

Charity Viewpoint 2016

Perspectives on
sustainability in the
community sector



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NEW ZEALAND

Charity Viewpoint

2016

**Perspectives on
sustainability in the
community sector**



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Foreword

The New Zealand community sector plays a vital role in making Aotearoa a better place. It is made up of thousands of organisations all of which are working hard to address social needs.

In this publication three membership organisations have joined forces to provide their perspectives on how to achieve sustainability within the sector so that those needs continue to be addressed.

This is a collaborative project initiated by Volunteering New Zealand and enthusiastically supported by Philanthropy New Zealand and the Fundraising Institute of New Zealand. As membership organisations we often talk about the importance of collaboration; this publication demonstrates collaboration in action. By working together we learn from each other and help contribute to a shared voice.

Charity Viewpoint 2016 reflects our views at this point in time. Our aim is to inspire and inform and to provide food for thought for those working in the community sector.

Many thanks to Grant Thornton New Zealand and Boardworks International for their insightful contributions.

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Thanks to designer Lessa Morfee, Laura Allen of Volunteering New Zealand, and Yvonne Ward of Flightdec for their contributions.

Fundraising in New Zealand

By Sheridan Bruce
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Fundraising is a necessary enterprise in New Zealand delivered by a well-intentioned and generous community. Fundraising isn't undertaken to simply raise funds, it is undertaken to serve a cause.

Not only is our concern for good causes reflected in the number of charities registered (approximately 27,000) but our altruism is reflected by the \$1.5 billion* raised through individual (voluntary) giving annually. This represents 55% of the \$2.8 billion of total giving in 2014 (including funds raised from trusts, foundations and business).

There appears to be a good deal of public misconception that charity fundraising should be done on a shoe-string with minimal cost by willing volunteers. Raffles and sausage sizzles with donated goods and prizes were once the only way to go. Unfortunately, these forms of fundraising will never raise the funding necessary for the charitable sector to meet client requirements. Professional techniques are required.

The Fundraising Institute of New Zealand (FINZ) is the membership body that represents charities and professional fundraisers in New Zealand. FINZ promotes a holistic view to fundraising, with its members and proponents subscribing to a code of ethics, standards and best practices, and fundraising conducted with core values based on integrity, trust and respect for those who we engage (donors) and support (beneficiaries).

At the heart of fundraising is relationships. Fundraisers support and promote their organisation's mission and connect this with their donors' philanthropic visions. This connection requires planning, practice and passion on the part of the fundraiser to enable philanthropy to flourish.

Fundraising starts at the core

Institutional readiness for fundraising lays the foundations for success. A fundraising culture throughout the organisation, led by the board and CEO, is fertile ground as fundraising cannot function apart from the organisation; its mission, goals, objectives and programme. Nor can it exist apart from a

willingness of the trustees and senior management to be held accountable for all of the organisation's actions. The development and articulation of this is the case for support, the general argument for why the organisation deserves support.

Lifetime donor development

Causes are best served when donors and supporters are taken on a journey and there is no reason why this can't be a lifetime of experiences and opportunities. The gift of giving and the pleasure derived from helping others, for both fundraisers and donors, is testament to the strength and devotion of the relationship and the benefit in the good work being performed for the good of others.

Fundraising practices take many forms

Fundraising is not just about raising money. It is a mechanism to establish and continue relationships, tell stories and enjoy experiences. From small beginnings, perhaps a letter in the mail asking for a donation, attending an event or the desire to leave a gift in your will, fundraising is a continuum of activity, planned with precision, and targeted and timed for maximum effect.

Fundraising is a rewarding career

Research and training are key components to a flourishing philanthropic culture. The Fundraising Institute of New Zealand invests heavily in both, working with partners in New Zealand and overseas providing the latest and best practices and understanding for New Zealand fundraisers. Successful fundraising doesn't happen by chance. Those dedicated to the profession work long hours, continually upskill, seek higher qualifications and answer a calling. A career as a professional fundraiser is honourable and deserving of the recognition and support of FINZ and society. Read more about FINZ, membership and professional fundraising at www.finz.org.nz

*Giving New Zealand – Philanthropic Funding 2014, published by Philanthropy New Zealand.



Fundraising practices include:

One off and regular giving – involving direct marketing (face to face, mail, digital, online, telemarketing and advertising)

Grants – seeking funds from philanthropic trusts and foundations, including family and individual trusts and statutory trusts such as community trusts, energy trusts, licencing trusts, gaming machine operators and trusts, and the Lottery Grants Board.

Events – fundraising from a function designed to attract and involve people in an organisation or cause and includes peer to peer fundraising via online platforms

Capital campaigns / major gifts fundraising – seeking to secure major gifts for a specified project or a capital nature

Endowment fundraising – seeking to secure major gifts for a specified project or an endowment or perpetually-enduring nature

Bequests – seeking to secure pledges from individuals wishing to leave a gift in their will

Deferred giving – fundraising that focuses on securing pledges of gifts to be given at some time in the future

Goods in kind - seeking products or services that may be converted into cash or other productive activity / asset

Corporate support – seeking financial or inkind support including probono

Sponsorship – securing a commercial agreement whereby a company will pay for access to an organisation's brand or other assets or support

Merchandising – the sale of goods for the purpose of generating net surplus to be applied to the charity's charitable purpose

Membership – promoting a membership status design to generate revenue in return for defined privileges

Cause-related marketing – or charitable co-venture where defined products or services are branded, with funds being generated as a result of sales from association with the nominated organisation or cause

How to attract and retain grant funding

By Liz Gibbs
CEO
Philanthropy
New Zealand



@PhilanthropyNZ



Money is a constant topic of conversation for charities. How much do we need? Where can we find it? What happens if we run out?

And while achieving sustainable funding may sometimes feel about as likely as finding the Holy Grail, there are steps you can take to put your funding on a sustainable footing.

Identify possible funding sources

Funding can come from a range of different sources including:

- grants from philanthropic trusts and foundations
- grants from government bodies such as the Ministry of Social Development and the Lotteries Grants Board
- donations
- sponsorship
- new forms of funding such as social financing or social loans.

To be truly sustainable you should have more than one source of funding, and ideally you should have several.

Become grant-ready

New Zealand has more approximately 27,000 registered charities, so competition for funding is fierce.

Before you even start applying for grants you need to make sure you are grant-ready. That means being able to answer the following questions:

- What is your goal?
- Why is your project needed?
- What gap in research or services will it fill?
- How do you know a need exists?
- Who and how many people will it help?

It's important to be able to back your answers with data and evidence – including evidence about your ability to deliver the project.

You also need to be able to show what makes your project different from others, and why your organisation is the best one to deliver it.

Research prospective funders

There's no point applying for funding from an organisation committed to supporting children and their families if your project is intended to support people with mental illness.

Before you approach a potential funder look at their website, read their annual report, research their trustees and look at what they have funded previously. That will help you establish whether your project:

- fulfils their funding objectives
- fits their mission and strategy
- is located in the right geographical area.

It's also important to check whether the size of grants they make is likely to fit your needs, and the dates their funding rounds open and close.

Write a funding application that works

The feedback from both philanthropic and government funders is that a large percentage of funding applications are poor quality.

In many cases they simply do not meet the funder's guidelines, so before you even begin to fill in the application form make sure you:

- are eligible to apply
- fit the organisation's funding criteria and strategy
- are registered as a charity with Charities Services.

You also need to provide evidence to show how your project will help the funder meet their objectives.

Write clearly and concisely – if you can't articulate your vision and what you hope to achieve, you can't expect a funder to understand it.

Engage with your funders

Once your grant application has been accepted, it's important to maintain a good relationship with your funder. The best way of doing this is to choose one person within your organisation



who can nurture a relationship with one or more key individuals in the funding organisation.

You should also keep them up to date with organisational changes – a new CEO or new premises.

Hitting the jackpot – multi-year funding

Many funders now run multi-year funding programmes, which allocate grants for up to five years at a time. The benefits of this for charities are obvious – multi-year funding provides greater funding security and means you spend less time reapplying for grants.

Some organisations run invitation-only multi-year funding programmes. Others invite applications from organisations working in particular fields; this can change from year to year.

The best way of attracting multi-year funding is to follow the steps outlined above: funders are more likely to make a long-term commitment to charities with clear goals, well-established programmes and whose work meets the funder's objectives and mission.

New ways of funding

Grants are likely to continue to be the main source of funding for many charities. However, new sources of funding are now available including:

Social loans or social financing

Low interest – or in some cases – no-interest loans are most suitable for charities with the potential to develop for-profit activities that will help them become more sustainable.

Some New Zealand philanthropic organisations now provide social loans for projects such as capital works.

In some countries, social loans are available through government-backed organisations such as Big Society Capital in the UK, which has so far provided £68 million in loans to charities. New Zealand is now looking at the feasibility of developing a similar scheme.

Social impact bonds

New Zealand is now in the process of establishing its first social impact bond, in which private investors and – in many cases – philanthropists provide investment to pay for a social service programme. The government pays investors a return on their investment if the programme reaches pre-established goals.

Social enterprise

Social enterprises are hybrid organisations that trade goods and services to achieve social, environmental, economic, and cultural outcomes. They've been around for a long time – Christchurch-based Kilmarnock Enterprises, which employs about 70 people with a disability of some kind, was established in 1958.

Several organisations, including the Akina Foundation, are committed to encouraging the growth of social enterprise in New Zealand.

For more information about seeking funding contact:

- Generosity New Zealand (www.generosity.org.nz)
- Strategic Grants (www.strategicgrants.co.nz)

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Effective volunteering costs money

By Scott Miller
Chief Executive
Volunteering
New Zealand



@VolunteeringNZ



Offer someone something for free and you get a predictable response: “What’s the catch?” people ask, or “Is there something wrong with it?”

These days it seems that we only value things with a quantifiable economic value – surely if something was really needed it would cost something? Or the Government would provide it, because we should all benefit?

So when people “sell” their labour for free as a volunteer we often question their internal economic compass. In the charitable sector, “free labour” becomes a corollary to “low charity overheads” which in the short-term sounds great. But in the long-term, it is an attitude that consigns volunteer-involving organisations to continuously having to justify spending any money on volunteers.

I want to develop the case for a more sustainable charitable sector – a sector where overhead expenses are recognised as a vital element of effective volunteering. In this future-state, these overhead costs would be valued, and recognised as a way of demonstrating an organisation’s investment and commitment to the people and processes that ensure front-line service delivery is as effective as possible.

Volunteer managers are “good” overhead

The ultimate goal of any programme using volunteers is to help an organisation achieve its mission. In fact, in our inaugural *2015 State of Volunteering in New Zealand* survey, 81% of charities said that volunteers were essential to their organisation achieving its mission.

But as we all know, times are tough. Funders are demanding (better) impact and private donors are expecting lower overheads. And despite the central importance of volunteer programmes to most charities those programmes are often the first to suffer budget cuts, the first to be considered ancillary, and the first to be consigned from strategic priority to operational expense.

So how do we change attitudes so that charities stop valuing their volunteers only as long as they are seen to be free (or close to free), and instead see investing in volunteers as money well spent?

A good first step would be for more charities to develop a statement of commitment to their volunteers. But we also need to recognise that managers of volunteers are essential to ensuring that volunteers work effectively in the field. We need to start recognising their responsibilities by paying them adequately. We need to ensure these managers get access to professional development and resources. We need to ensure their programmes are well resourced.

Some organisations demonstrate this commitment to their managers of volunteers through their membership with Volunteering New Zealand, but this is only a start.

Going forward, as a sector, we need to see organisations broadcasting and implementing their commitment to volunteers by being prepared to commit overhead costs to volunteer managers and the programmes they manage. The result? Each volunteer-involving organisation is likely to reap the full spectrum of benefits volunteers bring to organisations and to our communities.

Counting the true cost of volunteering

Another interesting finding from our inaugural *2015 State of Volunteering in New Zealand* survey was that only 22% of charities surveyed are reimbursing volunteers. This is another major issue affecting the sustainability of the charity sector.

When effective volunteers are achieving effective outcomes in their communities by giving up their valuable time, the last thing we should be expecting is for them to pay for their organisation's expenses through their own pocket. Getting to and from a volunteering activity, making mobile calls on behalf of the organisation, buying equipment, and paying for childcare are all add-ons that understate the true cost of volunteering in the financial statements.

What's worse is that by not reimbursing volunteers, we are persisting in unequal opportunity and undermining the true cost of service delivery. While volunteering has its roots in an affluent upper-class giving their time, it is about time that we made sure the opportunity to volunteer is equally available to our more marginalised communities.

Conclusions

The time for volunteers and volunteering to be valued in the annual report is upon us. But please don't expect to see a dollar value of the amount of wages "saved" by using volunteers to achieve an organisation's mission. Rather, look for the sections of the financial accounts that disclose how much they spend on reimbursing volunteer expenses, on training and developing their volunteers, and on recognising the work they do.

After all, if we want to see a flourishing charitable sector, we need to look after the people who will be looking after us when we are most vulnerable, incapable or unavailable to be a community, made up of common unity.

We need to recognise that managers of volunteers are essential to ensuring that volunteers work effectively.

The role of the board in organisational sustainability

By Graeme Nahkies
Director, BoardWorks
International

Graeme Nahkies
regularly facilitates
governance training
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Charities seek to meet needs that are arguably growing in an increasingly complex society but the aim of 'doing good' is not enough on its own. Survival – and 'thrival' – is not guaranteed no matter how noble a charity's intent. What must the governing board of a charity do to build and maintain a sustainable organisation?

Clarify and stick to organisational purpose

The central intellectual challenge for any board is to be clear about why its organisation exists, what it must achieve and for whom. High-sounding but empty mission statements are of little use when choices need to be made. Being typically couched in broad and ambitious terms they set the organisation up to fail. Lack of a clear (and realistic) purpose makes charities vulnerable to undue influence from the competing agendas of strong minded individuals inside the organisation and different stakeholders outside it. As a result charities get drawn into effort that is distantly, if at all, relevant to their real reason for existence.

Articulate and demonstrate strong values

Charities are inherently values-based organisations. When these are not clearly articulated, and board members' actions are not consistent with them, signals as to what is the right thing to do are confused. There are many examples of charities going off the rails because their organisational values were inherently weak – neither clearly stated nor consistently applied.

Hold those who serve to account

Charities often rely heavily on volunteers to govern and staff their organisations. Employees tend to be underpaid relative to what they might earn somewhere else. The fact that people are sacrificing something to be involved can be used as an excuse

for bad behaviour and under-performance. The essence of any charity's purpose demands accountability from everyone in the organisation.

Develop effective board teamwork

To be effective in 'direction giving' a board must develop a collective consciousness about matters that are vital to organisational success, and agreement and commitment to the manner of dealing with those. As board members spend comparatively little time together, achieving the necessary level of teamwork requires deliberate and constant attention.

Be disciplined in its work

Only the board can govern but boards whose members are often volunteers in the operational activity of the organisation are easily drawn into management. Clear role descriptions and active longer-term work planning and meeting agenda management are essential to ensure that the board is spending its time on the things that matter.

Focus mainly on the future

Most charities experience a rapidly changing operating environment. The board must keep up with and even get ahead of this pace of change. Too many boards waste the great part of their board meetings submerged in operational detail and reviewing reports on past performance. A board can only influence what has not yet happened.



Constantly strive for improvement in organisation performance

In a changing world the status quo is not an option. The board needs to be progressive in its thinking - not wedded to what may have been relevant (and worked) in the past. What does success look like now? What are we doing to better fulfil the purpose of our organisation? How effective are we in implementing our plans?

Active partnership with the chief executive

This requires an active ongoing and candid dialogue between board and chief executive about mutual expectations. Don't let the board become a brake on organisational growth or worse a 'damage control challenge' from a management perspective. Recruit and retain the best person for the top job and, having made that choice, support them to be successful in the role.

Deliver effective succession planning

To grow and be sustainable organisations need to free themselves from the gravitational pull of their founders. This requires an active process for reviewing board and board member effectiveness and routinely refreshing its membership as the organisational challenges change. Board membership is a privilege not a job for life.

Active stakeholder engagement

Boards must communicate directly with key stakeholders – particularly those on whom the organisation depends. Do you understand how they see you? Have you made sure they understand how you are responding to their needs and expectations? Have you ensured their expectations of you are realistic?

What does success look like now?

Are you confident they will support you in a crisis, not throw you under the bus?

Measure and monitor the right things

Charities exist to have an impact on the world they operate in. Board monitoring of organisational performance must be outcome rather than activity based. You don't need to know what your staff have been doing or how hard they have been working; you need to know what they have achieved.

Conclusion

Successful stewardship of an organisation requires active and accountable governance. This does not happen by chance.

Social responsibility and business support of good causes

By Sheridan Bruce
Acting CEO
Fundraising Institute
of New Zealand



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The tragedy of the Christchurch earthquake in 2011 saw a spike in business and corporate support of the community with donations peaking at around \$100m for that period. But according to *Giving New Zealand: Philanthropic Funding 2014*, published by Philanthropy New Zealand, this level of support dropped to \$77.2m in 2014. This represented only 3% of total giving in New Zealand. By comparison, personal giving accounted for 55% of all giving (\$1.53b in 2014) and giving by trusts and foundations accounted for 42% (\$1.18b).

Traditionally, business giving for charitable purposes has not been seen as appropriate unless the giving was 'business-like'. The argument was that management could not give away shareholders' money because it was the social responsibility of the business to increase its profits, with self-interest playing a large role in business giving over the past 100 years.

The benefits of traditional business giving have been weighted heavily on the side of the business but over time, those companies that take social responsibility seriously can see how partnerships with community and charitable organisations can enhance their business standing and profile while also contributing to driving social change. More business and corporate support of the charitable sector would contribute to the sector's sustainability and there are plenty of examples and opportunities where this is the case.

There are a number of ways charities and businesses work together, not only to fulfil their own missions, but collectively to make more of a difference to our communities.

Partnerships

Partnerships develop when parties work together to resolve community issues or problems. Successful partnerships involve businesses actively engaging with charities in the delivery of outcomes with both the charity and business investing in resources and budget to deliver on those outcomes. For the business, this may be contributing much more than a cash injection, but the investment of expertise and knowledge, labour force, services or products, all or partially deployed to maximise benefit to the cause.

Successful partnerships will have charity fundraisers and sponsorship managers who understand the needs of the company and can balance these with delivering their charity's mission. In addition, relationship skills and communication and marketing acumen will help drive recognition for the business. A well-executed partnership will improve staff engagement and networking for both parties and should positively impact on fundraising programmes.

Businesses giving and community involvement should be an expression of responsibility driven by the identity, special risks and opportunities the company faces in society. By being strategic, as expected from all other areas of performance, companies should choose to work in areas of social need and specific geographies where they can make the biggest and most appropriate difference.

Sponsorship

In a sponsorship, obligations are clear – the charity is delivering something to the business; usually some kind of name recognition as well as publicity and promotion. In effect the company is buying a service from the charity with the company either paying in cash and/or in-kind. Sponsorship is commonly associated with high-profile events or activities which have the potential for huge public engagement including sporting events and performances in the arts.

When considering business support, charities need to be clear what they want from the relationship. Is it untapped funds or help in resolving a problem? In recent years there has been a shift away from one-off donations to more strategic community investment so commitment to a long-term partnership will contribute to a more sustainable fundraising programme and relationship.

Entrepreneurs and charitable foundations

Shared goals are the drivers to establish a business partnership. And this is taken to the next level when socially minded entrepreneurs deliver services to the community through their own charitable foundations. Neither a partnership nor sponsorship, this form of philanthropy is usually driven by the passion of the philanthropist and can be sustainable when the philanthropist has a special capacity to tackle particular social issues, can

influence and mobilise others to act – and deliver to the community sector tangible and much needed funds, products and services based on clearly defined outcomes and impacts.

Conclusion

Business involvement in the community can be low-key and long-term with impacts that may be hard to see. That means measurement frameworks need to be implemented to help explain to internal and external stakeholders that they are a good corporate citizen and are actively involved in trying to influence a social issue.

Business donations are a good thing but so too are social investment and many commercial and shared value initiatives. They each in their own way address community problems using the company's brand and resources, which says a great deal about its values and sense of responsibility.

Charities are urged to consider how business partnerships could work for their cause to help improve sustainability and the fostering of broader supporters to their cause. It shouldn't take an earthquake to galvanise business to support their community. There is too much need in our communities for businesses to be disengaged and unaware of the good they could be doing by working alongside our hard working community groups and charities in New Zealand.

Collectively making
more of a difference.



Volunteers do count!

By Sue Hine
Independent Advocate for
managers of volunteers



Of course volunteers count, and we have been counting them for years. Using numbers is a primary tool to tell us what is happening in the community and voluntary sector.

We can boast about how many people are involved in volunteering; we can cite the number of hours they contribute and we can even claim the percentage they add to GDP. But we should be wary of taking that data at face value. Volunteers are not part of a manufacturing assembly line. Volunteers don't give their time and skills to be a number on an accountant's balance sheet. And when different reports cite very different statistics on volunteer participation it is difficult to take any such counting seriously.

For example:

- At a basic level data collection is incomplete when it relies on volunteers to record their time. Volunteers who work off-site are often overlooked (those involved in home-care support for example). Ultimately, an organisation's data on how many volunteers it has is only as good as its database and its enthusiasm for record-keeping.
- During National Volunteer Week 2015 the estimates for the number of hours people spent volunteering each week ranged from 400,000 to 1.5 million.
- One report says about 25% of the total population volunteer; another says '35% of respondents'; and the 2013 census records 13.9% of New Zealanders engaging in volunteering as an unpaid activity, helping or partaking in voluntary work for or through any organisation, group or marae.

These examples show inconsistency in the variables used to measure volunteering. Some figures are based on aggregate numbers and others on demographics. There is no record of the kinds of production generated from volunteering.

Why should we care?

Why should we care about accounting for volunteering? Because volunteering pervades so many aspects of national and local community endeavour, involving up to one third of our population.

The way in which people volunteer varies widely, from providing governance support as a board member to making cups of tea or being a tour guide; from managing a sports team to washing the jerseys; from organising an event or a fundraising drive to rattling a box on the street; from professional mentoring to providing home support visiting. Is all this activity measured? Are all the participants accounted for? Are all their hours reckoned and included?

Of course we have lots of opportunity to show volunteers they count by recognising their efforts and showing our appreciation, from the everyday 'thank you' to formal awards such as those offered by Volunteer Centres, local authorities, and organisations like Kiwibank and Trustpower. We celebrate National Volunteer Week and International Volunteer Day; we shout out for the volunteer efforts of students and corporate teams.

But volunteers deserve more than virtual pats on the back and an annual social function. They need to be acknowledged in more tangible ways too.

Why should we care about accounting for volunteering? Because volunteering pervades so many aspects of national and local community endeavor, including up to one third of our population.

Steps to improvement

Things are starting to improve. More organisations are now recognising the work their volunteers do – from supporting skilled migrants to find meaningful work to making regional park experiences safe and enjoyable – by including stories about them on their websites. These stories could be the foundation of a qualitative account of volunteer contributions.

It's true that 'not everything that counts can be counted, and not everything that can be counted counts', but this adage should not preclude making volunteering more visible with better information.

In an era when 'impact' has succeeded 'output' and 'outcome' has become the benchmark for community and voluntary sector achievement, providing better information about what volunteers do is a significant way of accounting for that impact.

Volunteers are not a commodity, a resource to be used for political, economic and organisational gain. There are social and cultural benefits from volunteering as well as economic benefits, and we should not ignore its critical function for a healthy civil society.

As Andy Haldane, Chief Economist for the Bank of England concluded in a 2014 speech on the social value of volunteering:

If the value of volunteering remains largely out of sight, it is likely also to remain out of mind. The potential economic and societal benefits from volunteering then risk remaining un-tapped.

Volunteers really do count!



Statements of Service Performance: A chance to tell your story

By Barry Baker
Lead of NFP Advisory
at Grant Thornton



Recently, I ran a series of workshops on the requirement for Tier 3 and 4 entities to provide a Statement of Service Performance (SSP) as part of the new financial reporting standards introduced for charities effective 1 April 2015.

The discussions, stories and questions from the three workshops helped distil the challenges – and the opportunities – presented by SSPs.

Key messages

A number of recurring themes emerged from the workshops including:

1. The reports in the new reporting standards are an excellent tool for telling an organisation's story, especially the entity information – “Who are we and why do we exist?” – and the SSP – “What we are trying to achieve and for whom; and what are we doing to make that impact?”
2. The content and level of detail in your SSP report needs to be tailored to those who will be reading it:
 - If all your funding comes from a private family foundation, and you don't have members or funders, then the minimum level of SSP reporting is probably appropriate.
 - If your funding comes from multiple sources including the public, legacies and government contracts, then your SSP has to tell a compelling story about what you do and why you're doing it, to help differentiate your organisation from similar not-for-profits and charities also seeking funding, volunteers and employees.
3. The process of setting up your SSP involves linking your vision and/or founding documents to short-to-medium-term outcomes and actual activity, but it's also a useful exercise to help:
 - confirm that your organisation is actually fulfilling its (sometimes century-old) founding documents
 - establish a logical link between your activities and your desired outcomes

- produce sufficient information to track your activities/ outputs to satisfy auditors
 - make decisions and plan internally.
4. Initially there may be duplication of the information in the SSP and your annual or trustees' written report.
 5. The SSP document is all about your story and your activity, so try to use a communications expert to articulate this well.
 6. If you have an audit or review, the statements and information in your SSP will need to be verified. Can you prove you delivered 123 in-home care hours, or 456 hours of education? The audit requirements will actually help with best practice.
 7. Consult with your funders, stakeholders and auditors while preparing your SSP content.
 8. Charities Services are initially taking an educational approach to the new reports, and accept there may be a learning curve during the first few years.
 9. There is some frustration that some professional advisors are not upskilled enough to provide advice around the SSP.

Crystal ball gazing

In the future, stakeholders, funders and the public will become more aware of the SSP reports. These reports will become the default and one of the most important document for telling your story.

I also think that the ease with which the SSPs can be compared with each other will make it the primary tool for providers of resources to charities when they make their funding decisions.

It's also safe to say that organisations will use the structure of the SSP to improve their internal and governance reporting (if they're not doing this already). The metrics of how organisations drive the delivery of their purpose is just as important as the financial disciplines.

Practical considerations

One of the questions, I am constantly asked is, “How do we even start putting together our SSP?” Here are some basic steps you can take:

The process of producing a SSP

1. Revisit your strategy/mission.
2. Review your short-to-medium term goals to deliver your mission and ascertain if they are aligned to your organisation’s current activity.
3. Document the primary activities, goods and/or services being delivered to meet your goals.
4. Can you prove or document the activities?
5. Do you want to provide expected activities for next year?
6. Do you want to provide other information or general commentary?
7. This is your public document, so engage a communications expert to ensure it reads well and is articulated correctly

Consultation and approval

- Management should draft the SSP details.
- A communications person should have input.
- Your governance group should review the SSP and provide feedback.
- You also need to decide whether other stakeholders such as funders, employees, volunteers and auditors should review the SSP.

What HAS to be included?

- **Outcomes** – what are you trying to achieve? What impact on society does your organisation aim to achieve?
- **Outputs** – the activities you have undertaken and the goods and services you have provided during this year and last (you must include descriptions and actual quantities).
- **Any grants and donations** you have made – how much they were, who they were given to, and what they were for.

What COULD be included to make the SSP tell your story more effectively?

- Forecast activity for the next year
- Graphics
- Further output measurements such as:
 - quality
 - whether you have delivered your outputs on time
 - estimated volunteer contribution
 - allocation of revenue and expenses
- Additional information such as the reason for variances (external/internal).



About Us



FUNDRAISING
INSTITUTE OF
NEW ZEALAND

MATATIKA MĀTAURANGA KAITAUTOKO

www.finz.org.nz

The Fundraising Institute of New Zealand (FINZ) is the membership organisation of fundraisers and leaders, trustees and managers in the community and charity sector. FINZ advances professional development and qualifications in the sector, maintains fundraising ethical best practice and standards and advocates on behalf of the sector at government level. A peer network operates where members and supporters discuss and formulate solutions to fundraising, management, governance and sector challenges. The media seeks sector commentary and opinion and FINZ provides its own sector publications and digital platforms to inform the membership and advocate to the wider community.



Philanthropy
New Zealand

Tōpūitanga Takū Aroha o Aotearoa

www.giving.org.nz

Philanthropy New Zealand is a membership organisation that provides thought leadership and practical help for everyone with an interest in giving to make the world a better place. Our vision is for a thoughtfully generous Aotearoa/New Zealand. Our purpose is to promote effective philanthropy and grantmaking by supporting our members, and providing leadership and a facilitative environment. Our members include private philanthropists; family, community and corporate foundations; and iwi and community trusts. We also have a Community membership category for not-for-profit organisations.



Volunteering
NEW ZEALAND

www.volunteeringnz.org.nz

Volunteering New Zealand (VNZ) is an association of volunteer centres and national and other organisations with a commitment to volunteering. VNZ's mission is to create an environment which supports, promotes, values and encourages effective volunteering by the people of Aotearoa/New Zealand. VNZ provides a national voice for volunteering and volunteers. Current member organisations cover emergency services, health, welfare, education, culture, faith based services, community support, ethnic groups, sport and recreation, conservation, special interests, advocacy and international volunteering.

For more information visit:
www.finz.org.nz
www.philanthropy.org.nz
www.volunteeringnz.org.nz