

# CULTURE - THE MAKING OR BREAKING OF THE CHARITY SECTOR



## WHY BOTHER - WHY NOW?

In the wake of a number of charity scandals, the charity sector is increasingly under the microscope. Behaviours, values, ethics and culture are being investigated, questioned, and challenged like never before. [Trust](#) is at an all time low.

Where mission and purpose were previously seen as enough to attract talent and encourage ethical behaviours in the sector, the incidents of individual behaviours damaging reputations are forcing organisations to hone in on their culture, their values, and how they hold people to account.

At the same time as the private sector is increasingly positioning around purpose and drawing in the traditional 'charity' talent, over half (53%) of people say they think they can make a positive impact on the world working for a business, as opposed to just 35% for a charity. As a result, charities are learning that their own positioning and purpose needs to be much stronger, much more inspiring, much more emotional, and much more impactful.

We've all seen the mistakes; we've all experienced the talent drain. But what's less explicit is what happens if you get this right. When culture becomes the making of you, it pays dividends in the long-run. It's no coincidence that 80% of the Top 10 Charity Brands and [most loved charities](#) are those that have a purpose or set of values (the cornerstones of culture) clearly articulated on their website.

## WHAT DOES GOOD CULTURE LOOK LIKE?

Many people assume culture happens organically - and if you have a clear mission or purpose that employee engagement will follow. Unfortunately, they're wrong.

- 1 Like any good strategy, culture begins with a vision: What do you want it to feel like to work here? How do you need to behave and what structures need to be in place for that to happen? How do you make decisions? How do you hold people to account?
- 2 The next stage is finding the 'how' - if that's your vision, what are the values and principles you need to abide to. Here it's essential to work with employees to co-create the outcome to ensure they're truly unique and you're building ownership from day one. Each value should include a series of defined behaviours. These will become the cornerstones of your decision making and accountability framework ([here's](#) a great example from JRF).
- 3 Once you've found your values or principles, you can use these as a framework to analyse where you are now and the gaps you need to address. Then you must develop a clear, measurable plan to live them. It won't happen organically - people need to see the change and believe the change before they can expect to own it.

**37%**

have been put off working for a charity because of recent scandals

**More people (18%)**

think they can make an impact through working for a business over a charity

**18%**

have left a charity because they weren't making enough impact

## WHERE'S THE SECTOR GOING WRONG?

After reviewing the strategies of the top 100 charities and speaking anecdotally to many people working in the sector we have identified three pitfalls.

### Over-reliance on mission

The sector has something unique - "if you join a charity you can guarantee you're making a difference in the world. No other sector can offer that same guarantee." That's where things have changed. With the private sector increasingly positioning around purpose - and with money to throw at it too - they're drawing in the talent.

Where people previously chose the third sector for meaningful work, now they're spoilt for choice. Where previously people previously donated to charity, now they're investing in crowdfunding project. Just being a charity isn't enough. Almost one in five people have left or have considered leaving a charity because they weren't making enough of an impact. Only 14% of the top 100 charities have repositioned around purpose so far in response. Read more on this [here](#).

### Lack of investment

Investment in people and culture has often been an afterthought within the sector for the reasons above. Yes money is tight in the sector. Increasingly so. But with only 29% of people saying that the culture within charities appeals to them, the sector's really missing a trick. Investing in culture can improve fundraising - good cultures attract donors and reduce recruitment budgets - in a recent [report](#) 72% of UK workers said they'd stay longer if they felt more emotionally connected to the organisation - and increase impact by creating alignment around decision making and strategic priorities.

Resonating? [Take our quiz and find out](#) if you're alone (our guess is you aren't).

### Generic values or principles

Where investment has been made or attempts at culture have been tried it's often resulted in generic, bland, undistinguishable values. We found that, of the top 100 charities, 55% had clearly cited values on their website but 63% of those were the same as another charity's - ironically trust, integrity and respect are the most cited. Why is this a problem? Because when every charity has the same values, they become meaningless - you could move from one culture to another without noticing a difference in focus. It doesn't highlight what makes you unique and as result, the sector will end up working in the same way to achieve the same goals.

**45%**

have heard negative reviews about working for charities

Over **55%**

of the top 100 charities have values - but over

**63%**

of those are the same as another charity

**Want to find out more about how purpose and values can transform your charity? Register your interest in our upcoming workshop on the subject by emailing [info@kinandco.com](mailto:info@kinandco.com).**