



# 1. Introduction

Tools for success:  
doing the right things and doing them right



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#### Authors' disclaimer

The authors have endeavoured to ensure that the information given within the guides is accurate and reliable at the time of production, however, this should not be considered as formal advice.

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## Foreword

We were delighted to provide the funding for Cass Business School's Centre for Charity Effectiveness to develop this publication, *Tools for success: doing the right things and doing them right*. It is part of our drive to build capacity within the voluntary and community sector and we hope that it will provide small organisations with the basic guidelines to help run an effective charity.

The City Bridge Trust is the grant-making arm of Bridge House Estates, an ancient charity whose prime objective is to maintain the City of London's five Thames bridges. Since 1995 we have been using surplus funds to make charitable grants within the Greater London area. We regularly review our grant-making processes and one of our biggest challenges is how we distribute income wisely, efficiently and with maximum impact. Our desire is to be much more than a grants factory and during the past few years we have been spending an increasing amount of time with our grantees, building longer-term relationships.

There is more to monitoring and evaluation than compliance, number crunching and the endless counting of short-term outputs. We want to support our funded partners in developing sustainable organisations better able to deliver long-term impact. The first step in developing a sustainable organisation is to understand the basics and then to get them right.

This toolkit recognises that smaller organisations have resource constraints and so is designed to enable you to assess where you are now, your strengths and weaknesses, and then to be able to focus your efforts on those areas that need strengthening.

We hope that you will find this publication useful and that it will help increase the impact that your organisation can make.

Jenny Field  
Principal Grants Officer  
The City Bridge Trust



## Preface to third edition

We published the first edition of Tools for Success in late 2008 and it was such a success that a second edition came out quickly some nine months later in June 2009. The first edition focused on the key, basic areas which leaders and managers of nonprofit organisations need to consider in running an effective organisation. The content, whilst it had a strong charity focus, could be applied generally to any nonprofit organisation. We took the opportunity in the second edition to add a tenth guide covering a number of themes which went beyond the basics and toward helping to ‘revitalise’ an organisation. It contained some material that was only relevant to more mature organisations or those working with the public sector.

In this third edition we have returned to the core nine guides, and the basics which are appropriate to most nonprofits. However, to fulfil the demand for much more specific topics, we also plan to publish complementary guides in the same format which can be added to your core set. A number of these are already in the pipeline. Do check our website or register for our mailing list so that you receive news about the further guides and let us know if there are other topics, not yet covered, that you feel would help you and your organisation toward success.

**Denise Fellows**, Director and CEO,  
*Cass CCE Consultancy and Talent Development*

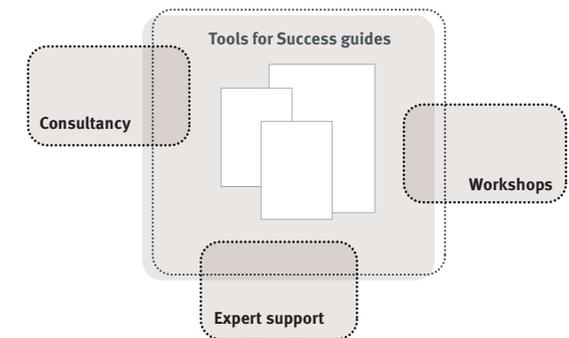
## Cass Centre for Charity Effectiveness

Cass Centre for Charity Effectiveness (Cass CCE) exists to maximise the effectiveness of organisations and individuals within the nonprofit sector. We achieve this through the delivery of post-graduate programmes, research, talent development and consultancy services. For more information, visit our website at: [www.cass.city.ac.uk/cce](http://www.cass.city.ac.uk/cce)

## Cass CCE wrap-around service

Cass CCE has structured a diverse support package for those using this toolkit. Support services include:

- **Expert support:** a combination of coaching and consultancy, ranging from two-day packages to tailored consultancy support
- **Workshops:** one day seminars and other events on Tools for Success themes
- **Updates:** announcements about complementary guides and other updates available online
- **Newsletters:** electronic articles from Cass CCE
- **Advice:** through access to the e-learning network KnowHow NonProfit you can question our expert panel in special interest groups and collaborate with other users of the toolkit.



For more information about *Tools for success* visit our website at [www.cass.city.ac.uk/cce](http://www.cass.city.ac.uk/cce) and click on ‘Tools for Success’ and register for newsletters and updates by email at [CassCCE@city.ac.uk](mailto:CassCCE@city.ac.uk)

## The authors

**Fiona Ash** is a Visiting Fellow at Cass and consultant for Cass CCE and a graduate of the MSc in Voluntary Sector Management. She runs her own consultancy practice, advising organisations on HR, organisational development and charity management and is the author of *The chief executive’s first 100 days* and *How to become a chief executive*, popular

ACEVO publications. She is a trustee of a well-known animal rescue centre, a founding trustee of a charity supporting women in and released from prison, and a director of a US commercial company. Her earlier education includes an MA in employment law. Fiona is a Fellow of the Chartered Institute of Personnel and Development and has extensive experience in charity management at a director level.

**Caroline Copeman** is a consultant and a Senior Visiting Fellow at Cass, with particular interest in strategy, organisation development and leadership. Caroline is the lead author for the NCVO publication *Tools for tomorrow*, the best selling guide to strategy development and implementation for the nonprofit sector. She has also produced a NCVO guide to scenario planning – *Picture this*, and co-authored a guide to strategic analysis – *Looking out*. Caroline has taught on the MSc in Voluntary Sector Management for the past 14 years and has an MBA from Henley Management College.

**Julia Lever MBE** is a Visiting Fellow at Cass and consultant for Cass CCE. She works with organisations on future focus, marketing, income generation, sustainability, step-change and start-up. Following 15 years in the commercial sector with RTZ and Reuters, she became founding Chair and Appeal Director of CHASE Hospice Care for Children, formed in 1994. She led the organisation from start-up, recruiting a critical mass of key supporters and a small executive team to take the work forward, exceeding a £5m Capital Appeal and establishing diverse and sustainable revenue streams. She retired as a trustee in 2005 and became an Honorary Adviser and life Vice-President. She is currently a trustee of The Makaton Charity, an organisation which uses a language programme of signs and symbols to help people communicate. Julia has an MBA from Cranfield.

**Ernie Messer** specialises in collaborative working within the third sector and also between nonprofits and commercial or public sector organisations. He runs a successful independent consultancy practice and is a longstanding associate at Cass CCE. Ernie also has a wide-ranging general management career leading and managing major change and project portfolios for large plcs, and is skilled in successfully managing

the people aspects of mergers, acquisitions and disposals. He is currently delivering major collaborations for charities in the criminal justice, health and children's arenas and also successfully managed the 'Making the Transition' collaborative – of benefit to 160 charities receiving Transition Fund grants – a practical example of collaboration between organisations often in competition. In 2009 he helped set up 3SC, a ground-breaking consortium of nonprofits creating over 5000 jobs under the Future Jobs Fund. He has also lectured on post-graduate courses at Cass on managing change in the 21st century.

**Atul Patel** is course director for the Cass MSc in Voluntary Sector Management, and a principal consultant and Visiting Fellow for Cass CCE. He is a co-author of the NCVO publication *Tools for tomorrow* and led the development and writing of NCVO's *Getting ready for enterprise* and *Guide to good trading* toolkits, resources for organisations wishing to build sustainable funding. He is a trustee of the Whitechapel Gallery and Charityworks. Atul is a qualified social worker and specialised in work with children and families, spending 16 years in the statutory and the voluntary sector working at all levels of management.

**Stella Smith** is a consultant for Cass CCE with her own consultancy on change management, organisational review and management development in the nonprofit sector. She worked in strategy and change at RNIB and in user involvement at Centrepont. She has been a VSO volunteer teacher trainer in China and subsequently a VSO trustee. She has an MBA from the Open University Business School and is chair of the youth charity Y-Gen.

## Acknowledgements

*The production of this toolkit would not have been possible without the work carried out by other Cass CCE staff, Denise Fellows, Adah Kay and Ruth Lesirge; they contributed to the development of the initial concept, in subsequent research and editing. Nine organisations gave generously of their valuable time by helping us with both design and making sure the content is relevant. We are very grateful to: Hammersmith and Fulham Refugee Forum, Brent Carers Centre, Latin American Women's Aid, Bosnia-Herzegovina Community Advice Centre, Home-Start Haringey, Carnford Good Neighbours Scheme (Hillingdon and Hounslow), Genesis Trust, Medaille Trust, Haringey Community Link.*

## The purpose of this toolkit

The purpose of this toolkit is to help small voluntary and community organisations ensure that the basics contributing to long-term sustainability are in place, enabling them to become organisations in which others want to invest.

The toolkit will help organisations:

- Identify their areas of strength, areas where they already have the basics in place
- Identify capacity gaps
- Work on building capacity, to get all the basics right: make sure they are consistently doing the right things and doing them right
- Gear up for the next step in order to implement a recognised set of quality standards such as PQASSO® – the practical quality assurance system for small organisations designed by Charities Evaluation Services. Independent data suggest PQASSO is by far the most widely-used quality system in the nonprofit sector. For more information, see [www.ces-vol.org.uk](http://www.ces-vol.org.uk)

## Who this toolkit is for

This toolkit is intended for use by any small voluntary and community organisation wishing to invest in its long-term sustainability. City Bridge Trust (CBT) funded Cass Centre for Charity Effectiveness to produce the toolkit, construct a package of support to surround it, and to promote the toolkit widely across the sector.

The tools, templates and checklists provided in the guides that make up the toolkit have been designed for use by both staff and trustees (management committee members). We have assumed that users of the toolkit have little time, but recommend that investment now will save time later.

## Core principles

Our principles in developing the toolkit are to:

- Avoid duplication
- Focus on the basics – that is the minimum needed for long-term sustainability
- Encourage a clear focus on beneficiaries
- Value diversity and have diversity management at the heart of all activities
- Encourage the collection of evidence to demonstrate accountability and success.

## How to use this toolkit

### Basic framework

The toolkit is built around eight areas of organisational capacity crucial to long-term sustainability. They are:

- **Compliance** Are we legal?
- **Governance** Can we demonstrate accountability?
- **Direction** Do we know where we are going?
- **Finance** Have we got the financial resources to meet our obligations?
- **People** Have we got the right people and skills?
- **Operations** Are we efficient and effective in meeting our objectives?
- **Connect** Do we work well with others?

Each area of organisational capacity has its own guide complete with tips, tools and templates to help develop capacity, along with signposts to other resources. We have only included the basics in the guides – the minimum you need to ensure sustained effectiveness.

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## Self-assessment

To encourage you to make best use of your time, we have provided a self-assessment tool. By following the questions, we will take you through the crucial areas of organisational capacity.

In this way you can then identify those areas where you already meet the basics, and those where you need to do more work.

What happens next will be up to you and could include celebrating your achievements; making a priority list and plan what to tackle next; deciding to really go for it and follow up our pointers for the next stage: implementing a set of quality standards.

## Symbols used in this toolkit



where to find out more information



notes; hot tips; warnings



checklists; things to do



commonly-used tools; sample activities

## Common terms used in this toolkit

**Assets:** Probable future economic benefits resulting from past activities that will affect organisational capacity.

**Beneficiary:** Those expected to benefit from a project, programme or organisation.

**Collaboration:** A spectrum of different ways two or more organisations can work together for mutual benefit – such as cost reduction, or to add value for beneficiaries. A collaboration can be formal (a merger) or informal (a network), and it can last for a fixed length of time or can be permanent.

**Compliance:** Conforming to regulations and legislation (and being able to demonstrate this).

**Constitution:** The legal document that, in written form, establishes the rules and principles, powers, duties, structures and processes of the organisation.

**CVS (Council for Voluntary Service):** local support organisation that provides help and resources to front-line charity organisations in its area.

**Dependants' leave:** If you are an employee, you have the right to unpaid time off work to deal with emergencies involving a 'dependant' – a husband, wife, child or parent, or anyone living in your household as a member of the family. A dependant may also be anyone who reasonably relies on you for assistance.

**Diversification:** Establishing a broad portfolio (e.g. in terms of services investments or funding streams) in order to minimise risk and create choice.

**Driver:** A major force or trend that could positively or negatively influence the future of an organisation. Drivers have a complex relationship with each other; some drivers are an outcome of others. Some are reasonably predictable; some are uncertain.

**Evaluation:** Using information from monitoring and elsewhere to assess the performance of an organisation or project against its stated aims or outcomes.

**Governance:** The process of oversight by trustees/board that ensures the organisation works to its aims, uses its assets to pursue those aims and acts at all times in the interests of beneficiaries.

**Grant:** a one-way, non-contractual, transfer of money or other assets for a social purpose (often charitable but not always).

**Impact:** All changes resulting from an activity, project or organisation. It includes intended as well as unintended effects, negative as well as positive, and long-term as well as short-term.

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**Induction:** An event or programme of activities to welcome, orient and introduce a new recruit (staff, volunteer or trustee) to the structures, procedures, people and culture of the organisation.

**Liability:** An obligation that may put an organisation at a disadvantage. Often associated with past obligations causing future transfer of assets, delivery of service or other duty, and/or yielding of benefits.

**Networking:** Exchange of information, knowledge and experience between people sharing common issues and concerns.

**Other players:** Any organisation or group that works in the same field as your organisation and/or that has similar or overlapping interests. They could be charities, commercial organisations or statutory bodies. They may also be competitors, suppliers or collaborators.

**Outcomes:** The changes, benefits, learning or other effects that result from what the project or organisation makes, offers or provides.

**Outputs:** The direct products, services or facilities that result from an organisation's or project's activities.

**Performance indicators:** Well-defined information which shows whether something is happening (or not) as a result of actions and/or investment made.

**Performance management:** A process which contributes to the effective management of individuals and teams in order to achieve high levels of organisational performance. It establishes a shared understanding about what needs to be achieved, and an approach to leading and developing people which will ensure that it is achieved.

**Quality framework (e.g. PQASSO®):** A set of criteria enabling an organisation to apply a rigorous, consistent and comprehensive approach to continuous improvement.

**Risk:** A potentially damaging outcome of an event or situation. It could be external or internal to the organisation and could have major or minor effects or none.

**Social enterprise:** A social enterprise is a business set up to tackle a social or environmental need. Their main aim is to generate profit which can be used to further the organisation's social or environmental goals.

**SOFA:** Statement of Financial Activities. A charity's SOFA shows all the incoming resources becoming available during the year and all its expenditure for the year, and reconciles all the changes in its funds.

**SORP:** 'Statement of Recommended Practice: Accounting and Reporting by Charities', published by the Charity Commission, providing guidance on the format and content of charity accounts and annual reports.

**Stakeholder:** All individuals and groups who are affected by, or can affect, a given project, programme or organisation.

**Statutory body:** An institution empowered by the state through legislation to establish policy, regulate, fund and provide services.

**Strategic analysis:** Considering how the world is changing, analysing the implications for the organisation, and using this knowledge to make better strategic decisions.

**Strategy:** A way of mobilising an organisation in its direction of travel: setting direction, analysing what the organisation needs to do, planning, implementing, and evaluating the plan.

**Sustainability:** The ability or facility to remain robust and last into the longer term: continuing to exist and being maintained at a defined level of strength indefinitely.

**Target:** The aspired quantity and quality of outputs and outcomes; specific, measurable and time-bound results.

**Trading:** The exchange of goods or services, or both, through a market, using a medium of exchange such as barter (direct exchange of goods or services) or money.

**Trustee:** In legal terms, the holder of property in trust on behalf of beneficiaries. For most nonprofit organisations, trustees are board members with defined duties under the constitution; the persons having the general control and direction of a charity. A trustee may also be called a 'management committee member' or similar.

**Vertical collaboration or integration:** a collaborative, contractual relationship between organisations to deliver an integrated service focussed on improving the distribution of end-user services – adding value for beneficiaries.

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Topic or subject	Guide
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9. Connect



**Cass Business School**

In 2002, City University's Business School was renamed Sir John Cass Business School following a generous donation towards the development of its new building in Bunhill Row. The School's name is usually abbreviated to Cass Business School.

**Sir John Cass's Foundation**

Sir John Cass's Foundation has supported education in London since the 18th century and takes its name from its founder, Sir John Cass, who established a school in Aldgate in 1710. Born in the City of London in 1661, Sir John served as an MP for the City and was knighted in 1713.

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