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NPC perspectives

# Talking to trustees

**November 2010**

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# Introduction

October 2010 saw the UK's first ever national Trustees' Week, led by the Charity Commission and five partner organisations.<sup>i</sup> Its aim was to promote trusteeship and encourage more people to consider taking up the role. With the Big Society agenda also calling for more of us to get involved in our local communities, trusteeship has become a hot topic.

NPC ran a series of trustee seminars in May, June and July 2010, funded by The Clothworkers' Company. Over 80 trustees from charities of all shapes and sizes came together at Clothworkers' Hall in London, to debate how they could make their charities more effective and to share ideas about improving trusteeship.

Participants at the seminars heard from a host of expert speakers, including governance experts, charity chief executives and chairs, before taking part in roundtable discussions (see the appendix for further details).

The seminars were centred around three main topics:

- How can trustees make their charities more effective?
- How can boards maximise their own contribution?
- What do trustees need to know about impact?

The purpose of this paper is to share some of the interesting ideas raised at the seminars and to highlight how trustees can help their charities to be as effective as possible. It is not designed to provide a comprehensive record of proceedings.

*Talking to trustees* forms part of NPC's larger body of research on trusteeship, which includes the reports *Board matters* and *Trusteeship 2010*. A further series of trusteeship seminars hosted by NPC and The Clothworkers' Company are planned for 2011.

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<sup>i</sup> Charity Trustee Networks, the National Council for Voluntary Organisations (NCVO), Reach Volunteering, Getting on Board, and the Institute of Chartered Accountants of England and Wales (ICAEW).

# What trustees are talking about

During the three seminars, speakers and participants debated a wide range of issues, from how to recruit the right trustees, to what information a board needs to know about its charity's impact. But there were some key themes that were common to all the seminars. In this paper, we draw these six themes together and capture the main ideas and questions that were debated. The themes are:

- Getting the right people on board
- Knowing your charity and role
- Building good relationships
- Being the 'guardians of purpose'
- Understanding and communicating impact
- Reviewing board performance

## 1. Getting the right people on board

Getting the right trustees on your board, and ensuring that they are in the right roles, is crucial. As Ken Olisa, chair of the homelessness charity Thames Reach and one of the speakers at NPC's seminars pointed out, *'Trustees are as central to a charity's success as non-executive directors are to a business's success.'*

Participants agreed that boards need to have a **mix of skills and experience** that is appropriate to the charity they govern. Specialist skills, such as legal, accounting or project management skills, can be very valuable to charities. It was also suggested that charities may benefit from trustees acting as 'godparent' to projects that match their own professional experience.

**Diversity** is also important. Participants noted that diversity can help to prevent 'group think' by ensuring there is a healthy range of perspectives, and can ensure that decisions are not simply passed through without being challenged. However, the drive for diversity should not lead to boards that are so large they are unwieldy. Many trustees felt it was a positive thing that recent years have seen a trend towards the reduction in the number of trustees on boards, which can help to make board discussions more efficient and manageable.

### Achieving a good mix

Everyone at the seminars agreed that diversity and a good mix of skills are desirable for good governance. But many participants said that achieving this can be a challenge. Undertaking a **skills audit** to inform recruitment can be a good first step. Dame Mary Marsh, director of the Clore Social Leadership Programme and one of the speakers, recommended that boards appoint a nominated advisor to undertake an audit to identify any gaps in skills (professional or personal) that should be filled.

Boards also need to think carefully about the **type of recruitment** that will best meet their needs. For instance, it was suggested that using internal recruitment methods might be most conducive to achieving stability on the board, while using an external agency could be more effective if a charity is trying to 'refresh' its board.

### Placing people in the right roles

As well as recruiting the right people, boards need to think carefully about whether individual trustees are in the right roles. The independent governance consultant Tesse Akpeki commented that it is not just about having 'the right people on the bus' (to quote management

guru Jim Collins)—it is also about making sure that **the right people are in ‘the right seats’**. Carrying out a skills audit should help with this, and the chair should also play a key role in working out the division of responsibilities between different trustees.

### ‘Refreshing’ the board

Many participants at the seminar were concerned about how to encourage fellow trustees who lacked interest, time or relevant skills, or who performed poorly, to relinquish their role on the board. Michael Fowle, chair of The Place2Be, provided some reassurance to trustees on this point, saying that, in his experience, the trustee in question is usually aware that he or she is not making an adequate contribution. Regular **board reviews**, and **having fixed terms of office** for trustees, also provide useful opportunities at which to discuss the performance of individual trustees and their contribution to the board.

## 2. Knowing your charity and role

How well do trustees know their charities—do they understand their liabilities; can they articulate their charity’s impact; and are they up to date with developments that might affect its work? Participants in NPC’s seminars felt that it is very important that trustees should be able to answer ‘yes’ to these questions. Yet they noted that in many charities, trustees are far removed from the frontline, so getting to grips with what is going on at ground level, and assessing whether or not their charity is achieving its objectives, takes time and effort.

Without the right information about what charities do, the results of their work, and the risks that they face, trustees will struggle to make good decisions about the charity’s strategy and governance. One participant observed that when trustees do not have much background knowledge about the sector in which their charity works, it is easy for them to let management get on with developing the strategy, and only ‘jump in’ at the last minute—which often causes problems. Strategy development should be shared between the board and management, so they need to have shared knowledge.

Lack of knowledge also limits a board’s ability to ensure that its charity adjusts its strategy in response to important changes in the external environment, such as the economic downturn and public spending cuts. Dame Mary Marsh noted that in the current climate, charities are facing increasing demand and reduced funding, making it increasingly important that trustees stay on top of developments and understand the risks their organisations face.

### Providing a good induction

The first, and perhaps most obvious, way of bringing trustees up to speed is to ensure that they receive **a good induction when they join**. Participants noted that induction is particularly important when people have become trustees for the first time—perhaps when they have been asked by a friend to join a board and do not fully understand the commitment involved—or when they have no prior knowledge of the sector in which the charity works.

A good induction should cover the trustees’ responsibilities and provide an introduction to the charity’s work. Participants also noted that the programme should be **refreshed over time** as both the charity, and the context in which it works, evolves.

### Keeping knowledge fresh

Tesse Akpeki, an independent governance consultant and one of the speakers, emphasised that induction should not be a one-off process. Boards should be committed to **continuous learning**; a ‘re-induction’ process can be helpful when significant changes have taken place within a charity, and ongoing opportunities for training may also be valuable.

Giving trustees the chance to gain **direct experience** of their charity’s work, both as part of the induction process and on an ongoing basis, can also be very helpful. Hazel Auton from the

Samaritans noted that at her charity, two thirds of the trustees are also listening volunteers, and that helps to ensure that they are grounded in the charity's day-to-day work and builds a sense of common purpose with the rest of the organisation.

Jean Templeton, chief executive of the homelessness charity St Basils, told participants about the '**Active Governance Programme**' that her charity has developed, which seemed to capture the imagination of many of the trustees present. St Basils finds that the best way of encouraging trustees to focus on impact is to give them a chance to hear about it directly from the young people it supports. So the charity has an advisory board made up of young people it helps, which feeds into trustee meetings. Trustees also visit the charity's services, which helps to 'keep the board sharp' and encourages them to consider how each project contributes to the charity's mission and vision.

While first-hand experience of a charity's work is helpful, participants also emphasised that it is important that boards receive **timely and appropriate information** from management teams on a regular basis. The **relationship between the chair and the chief executive is key** in ensuring that there is a good flow of up-to-date information to the board. Information presented may be in the form of board papers that the chair and senior management prepare, or relevant staff can be asked to provide updates at board meetings.

### 3. Building good relationships

The influence that behaviour and relationships have on how effectively a board operates was a recurring theme at our seminars—after all, good communication is based on good relationships. As Ken Olisa commented, *'The human element of the role must be important or they would just get computers to do the job of trustees!'*

Trustees noted that it was important to feel that there is open dialogue between themselves and the chair, and that they can raise issues and challenge decisions. Good communication between senior management and the board helps to bridge the knowledge gap that many trustees find themselves facing, enables them to engage in productive dialogue, and also helps staff to feel valued.

#### Relationships within the board

In the words of one of the speakers, Tesse Akpeki, *'it's not just about process and architecture with trustees—it's about how they work together as a team'*. Participants felt that the **chair should set the tone** for the board, ensuring that everyone signs up to the charity's values and code of conduct, and to their responsibilities as a trustee. The chair should also try to ensure that the board is made up of equal players, as far as possible. There should be no 'A-team' and 'B-team' syndrome, where one group of trustees makes a big contribution and another simply 'cruises'. As Ken Olisa put it, trustees cannot just 'pop in'—they need to be sufficiently engaged to have 'a feel and a passion' for the charity. Where it does happen, trustees may consider reducing the size of the board to ensure there are no hangers-on, or the chair might have to ask certain trustees to leave.

The chair should also create a '**baseline of good behaviour**' and make sure that other trustees feel that they can approach him or her with any concerns. The chair has a crucial role to play in managing board behaviour, or 'herding' trustees, as Ken Olisa describes it. Personality clashes, dominant trustees and trustees with personal axes to grind can all prevent boards from operating effectively. When there are poor relationships or unengaged trustees, it can lead to disruption or a lack of constructive debate, and the chair should step in.

The chair can also help to foster positive relationships between trustees. As Tesse Akpeki noted, **building trust 'in good times'** is important so that these reserves can be drawn on when times are tough. One way of encouraging this is for the chair to give trustees opportunities to get to know each other beyond the formal setting of board meetings. Participants reflected on how events, away-days and more informal social occasions can provide these sorts of opportunities.

The quality of interaction between trustees can also be affected by a board's structure and processes. It is easy for trustees to become bogged down in reading mountains of board papers. Instead, they need to be given **space to moot new ideas**, and to be challenged to think more widely and analytically. Tesse Akpeki noted the importance of making involvement in a board **fun and motivational**, particularly given that trustees are usually giving up their time on a purely voluntary basis. One way of doing this can be to try new approaches to board discussions, such as having trustees break away into smaller groups, rather than just sitting round a board table.

Again, so much of this is down to the chair, and his or her personal style, flexibility and willingness to try out new approaches. But, what happens if a charity does not have an effective chair—who can ask them to change or prompt them to leave? This question is explored further in the box below.

### How do you deal with an ineffective chair?

One of the clearest points that came out of NPC's seminars is the pivotal role of the chair in determining how well his or her board works. So what should charities do if the chair of their board is not effective?

Susan Ringwood, the chief executive of the eating disorders charity, beat, gave a real-life example of this issue. She had inherited a board that was holding the organisation back. It had 16 trustees who were drawn entirely from the charity's membership, had a limited mix of skills and experience, and who were all directly affected by eating disorders. The chair knew change was needed, but felt unable to achieve it. The board met six times a year in London (despite the fact that the charity was based in Norwich) and lacked a business plan, aims and objectives.

In order for the charity to become more professional, it needed to refresh its board, but Susan realised that doing so would be fraught with difficulties. Fortunately, in 2004 the venture philanthropy funder Impetus Trust made board development part of its broader support for the charity. This gave beat the external catalyst it needed to refresh its board, and Impetus also provided it with funding to employ a recruitment agency to look for a new chair. The rest of the board has also changed considerably since then, and Susan noted that the executive has had to raise its game as well.

But, as participants noted, not every charity has an external catalyst like Impetus Trust to help drive through changes to the board. People agreed that there are no easy solutions, but if you have a practice of doing regular trustee appraisals and board reviews, these may provide a forum for also addressing difficult issues such as a poorly performing chair. Employing an external evaluator can prove particularly useful in difficult circumstances—however, the chair would probably have to approve their hire.

NPC would love to hear examples of how other charities have tackled this difficult issue!

## Relationships between the board and the charity

Building good relationships and **open dialogue between the board and the rest of the charity** is also important. Participants noted that it is difficult to generalise about how much contact there should be between trustees and staff. In small organisations, trustees will have to 'get their hands dirty' more often, whereas in larger charities they may need more formal conduits for contact between trustees and staff.

A variety of formal mechanisms for encouraging good communication were discussed. Giving staff **opportunities to present to board meetings** was one approach that some participants mentioned. Others commented that some charities find it beneficial to have **staff represented**

**on their boards**, or (more commonly) on board sub-committees—particularly if trustees have expertise that matches sub-committee specialisms.

Again, the quality of interaction between the board and the rest of the charity is just as important as having the right mechanisms in place. Participants remarked that trustees should act as **‘critical friends’** to their charity’s chief executive and senior management team. They should be willing to ask difficult questions, to challenge or even call a halt to certain actions, and to make tough decisions, but they should also be tactful and supportive. It is important that the chief executive and senior management feel that they are being taken seriously, and valued, by trustees, and that they trust each other. Participants suggested that there need to be **‘clear rules of engagement’** between trustees and staff (discussed in the box below). Trustees should not undermine the chief executive in their relationships with staff and should be wary of being loose cannons who do not adhere to the charity’s vision or strategy and go off and do their own thing.

While the chair/chief executive relationship is likely to be the lynchpin of interaction between the board and management, participants commented that **other trustees and members of management should not feel shut out** of discussions and decision-making. The chief executive should have contact with other trustees, and trustees should build relationships with other members of senior management. One way of encouraging this broader interaction is for the board to invite other members of senior management to board meetings, or to ensure that trustees and staff have an opportunity to get to know each other at away-days or more informal social events.

### Rules of engagement

How hands on should a board be? This was a question that came up several times during the seminars and participants agreed that there is no one answer. It depends on the size and type of charity—for small charities with no staff, boards have to take a very hands on, practical approach.

Participants felt that trustees should understand their limits. They need to know when to provide support and guidance, and when to step back and take a more strategic perspective. It was noted that trustees can sometimes find it difficult to stay focused on the strategic level and resist the temptation to interfere with the day-to-day running of the charity. One of the speakers, Ken Olisa, noted that, irritatingly, trustees may sometimes question the executive just to prove that they are engaged and adding value!

NPC thinks that these issues may become particularly pertinent in a difficult economic climate. In particular, it may be appropriate for trustees to take a more hands-on approach than usual to financial management. It is important to be clear about the division of responsibilities between the board and the staff when it comes to financial management—the board needs to find the balance between looking at finances from a strategic perspective, drawing on the expertise of operational staff and providing the right level of oversight during difficult times.

## 4. Being the guardians of purpose

Many trustees agreed that it is the job of the board to ensure that a charity is fulfilling its mission. As Jean Templeton, the chief executive of St Basils, put it, trustees should be the ‘guardians of purpose’. They should regularly review how well their charity is achieving its objectives, and ensure that those objectives are still aligned with the overall purpose.

## Seeing the bigger picture

One of the reasons that boards exist is to provide **strategic oversight** to a charity. It is easy for staff to become sidetracked with financial and operational pressures, and sometimes a shift in focus can be so subtle that the chief executive may not notice, because he or she is too embroiled in the day-to-day activities. Trustees, however, are well placed to take a broader perspective—although this may be more difficult in charities that have no paid members of staff.

Staying focused on the bigger picture requires a certain degree of distance, as Hazel Auton of Samaritans noted. To be critical friends to their charity, trustees also need to have **'permission to ask awkward questions'**. One participant commented, *'It is the board's role to question what matters'*, and noted that the board's questions should be challenging but constructive.

## Staying focused on the charity's purpose

It is easy for boards to become bogged down in details of finance and process, so participants discussed techniques that can help boards to stay focused on whether the charity is achieving its purpose. Some trustees commented that boards need to **set aside time on a regular basis** to review their charity's purpose, possibly by holding a special board meeting or development day once a year. Others noted that a focus on purpose should be embedded in the board's processes. For instance, one participant suggested that a charity's purpose should be written at the top of the agenda for every board meeting, and trustees should return to it at the end of every meeting, evaluating what progress the charity has made towards that purpose. This should include being open to acknowledging, and learning from, failures.

## Developing an effective strategy

While it was agreed that trustees are the 'guardians of purpose', there seemed to be some confusion about what the right balance is between the board and management teams when it comes to making decisions about strategy. Speakers suggested that **developing the strategy should be a shared project**. Susan Ringwood, chief executive of beat, commented that unless the board, the chief executive and the management team jointly own and articulate the charity's vision, the strategy will be redundant. Similarly, Hazel Auton emphasised the importance of having a sense of common purpose between the board and the rest of the charity.

Speakers also discussed what makes an effective strategy. Ken Olisa observed that a strategy is rather like a journey—it should have a **destination that is defined in time and place**. This helps trustees to focus on what their charity is working towards and when they want to achieve it. Hazel Auton also added that a charity's strategy should clarify what it should *not* be doing, as well as what it should be doing.

## 5. Understanding and communicating impact

Trustees should encourage their charities to be ambitious about maximising their impact. As one of the speakers, Michael Fowle (chair of The Place2Be) commented, the board should be driven by the results it achieves for the charity's beneficiaries.

However, in order to assess whether their charity is maximising its impact for beneficiaries, trustees first need to ensure that the right systems are in place to measure their results. If not, how can they accurately evaluate their impact and make well-informed decisions about strategy and resourcing? As participants noted, without this information it is also hard to communicate the full value of their work to external audiences.

## Measuring impact

The drive to measure impact in a meaningful way needs to **come from the top** of an organisation—it is important that boards believe in the importance of measuring results, and are willing to commit resources to it. Geoffrey Baruch, director of the Brandon Centre (a charity that helps young people with mental and sexual health issues), commented that, in his experience, having a trustee with expertise in results measurement is helpful as they can act as an advocate for measuring results.

Participants debated what the role of the board should be regarding impact measurement. Jean Templeton suggested that trustees should ask themselves what information they are required to collect for funders, and what information they should collect for themselves in order to understand their charity's impact. Again, trustees' role as 'guardians of purpose' is important here. It is the responsibility of the board to ensure that the evidence that the charity collects reflects how it is meeting its mission and vision. Many charities have a number of different funders, who often ask for different types of data, and boards need to encourage their charities to stay focused on collecting **evidence that is meaningful for their organisation**.

It was generally agreed that understanding results properly requires an investment of **time and effort**, both from the board and from relevant members of the management team. Trustees should discuss with the chair what information they need to inform their decisions, and then the chair should sit down with the chief executive or other members of the management team to agree what data to present to the board. Participants noted that it was not productive for trustees to receive more information than they can process, or to place an unnecessarily heavy burden on staff—as one person commented, if trustees want additional data, they should first understand the work involved in producing it.

Measuring results well often requires **specialist knowledge and systems**. Depending on the type of charity, participants suggested that in some cases it may be appropriate for trustees to have some specialist training or to seek external expert advice, so that they understand what types of measurement are meaningful for their organisation, and how to interpret data. In other cases, it may be more appropriate to leave this to specialist staff, as long as the board agrees that they are collecting useful data and they provide regular updates to the board.

## Using evidence to inform decisions

Measuring impact has limited value unless charities do something with the data they collect. Boards need to **set aside time to review** their charities' results and discuss how the findings should inform the charity's strategy. This should happen on a regular basis, for instance by putting it on the agenda of board meetings. Some charities have sub-committees that are focused on results—The Place2Be for example has a quality sub-committee. Holding an away-day session to focus on results can also be valuable, giving trustees more time to get to grips with the evidence, as well as providing opportunities for trustees and staff to get to know each other better. Some trustees reported that hearing about a charity's impact from the staff or management team helps to generate enthusiasm and may make board members more willing to commit funds to particular projects.

We also heard interesting examples of how charities had **used evidence of impact to improve services**. Geoffrey Baruch related how the Brandon Centre's rigorous programme for monitoring the outcomes of its work has been central to informing the development of its services and enabling it to provide more effective support for young people with difficult problems. Similarly, Jean Templeton recounted how an independent evaluation of young people's journeys through her charity, St Basils, had helped the organisation think through whether it had the most effective processes and support in place to help those young people achieve their goals.

## Communicating impact

Participants noted that by communicating evidence of impact, charities can share lessons and findings about what works (and what does not) more widely, and strengthen their case to funders. Geoffrey Baruch explained how publishing the results of the Brandon Centre's evaluations, and working with policy-makers and academics, had helped to **develop the evidence base** for the interventions it uses to support vulnerable young people with mental health and behavioural problems, and to **inform the roll-out** of these interventions elsewhere.

Presenting evidence of impact can also help charities to **raise funds and leverage support** from other organisations. As public spending cuts kick in, this is likely to become increasingly important—more than ever, charities will need to prove their value to a cost-cutting government. Participants suggested that trustees should also contribute to these efforts, and take the initiative to communicate their charities' results to their networks. Again, trustees must first understand results if they are to convey them effectively, and must ensure that they are 'on message'.

## 6. Reviewing board performance

As well as understanding their charities' results, participants agreed that boards need to make time to reflect on their performance as a board. Different boards do this in different ways—some carry out their own board reviews, while others might hire an external consultant to evaluate their board, and some might use a combination of both approaches. However, generally speaking, participants acknowledged that evaluation does not happen as often as it should.

A few barriers to evaluation were discussed. Participants noted that trustees may be reticent about evaluation because they fear that formal assessment is too confrontational and may put trustees off from volunteering their time to sit on the board. Many people talked about the **difficulties of giving feedback**, both positive and negative. One trustee commented: *'We are all wonderfully English about it on my board ... we pussyfoot around problems.'* Tesse Akpeki noted that trustees who find themselves in this position may benefit from the template in *Good Governance: a Code for the Voluntary and Community Sector*, which advises how to hold difficult discussions in a non-threatening way.

### Deciding what to review and how to do it

Participants had mixed views about the **pros and cons of internal versus external evaluations**. Some felt that it can be difficult to justify the costs of hiring an external consultant to review your board. Tesse Akpeki shared one solution that some boards are using in the economic downturn, which is to do a **'trustee swap'**. This involves making an agreement with another charity working in a different field to do a peer evaluation. While the process needs to be handled carefully—both charities need to be committed to completing the evaluation thoroughly and with sensitivity—if done well, the boards of both charities can benefit from a fresh pair of eyes at no additional cost.

Evaluations do not only have to take place on a group level. It is also the job of the chair to ensure that individual trustees are performing well. Many trustees value having a formal **appraisal** process, with clear questions to be addressed.

### Building a culture of evaluation

Reviewing board performance should not be seen as a one-off activity, resulting in an evaluation report that gathers dust on a shelf. Boards need to learn from, and respond to, findings from evaluations. Dame Mary Marsh suggests that trustee boards could adopt an idea being introduced in the corporate sector to have a **senior independent director** who is responsible for helping charities to follow up on findings.

Participants also felt that turning board review into a **regular practice** can help develop a culture of openness and stop evaluation seeming like such a 'big thing'. It can also help boards to foresee and deal with problems before they arise.

As with all governance processes, the approach taken to evaluating board performance needs to fit the type and size of charity. Some participants felt that, while evaluation is important, boards must not become 'too navel-gazing'—the time that a board spends reviewing its own performance needs to be balanced with other priorities.

## Conclusion

Governance has never been a more important issue in the charity sector. Events in the City over the last couple of years have emphasised the results of poor governance, and as charities grapple with the effects of the economic downturn and cuts in public funding, the challenges to boards become greater.

The high turnout at NPC's seminars suggests that many trustees are concerned with finding ways to make their charities and their boards more effective. As well as the challenges to good governance, we heard plenty of examples at the seminars of boards that have overcome problems, such as weak chairs or charities whose activities have veered off-mission. Sharing failures as well as successes is vital if boards are to find ways to develop and improve. Charities can look to these examples and learn from the lessons they give. By sharing the discussions from the seminars, we hope that more trustees will be encouraged to think about what steps their board can take to increase its contribution.

Trusteeship is an ongoing area of interest for NPC and in February, March and April 2011, NPC will be jointly hosting a further series of three seminars for trustees with The Clothworkers' Company. These seminars will look in more detail at how boards can review and improve their performance, and will also explore issues that are particularly relevant in the current climate, such as how trustees can guide their charities through challenging times, and what they need to know about collaboration and mergers. Further information will be available at [www.philanthropycapital.org](http://www.philanthropycapital.org) from December 2010.

## Appendix: Seminar information

### First seminar: How trustees can make their charities more effective

If charities are to survive the tough environment they find themselves in, they must operate as effectively as possible. It is the role of trustees to 'carry the can' and lead from the front. All trustees should have an understanding of how well their charity is performing, including where it is successful and where it could improve. New Philanthropy Capital (NPC) invited three speakers—a chair, a trustee and a chief executive—to give their perspectives on how trustees can make their charities more effective.

#### Speakers

- **Belinda Vernon**, head of research at NPC, introduced the seminar and gave an overview of *The little blue book*, NPC's practical guide to analysing charities, on which the seminar was based.
- **Michael Fowle**, chair of trustees at The Place2Be, has been involved in boards for the last 20 years and offered a chair's perspective on what he thinks are the ingredients for good governance.
- **Susan Ringwood**, chief executive of beat, the eating disorders charity, spoke about how she led her board through a challenging restructure, and described what a chief executive wants from his or her board.
- **Hazel Auton**, a trustee of Samaritans, discussed her role as a trustee of a volunteer-led organisation, where the ratio of volunteers to staff is 200:1, and talked about some of the challenges involved in governing such an organisation.

### Second seminar: How boards can maximise their own contribution

A good board is about more than just having the right structure and processes in place. How a board operates is equally important. The recent board crises in the City highlighted this point—the problems on these corporate boards were the result of poor relationships and a lack of constructive questioning within the boards, rather than structural issues.

So how should trustees manage relationships on the board, and between the board and senior management? And how can trustees know if they are performing well as a board? NPC invited three speakers to join Belinda Vernon, NPC's head of research, to explore these issues.

#### Speakers

- **Belinda Vernon**, head of research at New Philanthropy Capital, introduced the seminar and talked about the six characteristics of a good board, as identified in New Philanthropy Capital's Board matters report.
- **Dame Mary Marsh**, director of the Clore Social Leadership Programme, spoke about leadership in the voluntary sector and explained what it means for trustees to be 'critical friends'.
- **Tesse Akpeki**, an independent consultant for Bates Wells & Braithwaite's OnBoard service, is an expert in behavioural governance. She offered advice on how to build better relationships within boards.
- **Ken Olisa**, chair of Thames Reach, talked about the role a trustee board has in both setting strategy and monitoring the execution of strategy, and what qualities he thinks a good chair needs to fulfil this steering role.

## Third seminar: What trustees need to know about impact

One of the responsibilities of trustees is to shape their charity's strategy. To do this they need information on their charity's performance so they can provide informed advice on how and where the charity should focus its efforts. If trustees do not have evidence of their charity's impact, then, quite simply, they cannot know what it is achieving.

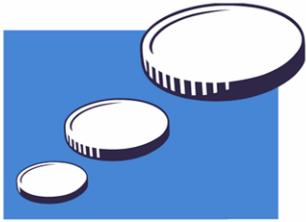
The need for trustees to push their charities to collect results is particularly pressing in today's political climate. The new government is focused on finding value for money, and charities are under increasing pressure to demonstrate that they are worthy of investment. Even independent grant-makers are increasingly asking for results as a condition of funding.

Charities are great innovators, but this innovation must be supported by evidence; otherwise successful approaches will never be adopted more widely and unsuccessful ones may be replicated. Two charity chief executives joined Lucy Heady, NPC's head of measurement, to explore these issues further.

### Speakers

- **Lucy Heady**, head of measurement at New Philanthropy Capital, opened the debate and asked trustees how many of them would be confident saying what impact their charity was achieving.
- **Geoffrey Baruch**, director of the Brandon Centre, a charity that provides support for young people with mental and sexual health issues, discussed how charities can contribute to the wider evidence base. He shared his experiences of how the Brandon Centre's rigorous approach to outcomes measurement has enabled it to refine and extend its services, and to share its findings with other charities, and also with government, clinicians and academics.
- **Jean Templeton**, chief executive of homelessness charity St Basils, addressed the question 'How can you make measurement meaningful for your organisation'. She discussed how her organisation had tackled the problems it faced with measuring its impact.

A fourth speaker, Steve Leach (senior trustee at the mentoring charity Chance UK), was sadly unable to attend on the day.



## New Philanthropy Capital

New Philanthropy Capital (NPC) is a charity consultancy and think tank dedicated to helping funders and charities to achieve a greater impact.

We provide independent research, tools and advice for funders and charities, and shape the debate about what makes charities effective.

We have an ambitious vision: to create a world in which charities and their funders are as effective as possible in improving people's lives and creating lasting change for the better.

For **charities**, this means focusing on activities that achieve a real difference, using evidence of results to improve performance, making good use of resources, and being ambitious to solve problems. This requires high-quality leadership and staff, and good financial management.

For **funders**, it means understanding what makes charities effective and supporting their endeavours to become effective. It includes using evidence of charities' results to make funding decisions and to measure their own impact.

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