



## Connecting Up 2011

### Conference theme: Reboot Your Nonprofit

*Control your position in the sector,  
Alt(er) your perception of On-line tools,  
Delete your fear of Change*

1-3 June 2011, Melbourne, Australia

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Summary of Conference presentation by Jean Roberts:

*The critical link between Governance, IT/Technology, Staff Competencies and Resource Availability.*

Relevant Conference Goal: *To continue the momentum towards a national approach to ensuring that the technology capacity of nonprofit organisations allows them to effectively operate and harness opportunities for fundraising, membership, marketing and innovative service provision.*

Relevant Conference Stream: *Refresh your governance*

Reboot Your Nonprofit:

- *To control your position in the sector, you need to know your current and desired positions*
- *To alter your perception of on-line tools, you need knowledge of and confidence in the use and usefulness of on-line tools*
- *To delete your fear of change, you need to be convinced that on-line tools can add value*

**There are three key components in examining any problem, challenge, need or opportunity – and the Conference theme represents, at different times and in different circumstances, a problem, a challenge, a need, and an opportunity.**

Each nonprofit Board is wise to monitor and examine these three key components:

1. Human factors:
  - The people involved with or affected by the activities of the nonprofit organisation – both internal and external,
2. Task factors:
  - The functions, activities and systems that together determine the quality of service delivery, and viability of the nonprofit, and
3. Environmental factors:
  - The context or environment within which the nonprofit operates – again, both internal and external.

I emphasise that these notes are a summary – my presentation included examples of personal and other experiences in the governance of nonprofits that illustrate the title.



## My background

Director of Roberts Management Concepts Pty Ltd since 1985 - working in all States and Territories of Australia and in New Zealand, USA and Canada as a consultant, facilitator, trainer, writer and speaker – specialising in the governance and management of nonprofit organisations, and in small and medium enterprises.

Experience prior to 1985 included partner in a family precision engineering company for more than 15 years with these ongoing benefits:

1. hands-on experience with quoting and estimating;
  2. appreciating the importance and value of having a 'proto-type' of a client's requirement before commencing the quote;
  3. the habit of developing and refining appropriate tools, strategies, checklists, etc., to analyse and solve a problem, capitalise on an opportunity, and ensure a consistent manner and style of working.
- followed by a decade of employment as a Community Education Officer, linking schools and their communities in identifying and addressing local needs, and introducing community-based programs and initiatives:
- adapting the benefits outlined above from specifications and measurement to the needs, interests and aspirations of people experiencing difficulty in their lives.

My volunteer involvement within the nonprofit sector in Australia began as a teenager and continues to this day.

## The Critical link between Governance, IT/Technology, Staff competencies, confidence and comfort, and Resource availability

1. If your nonprofit organisation is an association, cooperative, company limited by shares or guarantee, or registered by Act of Parliament, it is a legal entity
2. As a legal entity, it will have a constitution or similar document, sometimes referred to as Objects & Rules – which will state the legal requirements of the entity regarding:
  - a) name of the legal entity,
  - b) statement of purpose or objects and powers,
  - c) definitions or interpretation, and
  - d) rules – starting with the membership base, and including role, make-up and method of election or appointment of the governing body (committee or board or management in an association, or board of directors in a nonprofit company or cooperative),
3. There are three major components of governance, ie the role and function of the governing body, broadly:
  - a) to endorse the strategic and policy framework for the organisation,
  - b) to ensure financial viability of the organisation,
  - c) to ensure compliance with all legislative, statutory and contractual duties and obligations, and
  - d) where paid staff are in place, to undertake the role and responsibilities of employer,
4. The governing body is responsible and accountable – initially to the membership base of the legal entity – for what it does and doesn't do, and is required to comply with:
  - a) incorporation legislation and regulations,
  - b) the constitution as approved by the Regulator, and
  - c) terms and conditions of funding, service and contractual agreements (which may include accreditation/standards requirements),
  - and should ensure that it is covered for Directors' and Officers' Insurance – and carefully read their policy, particularly the Exceptions Clause,



5. A component of ensuring the financial viability of the organisation, the governing body is accountable for budget oversight and monitoring – which extends to ensuring the best possible use of available or accessible financial resources

## Refresh your Governance

The key question for any nonprofit governing body whose organisation is using IT/Technology internally is this:

- *Is IT/Technology working better than what it is meant to replace?*

There are varying levels of awareness, confidence and competence among nonprofit governing bodies about the role of IT/Technology in their organisation. It is critical in this day and age that at least one member of a governing body has a background, working knowledge and acute understanding of the opportunities and challenges associated with IT/Technology. The role of this person includes helping the board-as-a-whole to understand the:

- a) problem to be solved,
- b) function to be introduced or improved, or
- c) opportunity to be considered and carefully costed.

The role and benefit of the IT/Technology-aware board member can include:

- a) interpreting language and jargon,
- b) understanding what the board currently knows
- c) understanding what the board doesn't know, and
- d) the questions it needs to ask of potential external advisors, tender respondees or suppliers

## Each nonprofit Board is also wise to consider these three questions about their own nonprofit:

1. Has the development of technology left the importance and value of the human factors (ie people) behind?
2. Are we bringing people's competency along at a rate sufficient for them to be comfortable, confident and competent with technology?
3. Is technology working better than what it is meant to replace?

## Tool No. 1: People/Task/Context

Three major components of analysis prior to the introduction or updating of IT/Technology:

- **People**
  - Plan to train, support and supervise people in the organisation who will be involved with or affected by IT/Technology as individuals,
  - It is predictable that some will learn easily and well, some will have great difficulty, and others will just give up
  - The secret of competency is frequency: people will improve in confidence, competency and comfort if they frequently use the IT/Technology for which they have been trained
  - Where frequency is not a factor for a trainee, the training may simply be a waste of time and money – as well as taking the trainee's time away from their core responsibilities, and reducing the trainee's level of job satisfaction
  - Where frequency is not a factor for the organisation, the board should develop an appropriate policy and procedure for outsourcing of related functions
- **Tasks**
  - Introduction of or improvement through IT/Technology should either improve the efficiency and effectiveness of a task or function, or increase or improve the organisation's core business or core business relationships
  - Such improvements need to be measurable



- **Context/environment**
  - Take account of what else is going on for the people involved with or affected by the introduction or updating of IT/Technology
  - There is a right time for this activity, and 'success' depends on more than the IT/Technology itself

## Tool No. 2: CIPPOO

- a) **Context** – what else is happening?
- b) **Inputs** – what do we need from IT/Technology – apart from and additional to the 'package'?
- c) **Process** – how is it to be introduced?
- d) **Product** – following introduction, what is now usable or possible?
- e) **Output** – therefore, what can we now create/improve?
- f) **Outcome** – with what benefit/value, and to whom – including our organisation?

## Tool No. 3: Project Plan

- a) **Desired outcome** – what benefit or value is required from the introduction or improvement of IT/Technology?
- b) **Current situation** – what's happening or not happening now, before the introduction or improvement?
- c) **Gap to be filled** – what's the measurable difference between (a) and (b)?
- d) **Role of IT/Technology** – how, and to what extent, do we expect IT/Technology to contribute to (c)?
- e) **Timeline** – what is the defined period of time necessary to ensure (a)?
- f) **Budget** – a thorough analysis of cost, value, price – and opportunity cost?
- g) **Evaluation method** – how will we monitor and measure process and progress of moving to or achieving (a)?

## Tool No. 4: Culture and Climate

- a) **Equal value for people/tasks/context** – does our organisation usually give equal value to these three key components in planning and implementation/introduction?
- b) **Comfort, confidence, competencies** – do we treat our people as individuals, with respect for their individual levels of comfort, confidence and competency with IT/Technology?
- c) **Best use of available/accessible resources** – does our board always ensure the best possible use of available or accessible resources, and are there board-endorsed policies and procedures in place to ensure consistency and internal compliance?
- d) **Best possible practices and services** – does IT/Technology feature strongly and effectively in ensuring the best possible staff practices that in turn ensure the best possible service for our clients/consumers/customers?

## *Connecting Up Australia – a social research project to explore the capacity development priorities of the nonprofit sector in Australia 2009-2010*

This Report, *What do Australia's Nonprofits really want?* is available on the Connecting Up website, and can be freely downloaded. These quotes are from the Conclusion, page 20:

- *The Listening Project held at its core the spirit of open mind and open discussion to unearth the challenges and priorities of the nonprofit or Third Sector in Australia, as expressed by the sector itself – in its breadth of size and diversity.*
- *Perhaps if we take nothing else from this study it is that while we operate in a highly competitive environment, identifying and uniting for our common cause, could be the key to strengthening our value proposition and unlocking the doors to the capacity development and paradigm shifts our sector needs.*
- *We look forward to monitoring developments and engaging stakeholders about the findings and possible strategies in addressing the issues raised. We endeavoured to listen. Now we need to show that we have heard.*



## *My action-research to assess the training and support needs of voluntary committees of management, 1989-1996*

**Pilot:** In January 1989, a \$5,000 grant was received from the (then) Victorian Department for Community Services (DCS) to pilot committee of management support through 3 on-site consultancies with member-agencies of CIDA (Council of Intellectual Disability Agencies Incorporated, Victoria)

**Years 1-3:** Based on the Pilot, a 3-year \$50,000 grant from (then) Community Services Victoria (CSV) followed to assess the training and support needs of voluntary committees of management in CIDA member-agencies through an additional 12 on-site consultancies. A further 3 on-site consultancies were possible through Victorian Community Foundation funding during this stage, adding a further \$9,000 to the Project Budget.

The 3-year Project culminated at the 1992 CIDA State Conference in the launch by Mr Peter Allen, General Manager of CSV, of the 'Craft of Managing' Training Manual. The Manual was designed on the action-research to date, which included a total of 21 on-site consultancies and participation in total of 52 member-agencies. The objective of the Manual was to inform and develop management confidence, ability and skill among committee members and key staff in CIDA member agencies.

**Year 4:** In 1994, CIDA received a further \$15,000 grant from Department for Health and Community Services (H&CS) to examine the potential of the 'Craft of Managing' Training Manual as a committee of management training and support tool and as a basis for quality management, both within CIDA member-agencies and in the 'generic' community development field. A 'generic' version of the 'Craft of Managing' Training Manual was published in 1996, introduced through a seminar program and distributed to all disability services in Victoria - the content having been trialed over a 2-year period within CIDA's membership and wider afield.

**Through the next eight years,** I canvassed and responded to issues of interest and concern from people at governance and management levels of a wide range of nonprofit organisations in Australia.

**In 2004,** my book/CD ROM, [Managing Governance in Nonprofit Organisations in Australia](#). The CD features 44 Units to guide nonprofit Boards on ensuring the best possible practices and systems to ensure the best possible services. Three Governance Kits followed between 2006-2008 on roles and responsibilities, partnership relationships, and the personal responsibilities of Board members. Each Kit offers a series of Discussion or Reflection Worksheets to encourage self-appraisal by the Board-as-a-whole or by individual Officers and Board Members

In June 2009, my website was restructured to cater specifically for nonprofits and SME, with currently 100+ articles freely available. On-line purchase of e-books and paper-based publications is also available.



## Content references under Core Business Strategies

- Management and Leadership: Risk and Quality are two sides of the one coin
- Jean's Core Business Strategy No. 10: Strategic Business Relationships Checklist – checking the trust factor
- Jean's Core Business Strategy No. 9: Retrospective Planning
- Jean's Core Business Strategy No. 8: Project Mentality and Management
- Jean's Core Business Strategy No. 7: Business Brainpower
- Jean's Core Business Strategy No. 6: Traps in Tendering and Outsourcing
- Jean's Core Business Strategy No. 5: Financial Risk Management – don't neglect your debtors!
- Jean's Core Business Strategy No. 4: Marketing Strategy for SMEs – including tendering
- Jean's Core Business Strategy No. 3: Performance Indicators, Measures and Targets
- Jean's Core Business Strategy No. 2: The Art and Science of Business: 'Critical Success Factors – Jean's A-Z'
- Jean's Core Business Strategy No. 1: Unshakeable Fact Test

## Content references under Nonprofit include:

- Managing Workplace Relationships
- A package of three Management Group Activities for in-house/on-site Learning and Development
- Guiding Principles relating to Measurable Consumer Outcomes
- Jean's Nonprofit Board Member Recruitment and Orientation Checklist
- Individual Work Practices – don't ignore them!
- Managing Fear about Nonprofit Board/Committee Performance
- A Management Group Activity to assess the effectiveness of internal policy and procedure manuals