

Despite all the talk of increasing professionalism in the sector, over the past few years it has become all too apparent that charity leaders are neglecting their own professional development – very often to the detriment of their organisations. Throughout 2004 there were numerous calls for urgent action to address the sector's training needs, with Tony Jefferson, leadership project director at the Association of Chief Executives of Voluntary Organisations (Acevo), saying that the situation was reaching "crisis point". Results from Acevo's 2004 Personal and Professional Development Survey appear to bear this out: although 87.3 per cent of organisations invested in training for their chief executive, the amount spent had actually fallen by 7.2 per cent from 2001, down from £1,340 to £1,243 for each individual.

These figures are a far cry from the amount invested in professional development by other sectors, and the evidence suggests that the third sector needs to triple its spend to bring it into line. According to the likes of Acevo it means organisations aren't as effective as they could or should be.

To try and remedy this situation, Acevo has recently teamed up with the Institute of Directors (IoD) to create a Diploma in Company Direction tailored specifically for third sector leaders. The diploma covers all aspects of corporate governance, responsibility and strategy, and those who successfully complete it can then go on to become chartered directors – revered as the leading qualification for executive and non-executive directors (NEDs).

One of the key tests of the credibility of the course will be whether it leads to more charity leaders gaining NED positions on private sector boards. Acevo

Great expectations

There have been frequent calls for charity chief executives to increase the amount they invest in their professional development. Becky Slack wonders whether new training opportunities will be enough to raise the bar

is keen to promote this. It reckons cross-sector relationships will benefit both the individuals involved and the sector by helping people develop the competencies vital for effective leadership. Yet it has proved notoriously difficult for charity chief executives to secure NED positions.

Both the Higgs report in January 2003 and the Tyson report the following June noted a lack of third sector NEDs, with each paper making the case for greater board diversity. And as recently as December 2004, the Department of Trade and Industry (DTI) published its *Building Better Boards* report, in which it noted that "people from the third sector are generally perceived by companies as lacking requisite business skills and experience, and the credibility to carry conviction with shareholders."

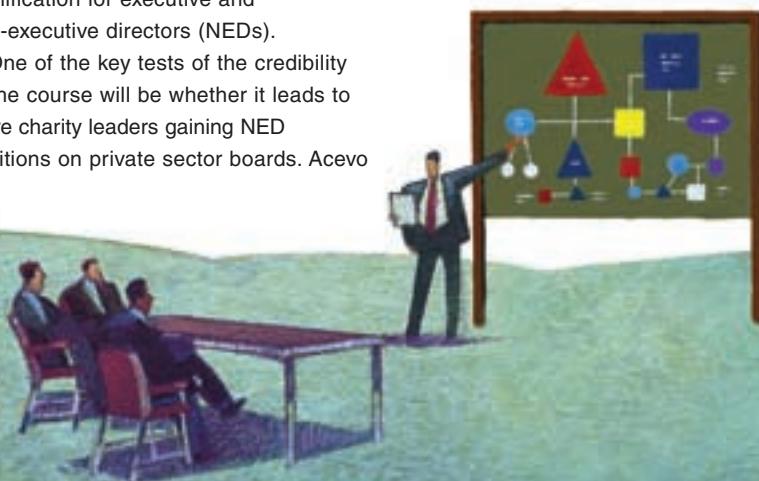
The DTI report argued against this assumption, pointing out that many third sector leaders have specialist technical and scientific knowledge as well as skills in dealing with a diverse cross-section of stakeholders and politically sensitive issues. However, consultant Mike Tindall from Odgers, Ray and Berndtson, a leading search firm that places senior level staff,

admits that the commercial sector continues in its failure to recognise the complexities of the charity chief executive's role, citing a lack of commercial experience as a major factor in the reluctance of organisations to place them.

Acevo hopes the Diploma will alter this perception. "What we're looking at here is evidence of our commitment to continuing professional development for the individual, the organisation and the sector," says Gail Scott-Spicer, its deputy chief executive. "It really isn't true that charity leaders don't have relevant experience for the private sector and this qualification is one way of showing that they are well qualified and trained."

So far charities seem happy to take on the challenge there. The first cohort for the diploma is almost fully booked with 16 of the 18 places filled and even the second phase has nine people confirmed, indicating that chief executives are keen to show their worth.

Tony Hawkhead, chief executive of environmental regeneration charity Groundwork, is one candidate to enroll. He hopes that the qualification will help him get the NED position he's looking for. So far, he says, the advice from headhunters has been to forget about the private sector and consider public bodies instead. "There doesn't appear to be any logical reason for this," he says, "other than the sense in the business world that



professional development

they are different to us and that we're a bit wet. But we have to be careful in the voluntary sector that we don't appear to be saying that we deserve to be on these boards. We can't just beg for it and expect it to happen. We have to show that we're professional and good enough, and this qualification will go a long way in helping demonstrate that."

Other groups are also tackling the issue. On the back of its December report, the DTI is sponsoring a conference, scheduled for mid-March in conjunction with City University's Cass Business School, to allow third and private sector board members to debate the issues associated with NED recruitment. Cass, which already offers four different degrees tailored to the sector through its Centre for Charity Effectiveness (CCE), then intends to take this further by offering a training programme for those charity leaders wanting to seek such positions.

But will these be enough to convince the private sector that charities have something to contribute? After all, the IoD diploma is still a world away from the MBA so many companies' executives boast. The diploma involves a series of eight workshops comprising 15-days study at a cost of just over £3,500, against the year or more intensive study and £30,000 price tag demanded by some MBAs. In fact, the comparison is probably unfair. As Simon Bull, manager of the Chartered Director at the IoD, points out, an MBA is a management qualification focusing more on operational day to day issues. The IoD's

courses, however, aim to be more strategic in their outlook. "Directors face a very different set of responsibilities to managers," he says. "They should also be concentrating on vision and strategy."

The more pressing problem is likely to be convincing those inside the sector. As Professor Ian Bruce, the former director general of RNIB, and head of the CCE, admits, many still think experience is enough – and, unfortunately, they are partly right. He is adamant that the key to making the most of leaders' potential lies in integrating theory with practice. But, he admits: "If you think you can get by on your experience alone, you're right; there's no doubt about it."

Similarly, at the Directory of Social Change (DSC), which also offers a wide range of training courses, its deputy chief executive, Meena Varma, says: "Senior staff tend to think that they don't need to complete courses." Most DSC courses are therefore not geared towards senior level staff.

This doesn't mean there isn't interest in the sector, however. For instance, according to Varma there has been a massive increase in the number of chief executives attending leadership conferences. But it does seem there is a stubborn resistance to anything but the most cost-effective ways of picking up skills at the top. Until this changes, complaints by third sector leaders that their professionalism goes unrecognised are likely to fall on deaf ears. In enterprise, money talks, and businesses seem to have concluded it is time charities put their money where their mouth is.

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