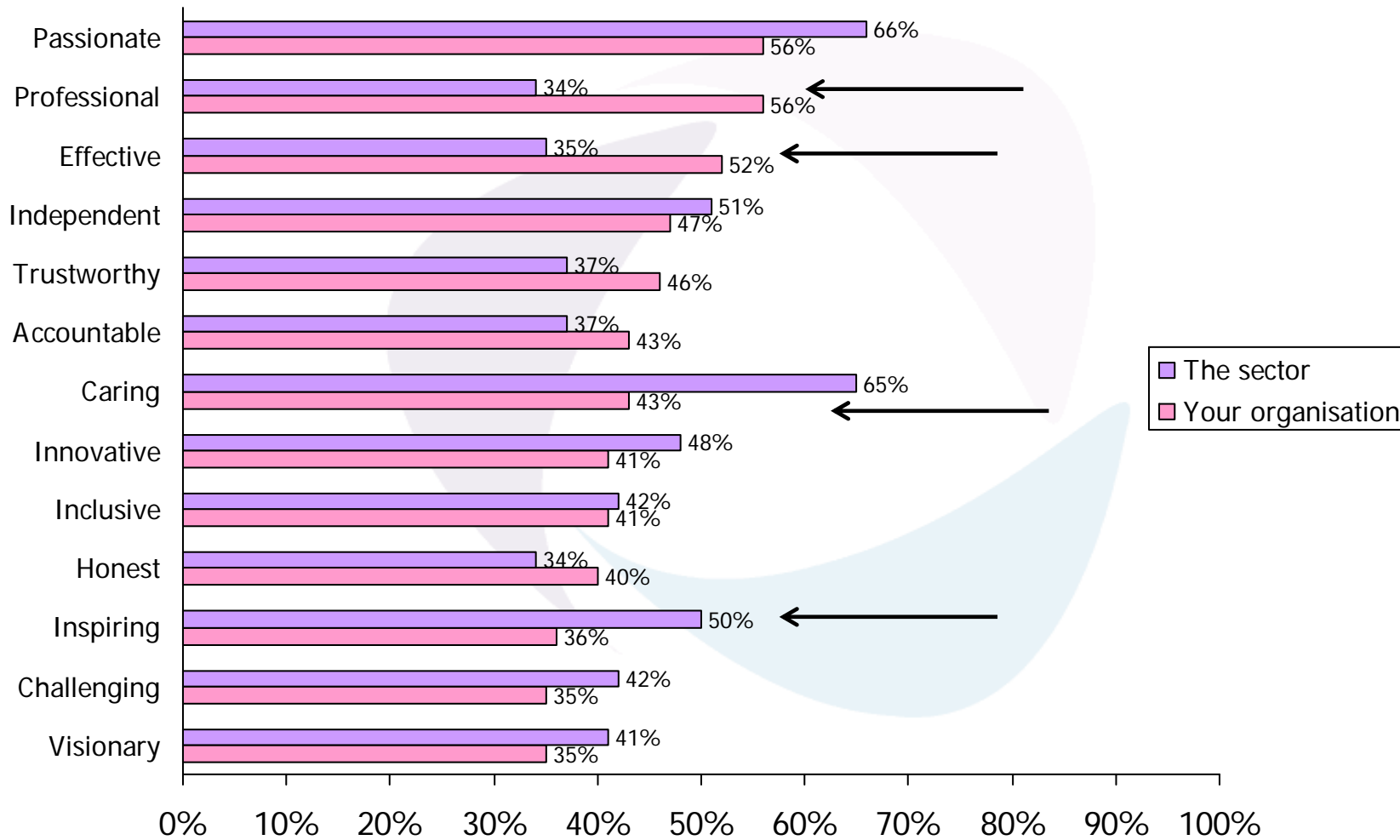


Base: 293 respondents

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# Brand attributes: **your organisation and sector compared**

Please choose as many as ten words that best describe the sector/charity you work for



Base: 293 respondents

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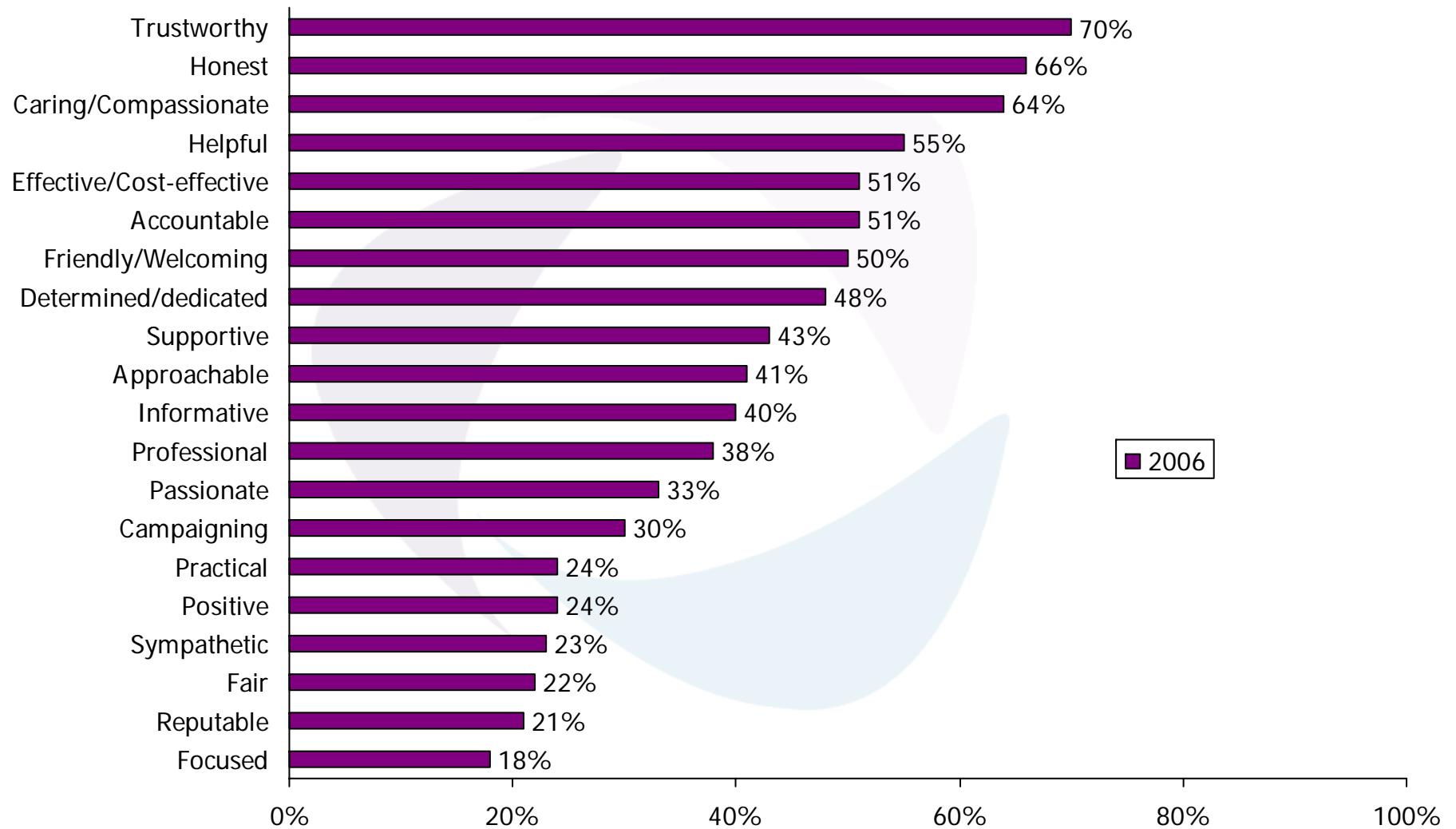
# Attributes

- The following chart shows words that were chosen by the general public in 2006 when asked to describe their 'ideal' charity. As the question is not the same the results are not directly comparable however, it is interesting to note the different types of words chosen

Charity sector	General Public
1. Passionate	1. Trustworthy
2. Caring	2. Honest
3. Independent	3. Caring
4. Inspiring	4. Helpful
5. Innovative	5. Effective
6. Challenging	6. Accountable
7. Inclusive	7. Friendly
8. Visionary	8. Determined
9. Accountable	9. Supportive
10. Trustworthy	10. Approachable

# Top 20 adjectives for the “ideal charity”

“Listed below are a number of words that could be used to describe a charity or not for profit organisation. Please choose up to 10 words that you think describe your IDEAL charity...”

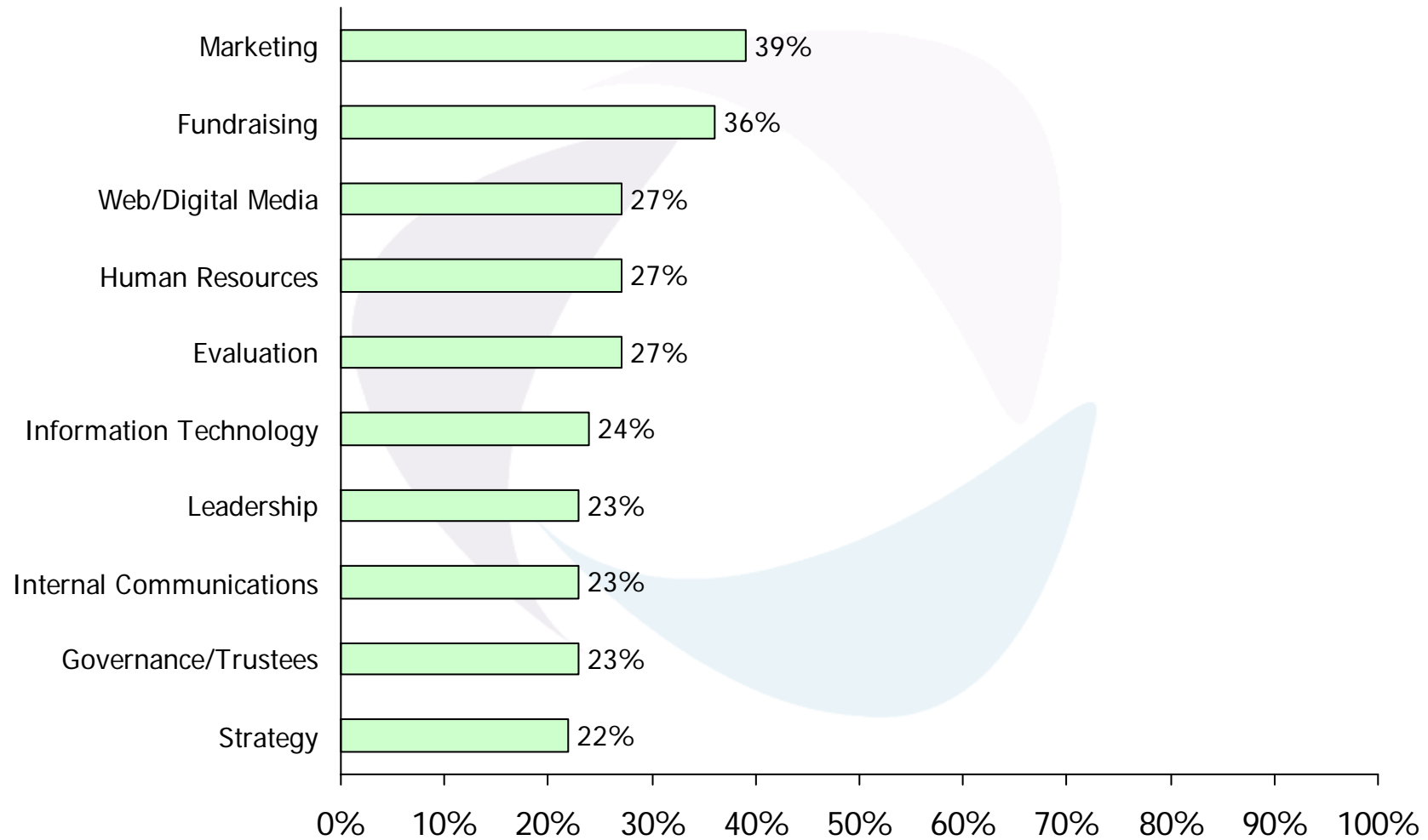


Base: All respondents (1,000), March 2006

# Skills shortage

- A broad range of skills are seen to be in short supply in the sector. As has been reported in the sector press, marketing and fundraising come top of the list
- This is followed by web/media/digital skills, HR and evaluation
- Service delivery is the skill that came at the bottom of the list with education and communications above it

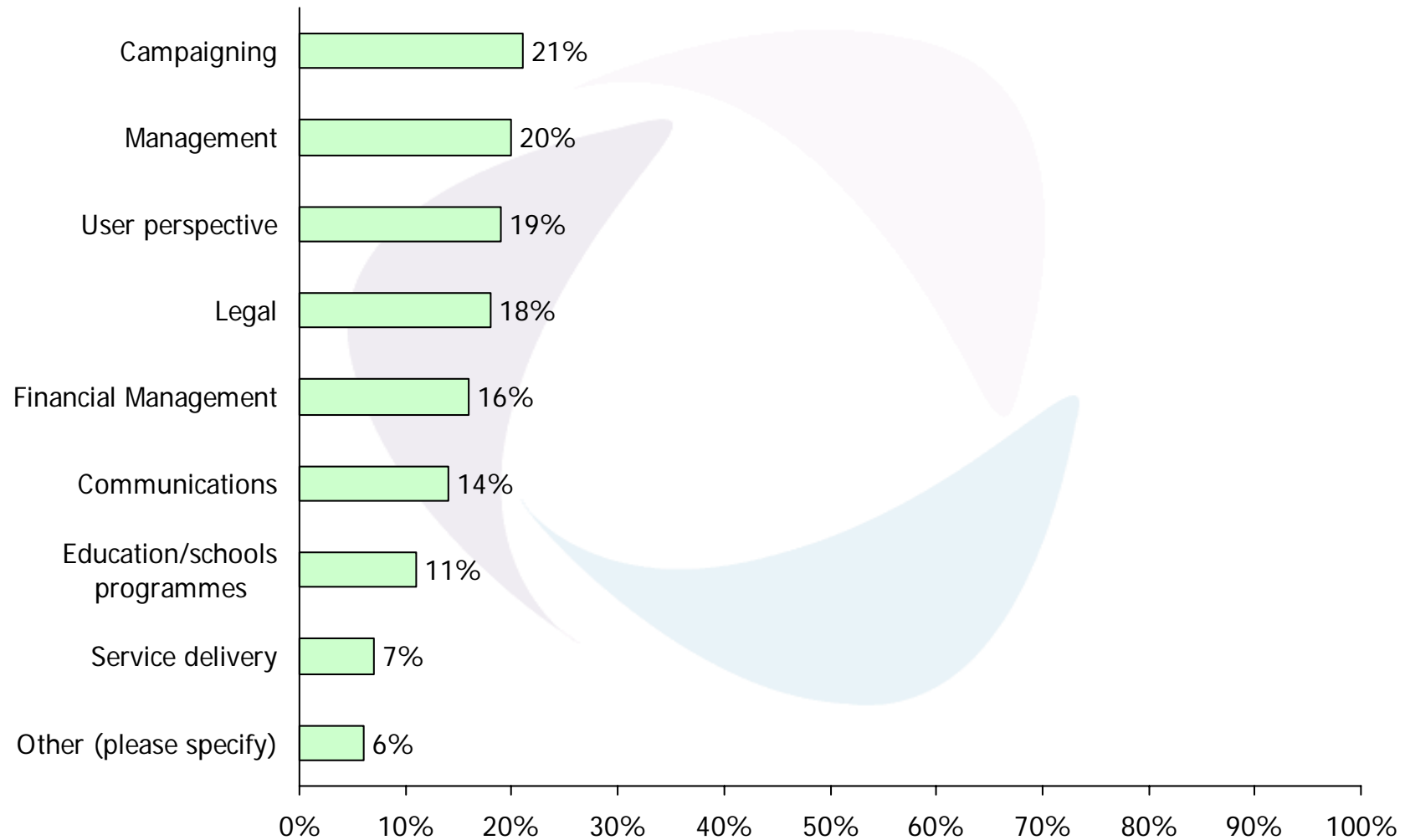
# Which five of these skills or expertise are you finding in the shortest supply for your charity?



Base: 275 respondents

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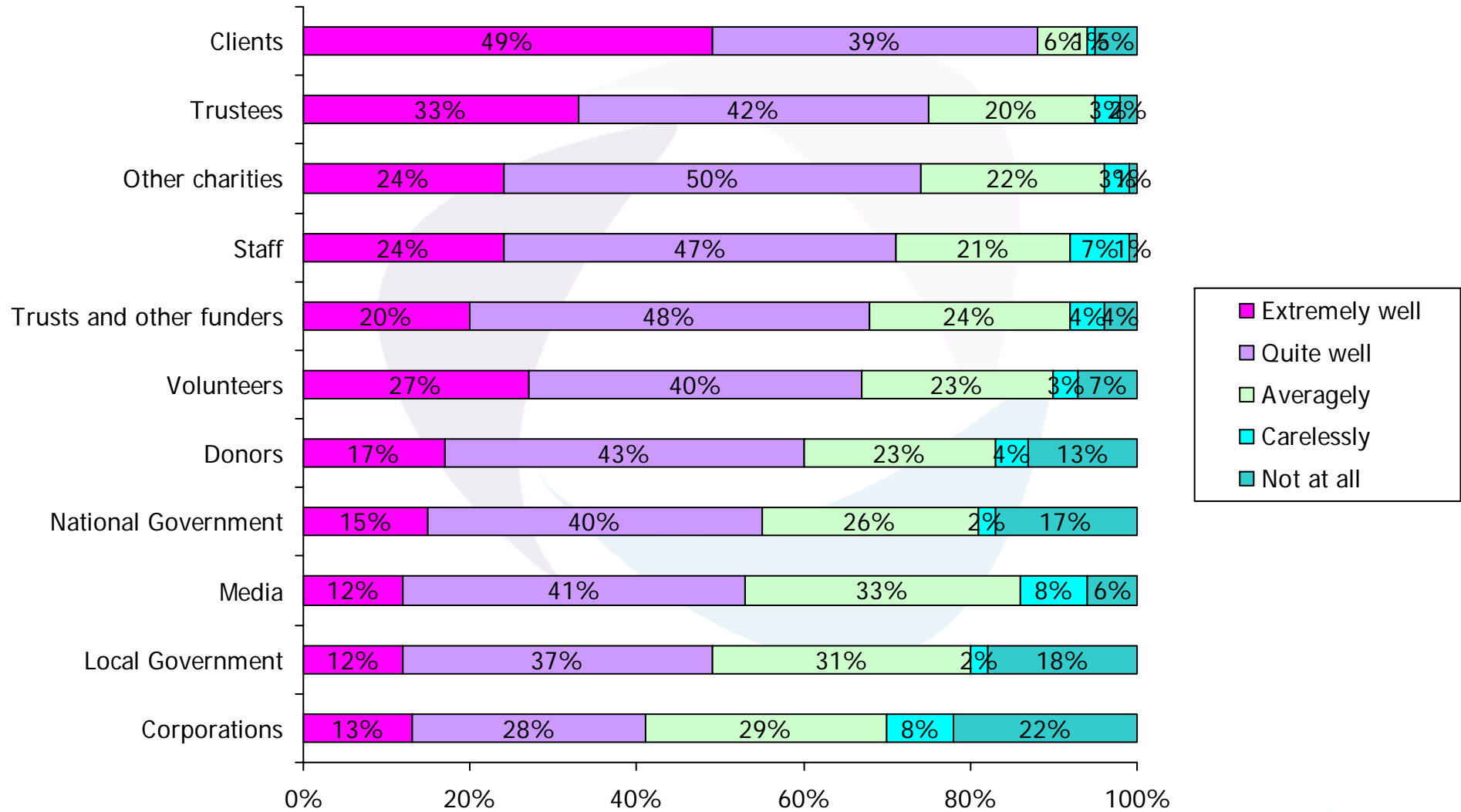
Base: 275 respondents

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## Working with...

- Fortunately, our respondents felt that their organisations worked well with their clients, their trustees and other charities
- However, they did not work so well with the media, local government and corporations. In an age of increasing provision of local services, brand management and the need to communicate effectively with donors, should these types of organisations be more of a priority?

# How well does your organisation work with ...



Base: 282 respondents

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# Priorities and concerns for the future

- We asked respondents an open question – *'Please tell us which are your biggest concerns or priorities for your charity in the next few years'*.
- A wide range of priorities and concerns was put forward with only one positive comment (!)
- The most frequent issue was **income and fundraising**. This covered a wide variety of issues from the desire to increase the level of income, diversification of income sources, the need for longer term, sustainable sources of income and the need for funding to allow organisations to be independent (i.e. not government contracts)
- **Staff** came up as a big issue, their training, development and the problems of how to deal with high staff turnover

# Priorities and concerns for the future

- Concerns around increasing **professionalisation**, that the essential **ethos** of the sector would be lost, through working too closely with government, too many contracts. Loss of identity, independence
- **Governmental** change and interference and how to deal with it, particularly as it affected service delivery
- Problems within their own organisations, particularly lack of **strategy** and plans for the future and capacity
- **Competition** – around both service delivery and fundraising, this was seen as coming from both the private and voluntary sectors
- **Trustees** and leadership in general a lack of direction and competence

## Concerns continued...

- **Brand**, communications, how to get their messages across
- **Full cost recovery** – how to achieve this and the dangers of not doing so
- **Service delivery**, particularly responding to client needs, growing the service, and maintaining the independence of the service
- **Impact** – how to evaluate and effectively demonstrate impact to donors
- Dealing with **change** internally – making it, coping with it and bedding it in
- **2012-** impact on their area of work or funding

# Key findings

- The sector wants to be called the not for profit sector and respondents describe it as passionate, caring and independent
- 92% of respondents feel that *'the public doesn't understand how modern charities work'* – there is some evidence that communication from the sector to the public is wanting
- When asked to name their concerns and priorities for the future spontaneously, income/funding was overwhelmingly the main issue
- Staffing issues were next. A broad range of skills were seen to be in short supply. Issues of training, development and retention were spontaneously mentioned
- Concerns around lack of leadership, strategy and the need for a strong vision for organisations were clearly stated

## Key findings cont'd

- When asked why they work in the sector the top reason was to *'make a difference'*
- Respondents are concerned about the relationships between the public, private and voluntary sectors. With the fear that the special ethos and values of the sector are being eroded
- Awareness of infrastructure bodies was extremely low, particularly for the ChangeUp hubs
- Service delivery and working with clients was a strong theme through the research. Quality of work was the most important attribute for a successful charity and 88% felt that they work extremely well with clients (better than any other stakeholder group)

## What does it all mean?

- Money rarely equals impact
- There are plenty of initiatives – but few that stand out for respondents
- There is no clear route to turn concerns into effect impact
- Funding, fundraising and income standout as the key worries

# Solutions?

- Most initiatives are based on skills, expertise or functions
- The biggest concern (funding) has received relatively little infrastructure funding
- Few initiatives are focused on audience or target group
- So a single small organisation may have to engage with ten different expertise providers
- What about specific geographic infrastructure support?