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charity consulting

ThirdSector

Charity Pulse 2007
Sector-wide Report

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Introduction

You can hardly pick up a newspaper these days without reading how wonderful it is to work for a charity. How it gives people a sense of purpose and how you just can't compare marketing soap powder with raising money to save the planet. We're sure that many of you reading this report will agree with the sentiment, but if working in the voluntary sector provides the dream jobs we are all looking for, then why is it that staff turnover in charities so high?

Charities should be great places to work - and that's not just because it's nice to see lots of happy, smiling faces on a Monday morning. It's because developing and retaining experienced and enthusiastic employees makes a real difference to a charity and its cause. The cost of staff turnover in the sector is substantial - and is increasing every year. Valuable knowledge and expertise is lost when staff move on - yet most charities never get below the surface and understand why their staff really leave and only half of all charities carry out any sort of staff satisfaction survey.

So we thought it was about time we went beyond the headlines and gathered our own data on what charity workers really think about their jobs. In March 2007 we linked up with *Third Sector* to launch a new annual sector-wide survey. Called *Charity Pulse*, the survey is a new approach to measuring staff satisfaction in the voluntary sector, because it enables individuals working for any charity to take part.

The survey asked for charity employees' views on morale and work-life balance; about the quality of people management at their charity and the old chestnut of internal communications; about the opportunities for personal development and, of course, their views on pay.

The aim of this research is to build up a picture, year on year, of working life in charities and to provide a catalyst for improving people management and staff retention across the sector.

Many thanks to all of you who took part. We hope that reading this report will inspire those of you who didn't to get involved next year!

Frances Hurst
Sam Attenborough

Who took part?

The inaugural year of the survey has been a resounding success with over 700 charity people taking part, representing 115 charities.

Individuals working for charities both large and small took time out to complete the on-line questionnaire.

Some key facts about the respondents:

	All respondents
Male - female split	27% - 73%
Under 30 years old	25%
Earning over £30k	35%
Working part-time	20%
Never work from home	37%
Working for a charity with less than 200 staff	62%
Working at their charity for less than 2 years	43%
Working at their charity for more than 4 years	33%
Working at their previous charity for less than 2 years	42%
Working at their previous charity for more than 4 years	23%

The search for meaning

A healthy 91% of respondents stated that they understood what their charity wants to achieve as an organisation, indicating that internal communication of most charities' mission and vision is consistent and clear.

Communication between different teams and departments is more of a challenge, with only 35% of respondents feeling that cross-team communication is effective in their organisation.

84% of people are proud to work for their charity. This is highly commendable when you consider that the comparable figure for the ten highest scoring companies in the *Sunday Times Best Companies to Work For* survey was 91%. Only 70%, however, feel sufficiently satisfied with their organisation to recommend their charity as an employer. The comparable figure for the best *Sunday Times* companies was 92%, indicating some divergence in the sector between commitment to the cause and the reality of working life in a charity.

But if meaning is what we are looking for, then the sector does appear to strike a chord. 64% of charity staff agreed with the statement: *"This charity really inspires the best in me"*. A directly comparable figure from a recent corporate sector survey was a paltry 15%.

... but at a price?

86% of people say that they enjoy the work they do, with 78% feeling that they are making a difference. However, a lot of staff are putting in long hours with just 36% working no more than their contracted hours in a typical week. We have no trend data for this figure yet, but interestingly across the UK as a whole, the Work Foundation reports that the proportion of employees who work more than 45 hours a week has fallen over the past 10 years, from a peak of 37% in 1998 to 28% currently.

Overall, only 39% of charity workers agree that they rarely get stressed at work and just 44% feel that morale in their charity is high.

Task v people management

Although a healthy 82% of respondents are clear about what is expected of them in their jobs, only 60% of workers feel that they get the support they need to do their job well.

Managers typically find that dealing with poor performance is one of the most difficult challenges they face. This certainly comes through here with only 27% of respondents feeling that it is handled effectively at their charity.

While 61% of respondents feel that they receive sufficient training to enable them to do their jobs well, just 43% feel supported in developing their careers.

Voting with their feet?

We hear a lot about the rapid turnover of jobs in the sector, so just how long do people stay in their jobs?

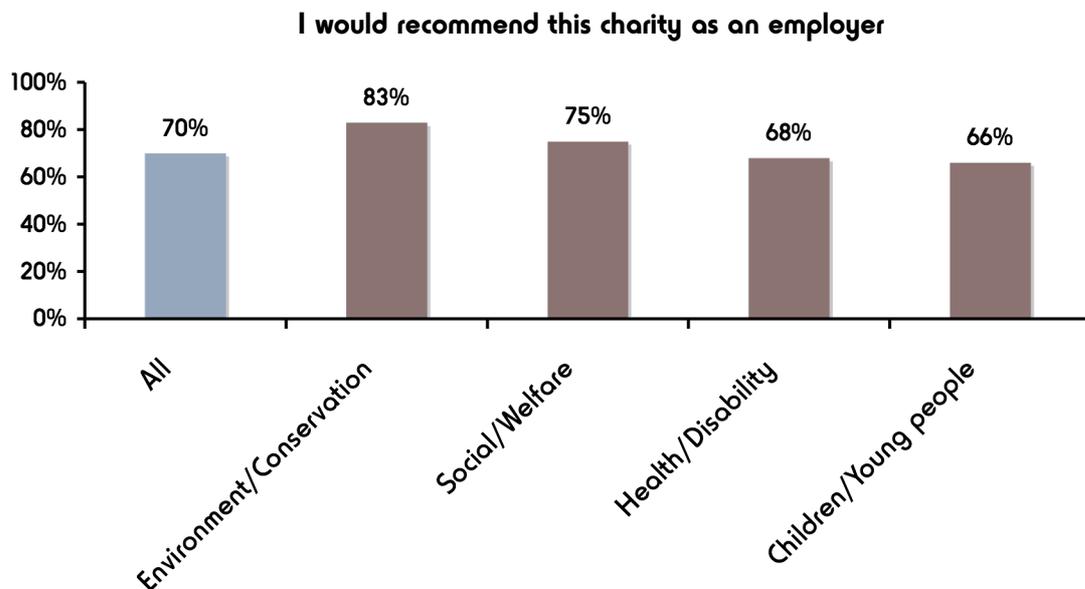
Respondents to this survey have worked for their current charity for an average of 4.2 years.

Those who had come from another charity role had stayed with their previous charity for an average of 3.6 years.

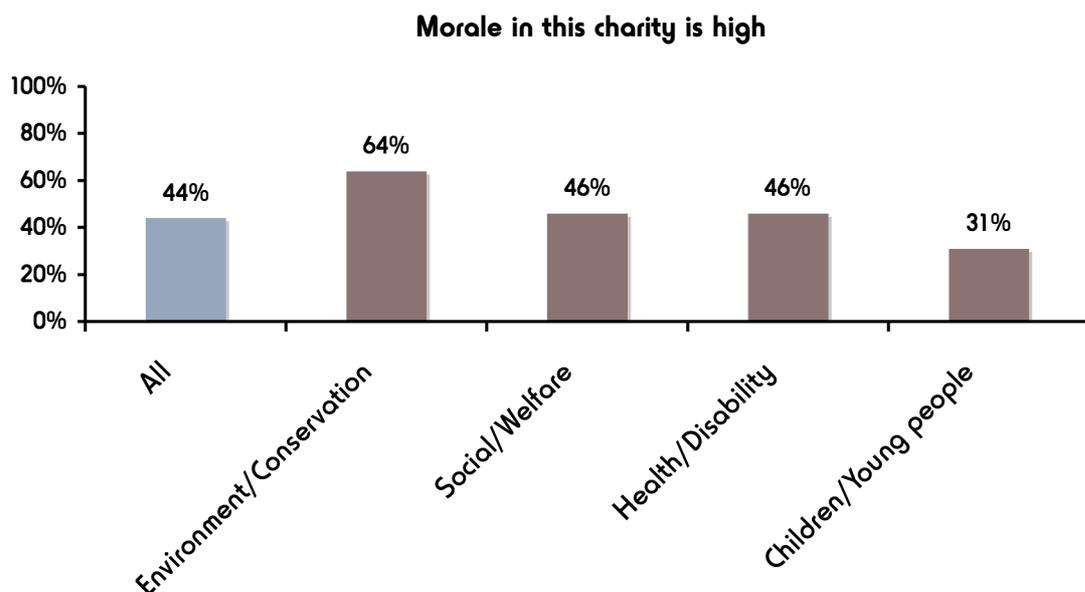
Who wears the biggest smiles?

Green is good for you

Comparing the different sectors, those working for environment or conservation organisations and in the social and welfare arenas are the most satisfied with their organisation. Those working with children and young people, least so:

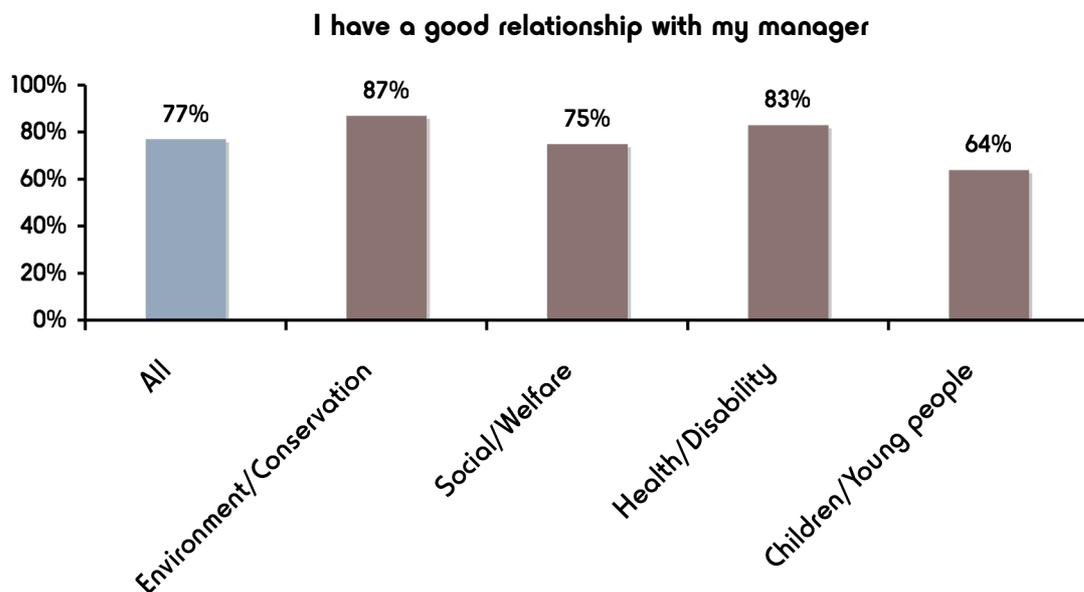


When it comes to morale and work/life balance, environmental and conservation charities come out on top again, for example:

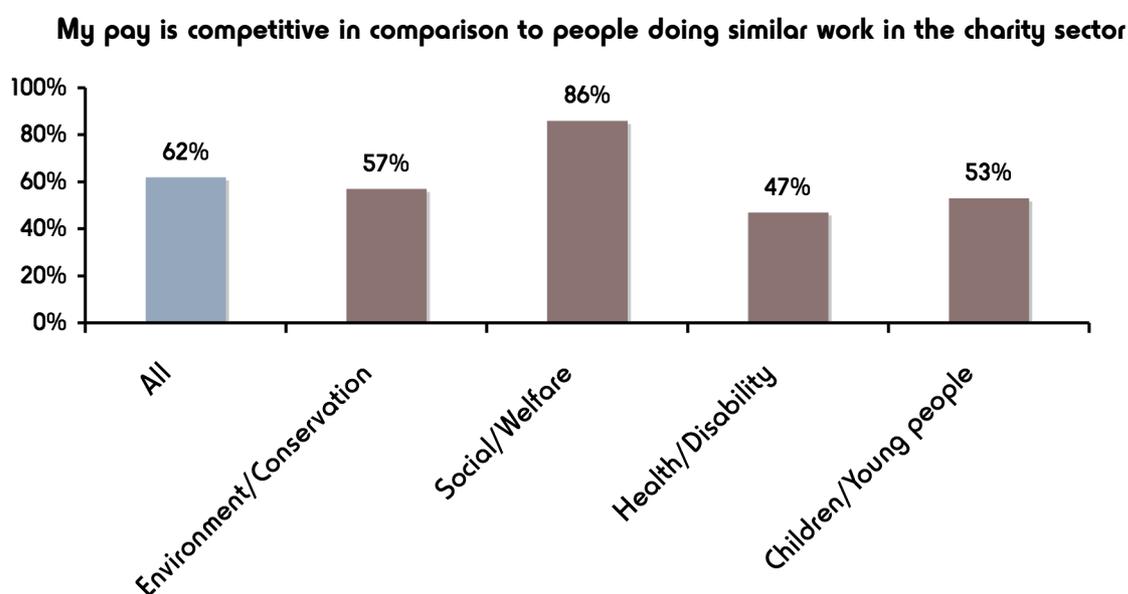


(NB. Percentages are combined 'agree' and 'strongly agree' responses, unless otherwise stated.)

There are no significant differences of opinion between the sectors on the quality of people management generally, however responses did indicate some variation in the quality of individuals' relationships with their immediate managers:



There are some significant differences between sectors with regard to perceptions of competitiveness of pay. Environment and conservation charities do not score as well in this area, helping to confirm that pay is not the most significant factor in staff satisfaction in charities:



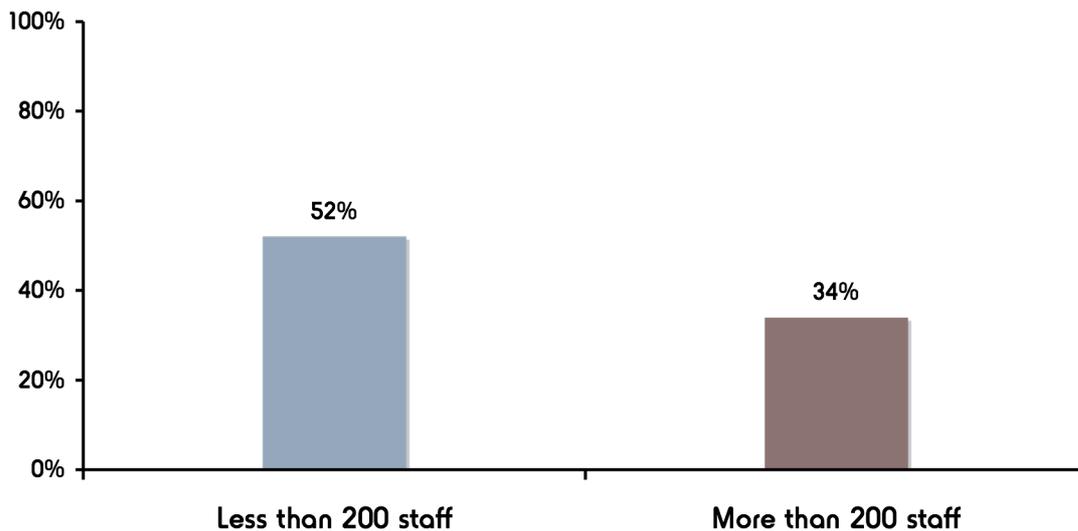
(NB. Other sectors were not represented in sufficient numbers in the survey to enable them to be included in these analyses.)

Small is beautiful

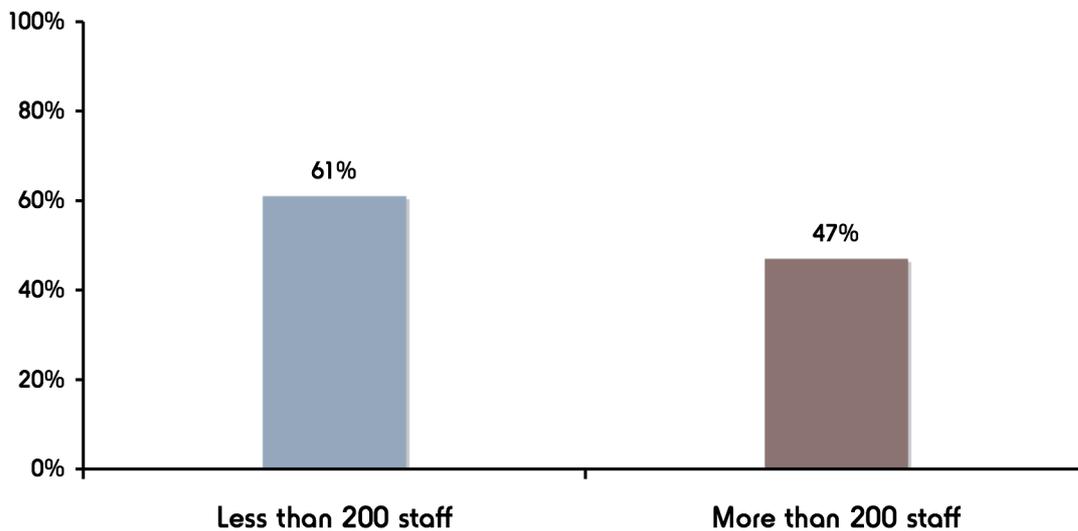
Some of the biggest differences of opinion within the survey are to be seen between charities of different sizes. Individuals working for charities with less than 200 staff responded more positively throughout than those employed by charities with more than 200 people.

For example, people working for smaller charities are much more enthusiastic about their senior management team:

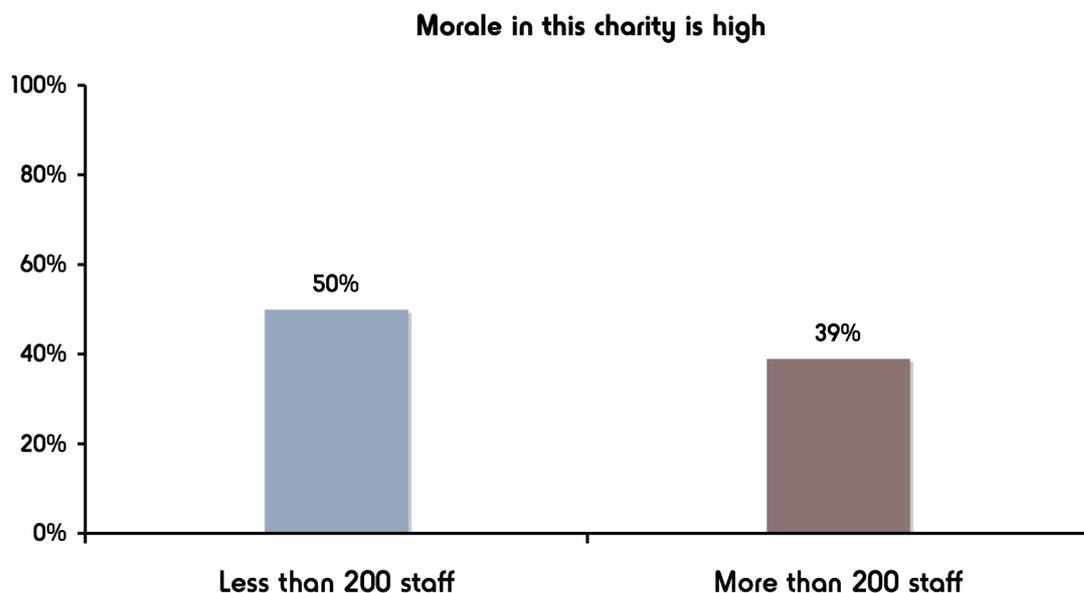
Senior management are well informed about what other staff think and do



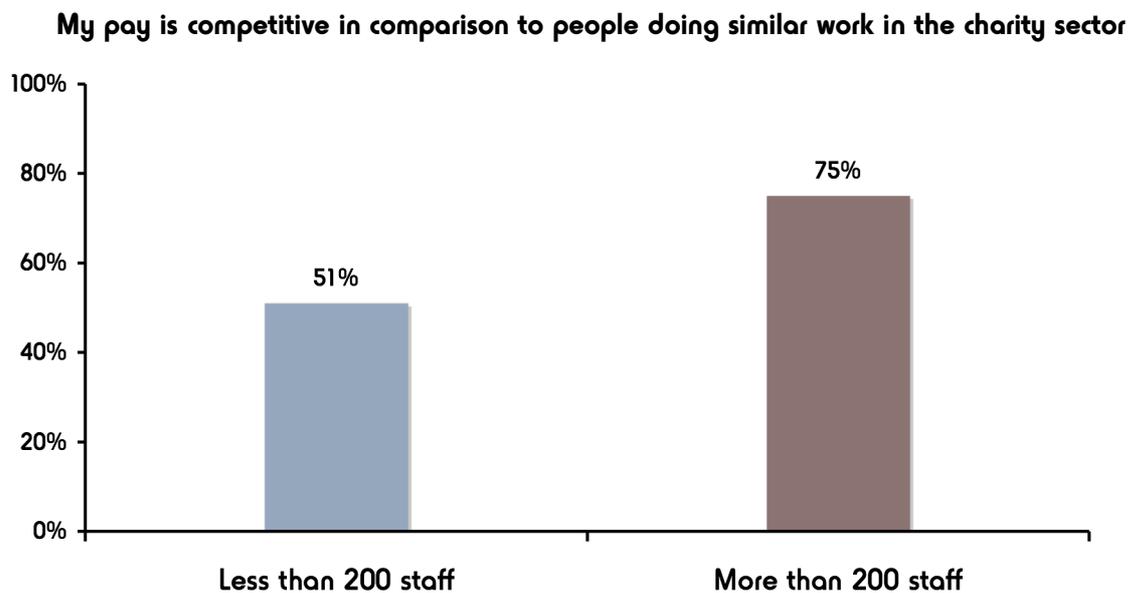
The senior management team is effective



They are also more likely to feel positively about morale:



However, workers in charities with less than 200 staff are more likely to have concerns about the competitiveness of their pay:

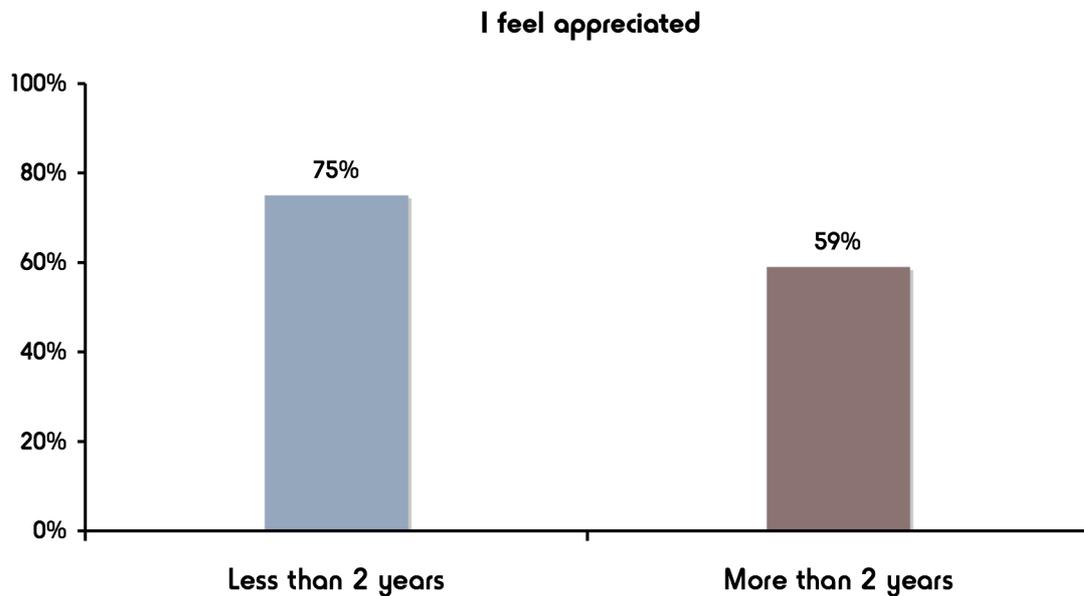


They are also more concerned about how pay is handled, with only 47% of those working for the smaller charities feeling that it is handled fairly, compared to 65% of those working for charities with over 200 staff.

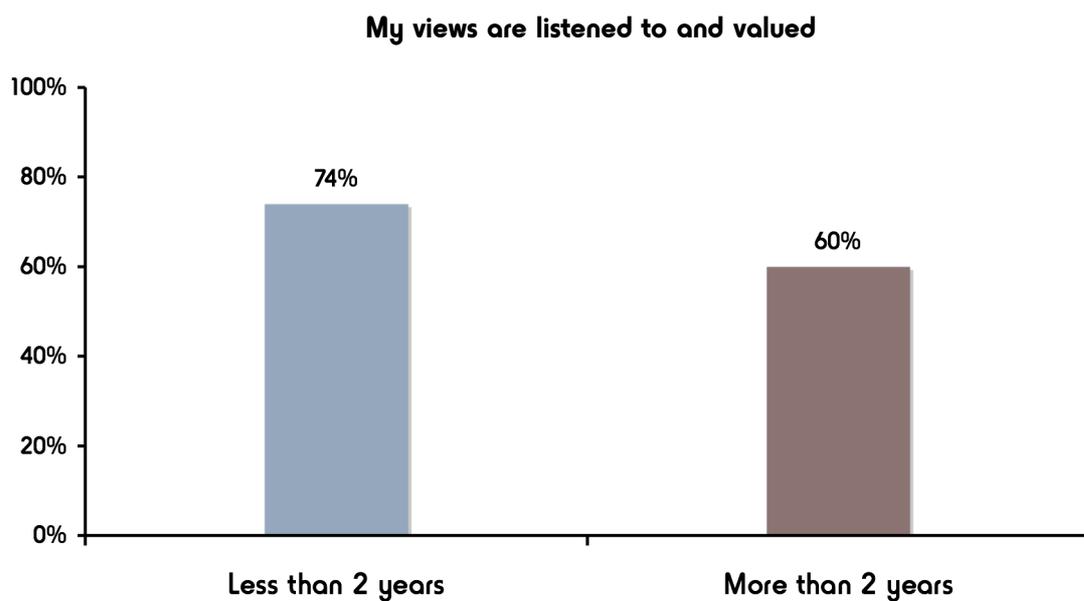
Familiarity breeds...

Another factor that produces significant variances within the survey is length of service.

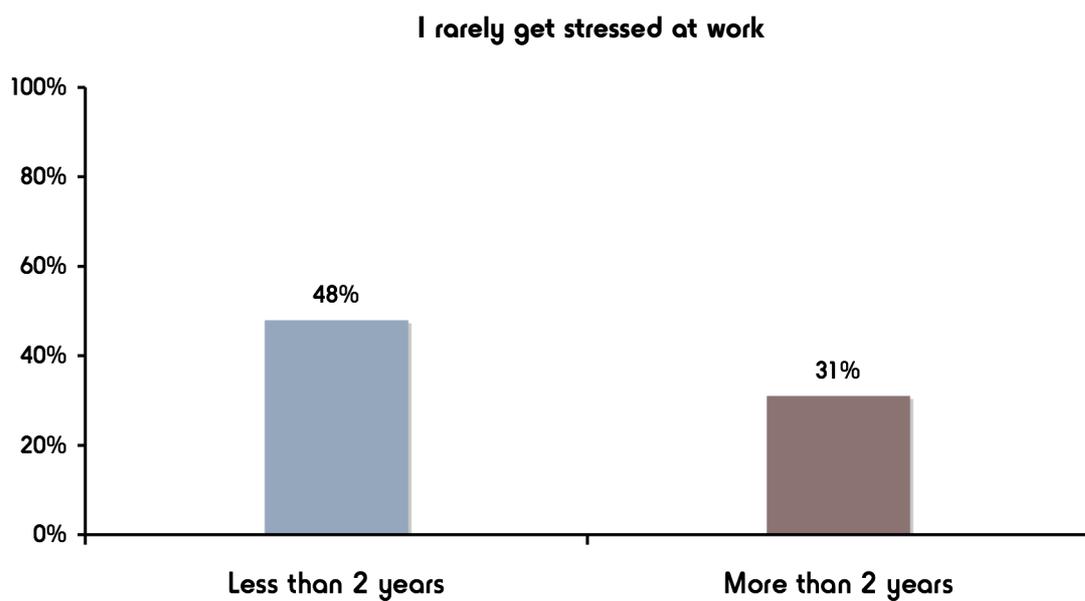
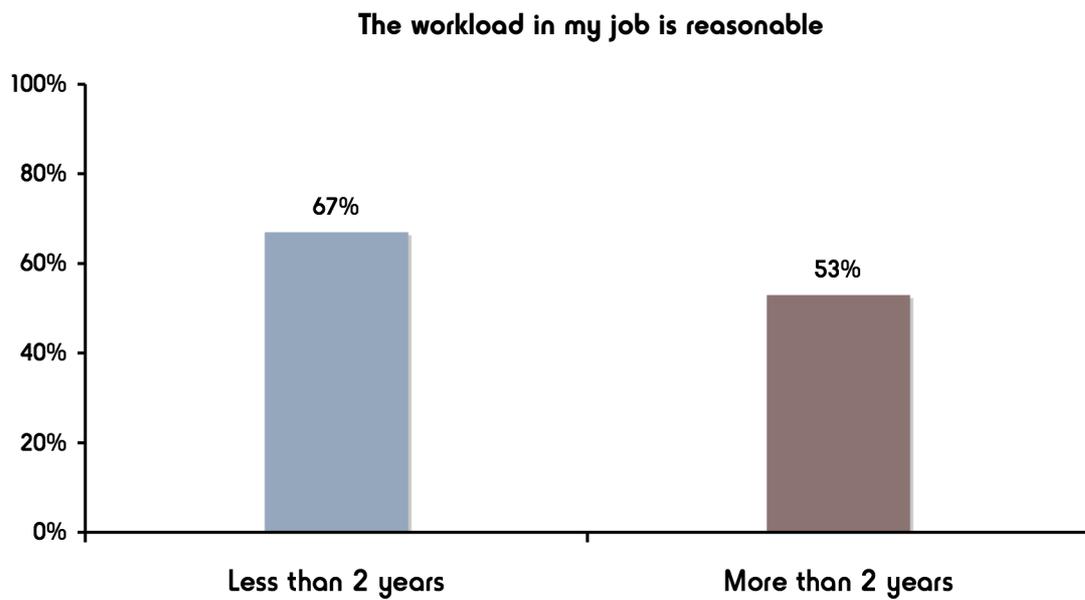
People with less than two years service tended to respond more positively throughout the survey than those who had been employed for more than two years. In particular, new recruits feel more appreciated than their longer serving colleagues:



New staff are more positive about their management than longer servers. They feel that they get better support and more useful feedback on their performance. This culminates in them feeling more valued:



Perhaps unsurprisingly, jobs tend to become more demanding with length of service:

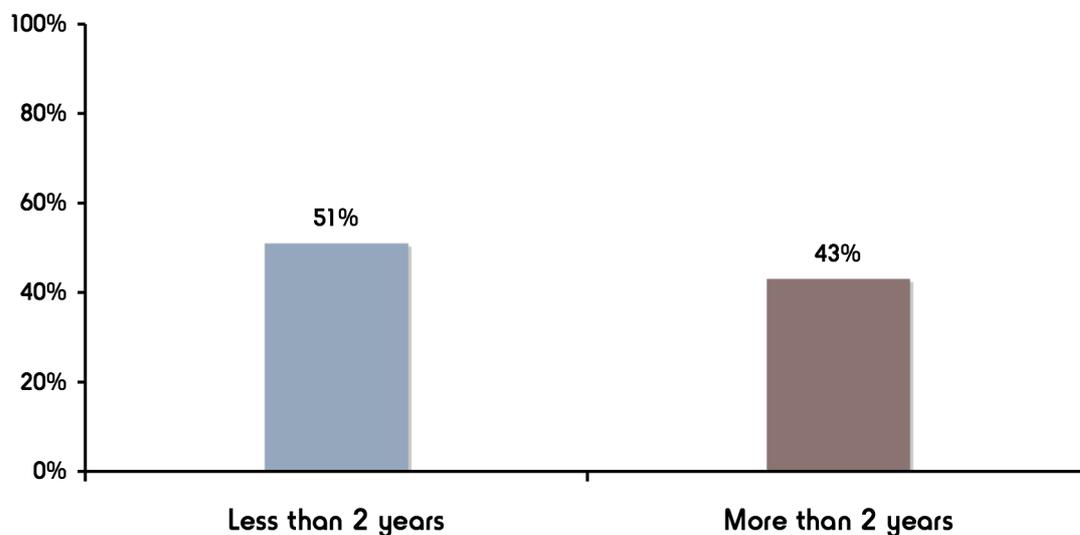


While we are on the subject of stress, of the middle managers who responded to the survey, only 31% could agree that they rarely got stressed at work, whatever their length of service.

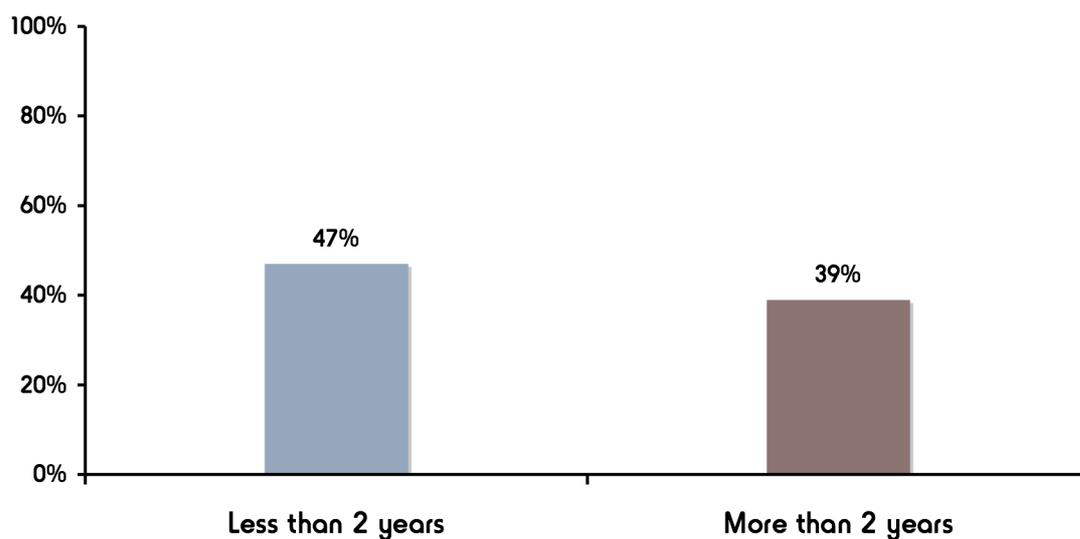
Overall middle managers were the least happy group in the management hierarchy, with only 35% agreeing that morale in their charity was high, compared to the average of 44%; and only 58% feeling appreciated, compared to an average for all charity workers of 64%.

Those with less than two years service are also more positive than longer servers when it comes to development opportunities:

There are good opportunities for personal development at this charity

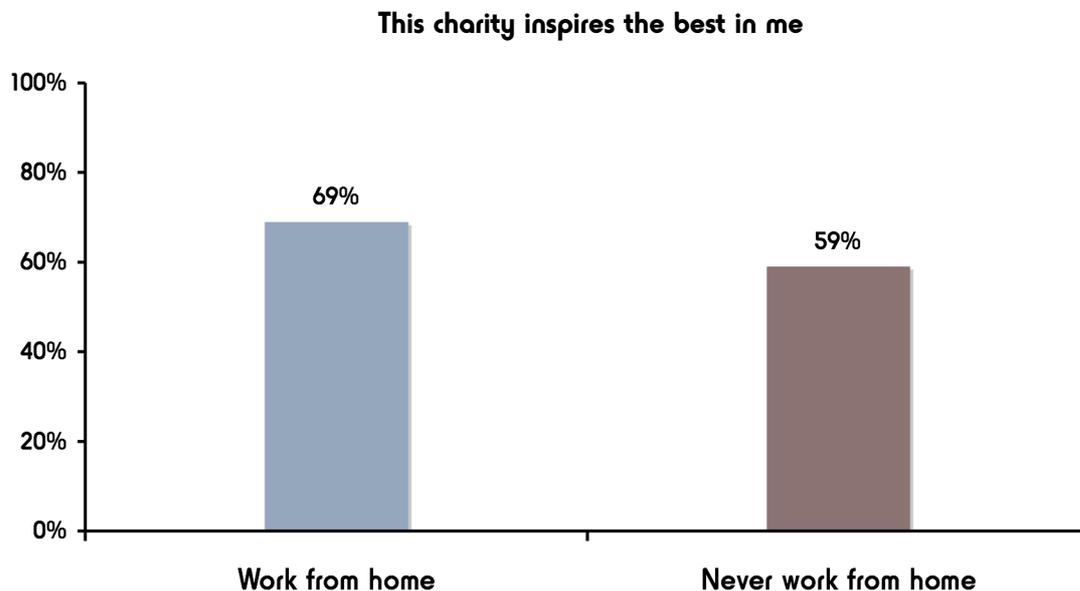


I feel supported in developing my career

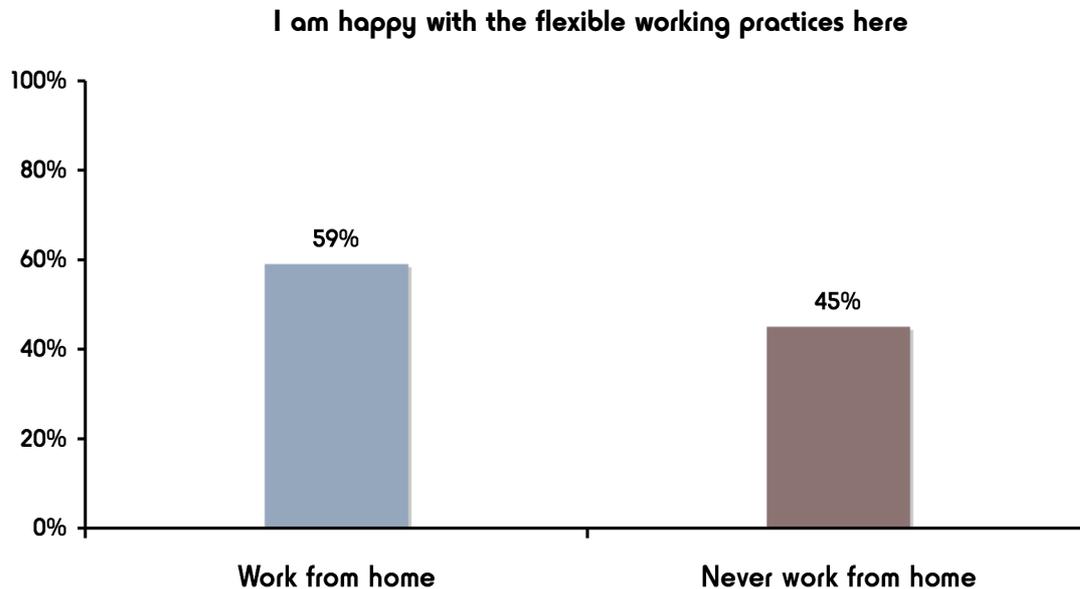


Charity begins at home

People who are permitted to work from home - even occasionally - are much happier than those that do not have this opportunity. For example:

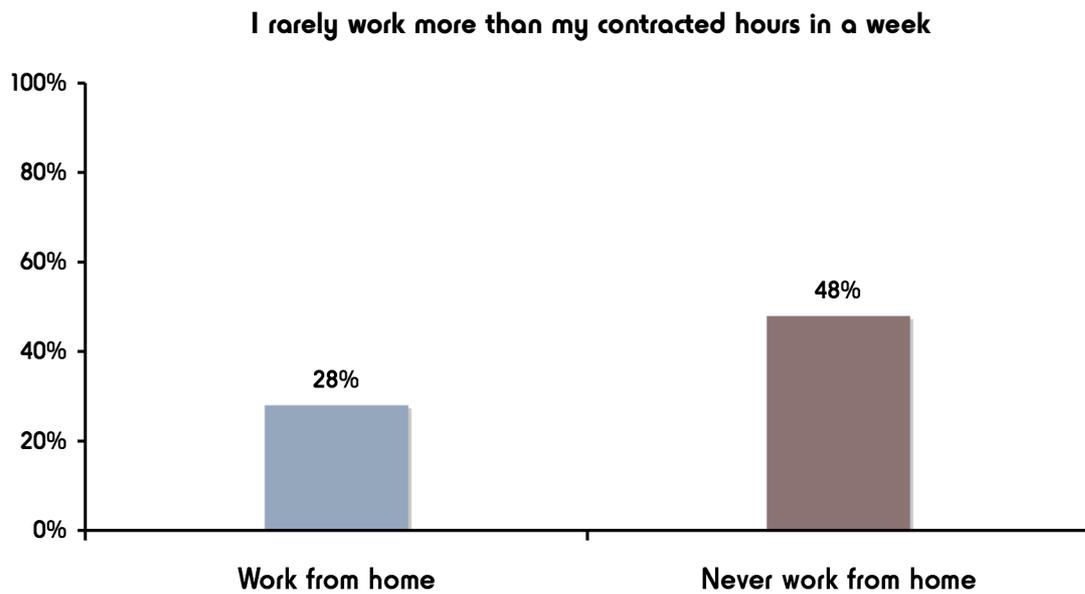


As well as the understandable:



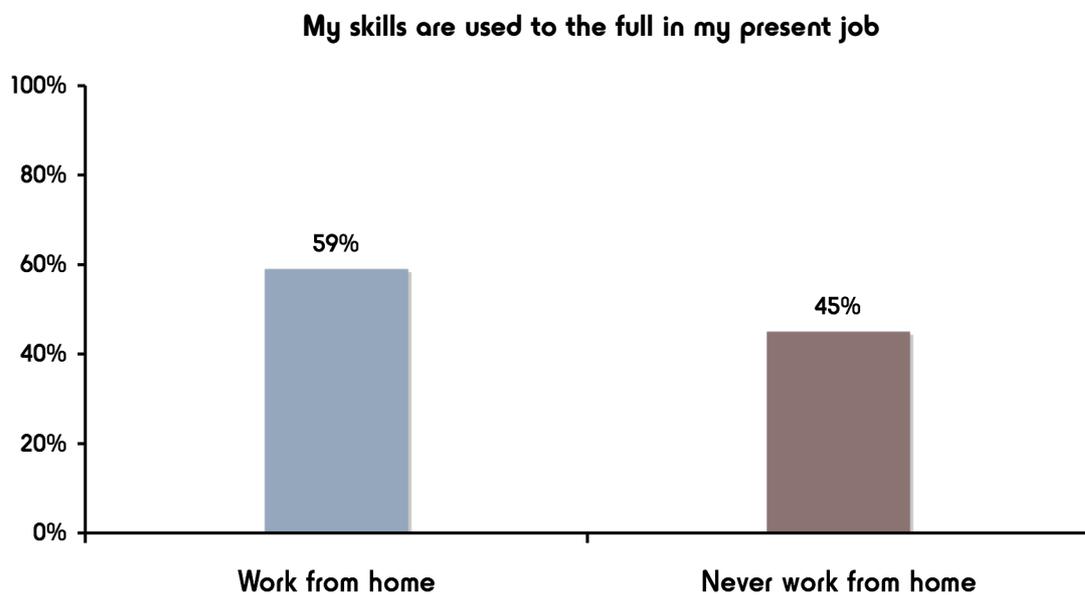
The most significant differences in response to the morale and work/life balance questions are also between people who have the opportunity to work from home - and those that don't. The former score more positively on nearly every question in this section of the survey. They are more likely to say that they enjoy their work (90%) compared to office-based staff (80%). Overall, 83% of flexible workers feel like they are making a difference, compared to 71% of office-based workers.

Perhaps most interestingly, people who are given the flexibility to work at home are much more likely to work longer hours than those who aren't:

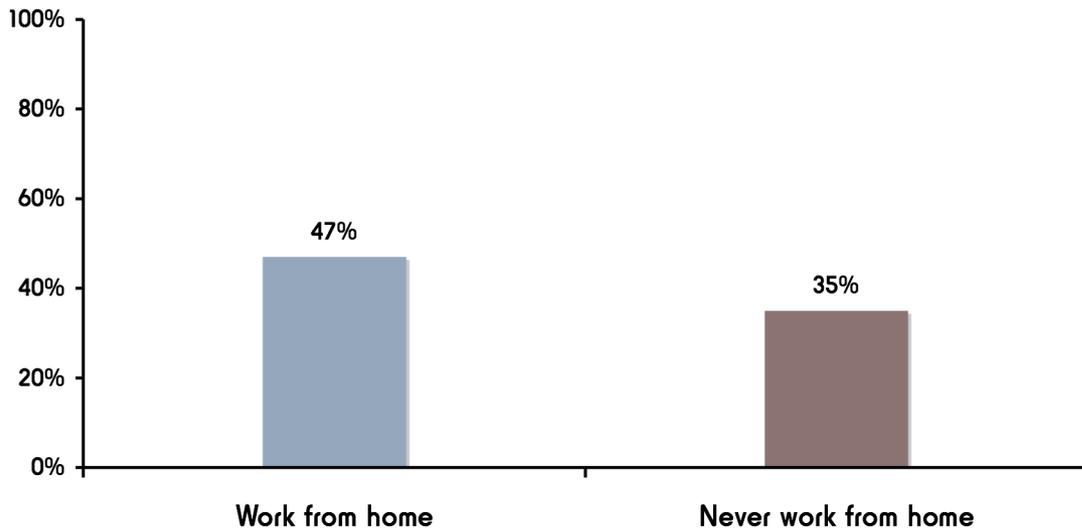


So it appears that far from shirking, home-workers not only enjoy their jobs more, they also work harder. That's what you call a "win-win".

Flexible working also has a positive effect on the respondents' satisfaction with their careers:



I feel supported in developing my career



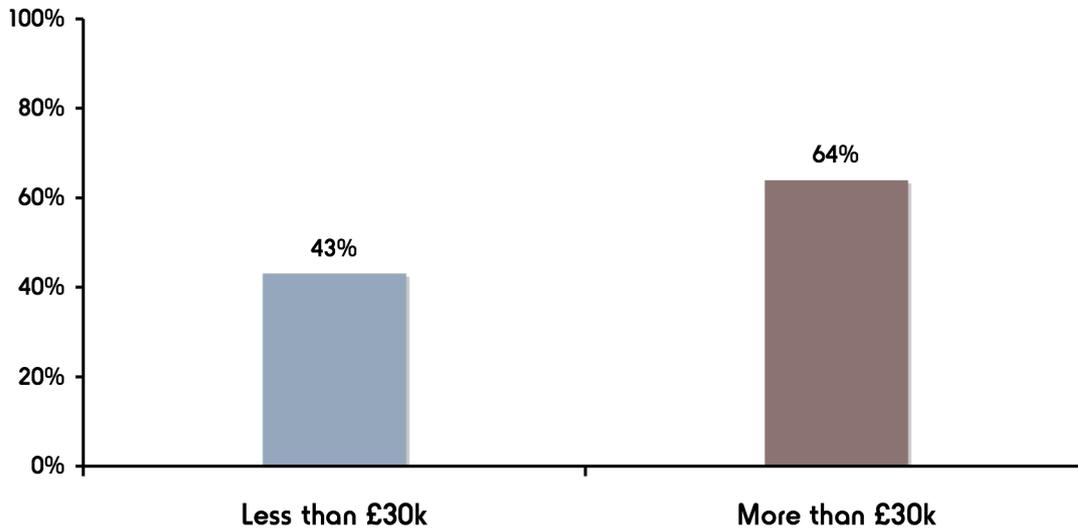
These findings are firmly in line with recent Work Foundation research that reports employers citing increased morale, motivation, staff retention and performance after introducing more flexible working practices. They state: *“Our findings suggest that achieving work/life balance is about people having the opportunity to have some control over when, where and how they work”*.

Other research quoted in *Management Today* recently concludes that: *“The new generation of employees rate the ability to work flexibly as important as salary”*.

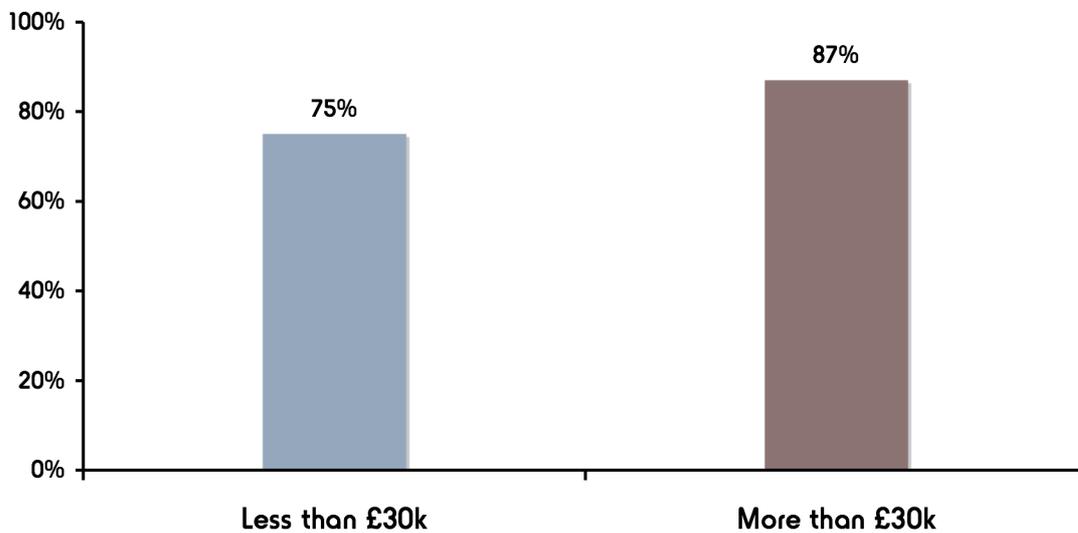
... but bills have to be paid

Although you are likely to work longer hours if you are earning over £30k a year, you are likely to experience greater job satisfaction:

I rarely work more than my contracted hours in a week (*Disagrees*)

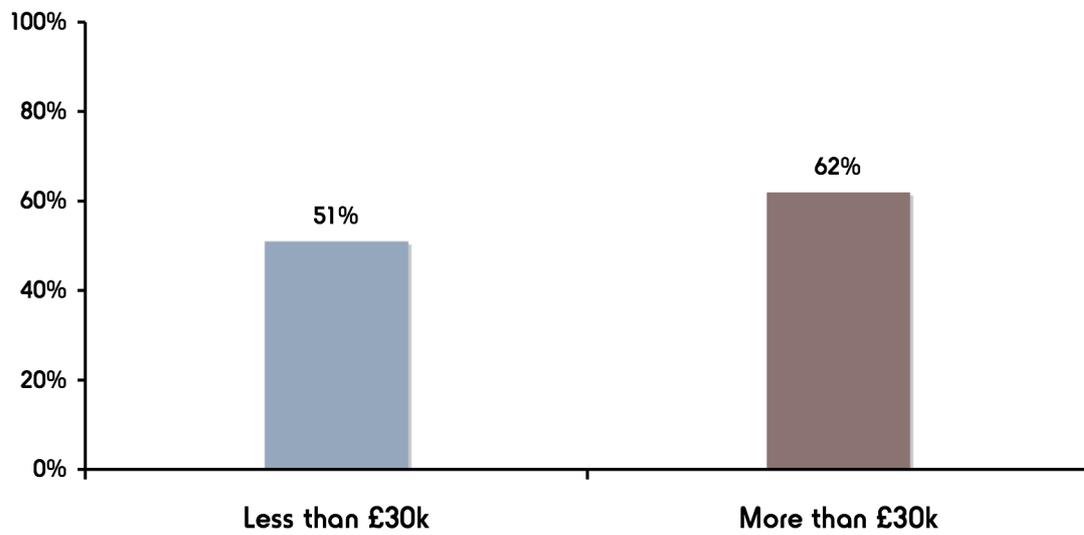


I feel like I am making a difference

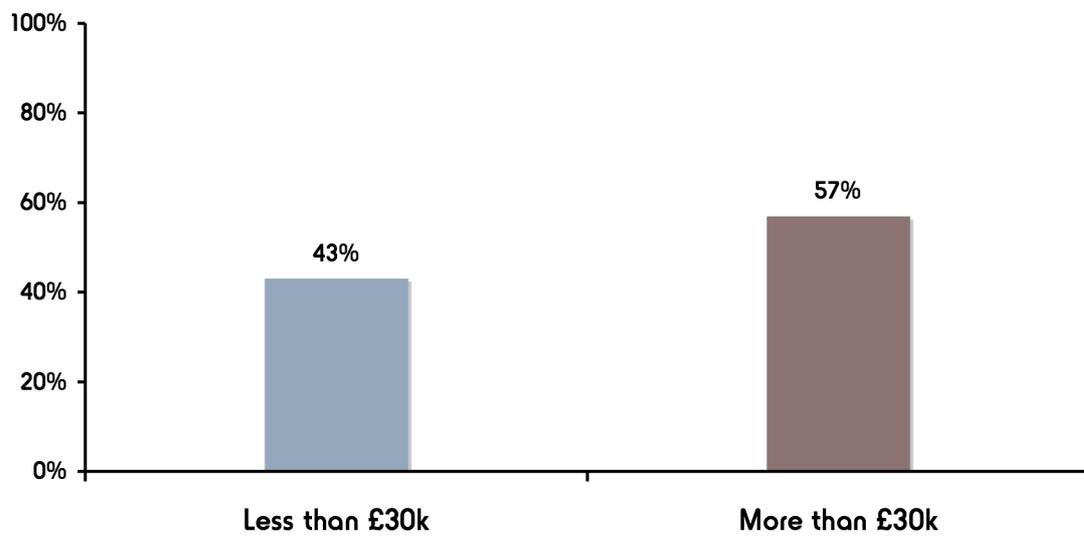


Those who are paid more are also more likely to feel satisfied with their career than those earning less:

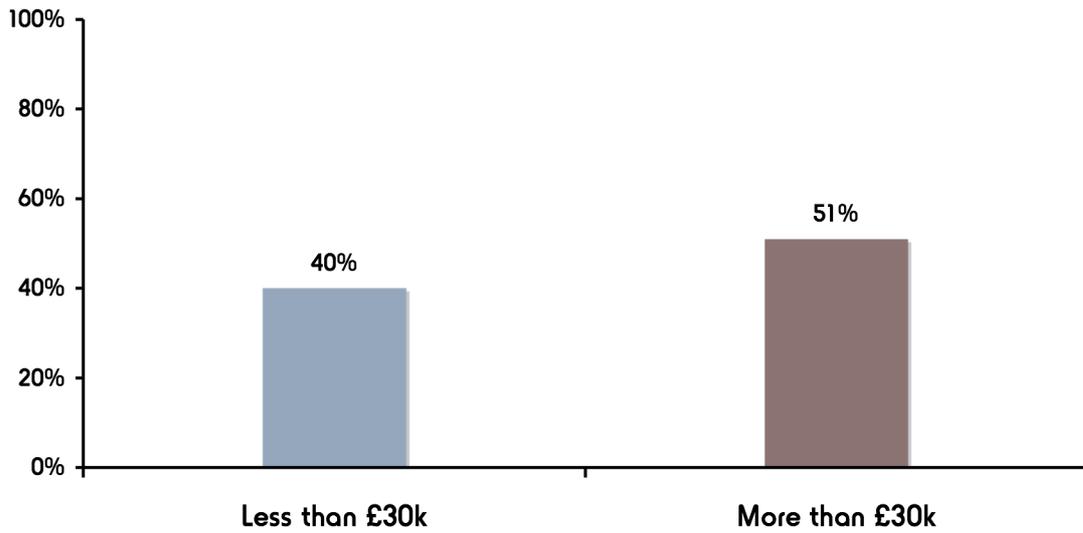
My skills used to the full in my present job



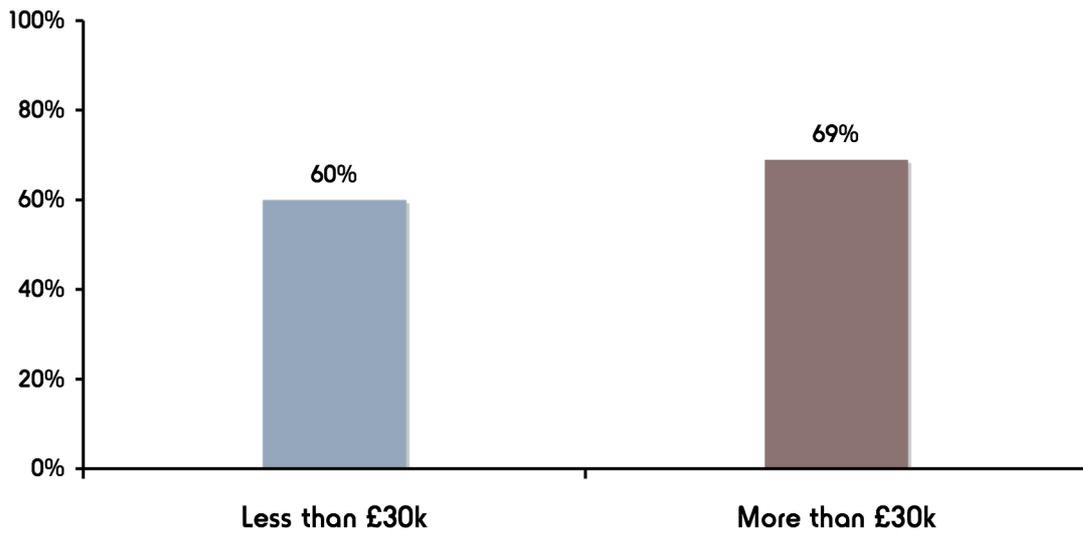
There are good opportunities for personal development at this charity



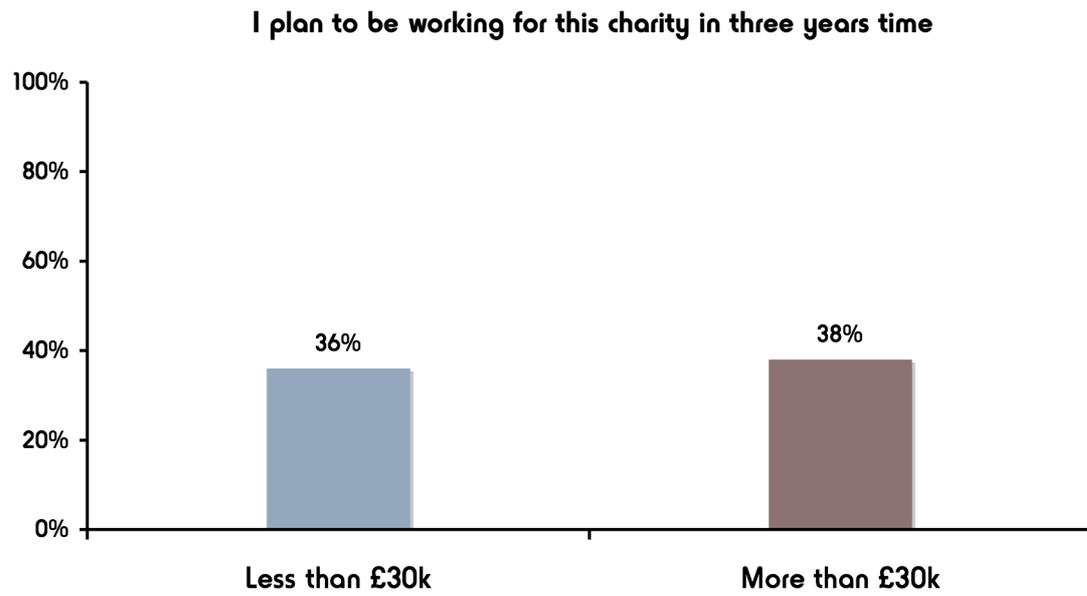
I feel supported in developing my career



My pay is competitive in comparison to people doing similar work in the charity sector



But ultimately there is little difference when it comes to loyalty:



Should I stay or should I go?

The ultimate test of staff satisfaction is staff retention. So how long do people stay in their jobs - and do some stay longer than others?

The survey indicates that the sub-sectors that have higher than average staff turnover are:

- **Animal protection/welfare**
- **Health & medical charities - with the exception of cancer**
- **International development**

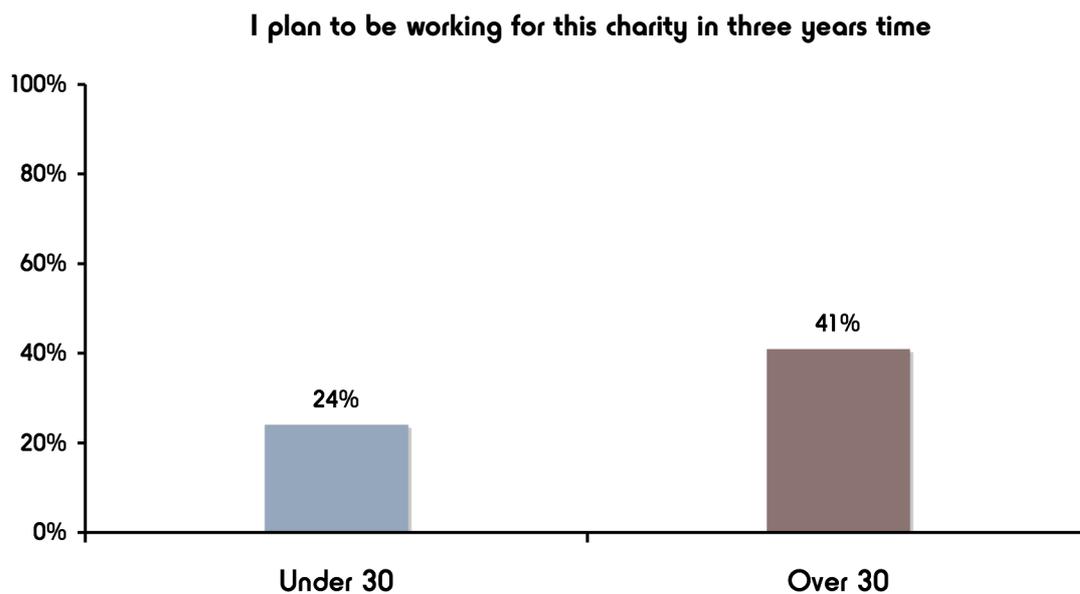
Those with lower than average staff turnover are:

- **Children/Young people**
- **Cancer**
- **Environment/Conservation**

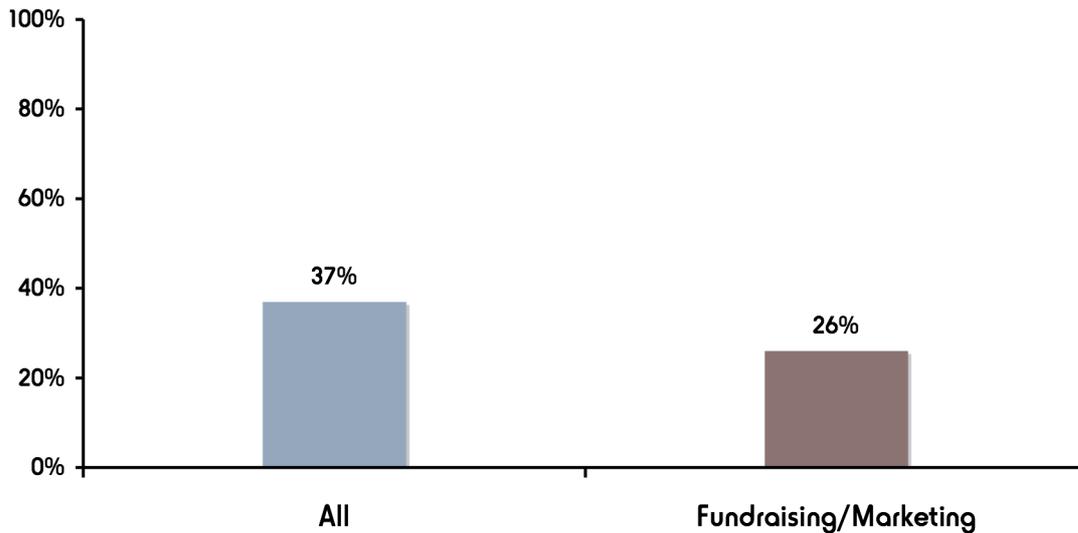
(NB. It should be noted that some of these sub-sector segments are based on small sample sizes.)

Across the sample as a whole, only 37% of people plan to be working for their current charity in three years time. There are some significant variations between different age groups and departments in response to this question, however.

Predictably, those under 30 are more likely to get itchy feet and fundraisers are the staff group most likely to be thinking of moving on:



I plan to be working for this charity in three years time



Looking at actual lengths of service, London workers move on more quickly than colleagues based around the UK: 30% of London based staff have been with their charity for less than one year, compared to 17% of those based around the UK.

23% of those based in Scotland have been at their charity for less than one year. (*We did not receive sufficient responses to provide separate figures for Wales or Northern Ireland.*)

The average London charity worker has been with their organisation for 3.1 years. This compares to 4.8 years for those based outside of London.

But age is the biggest differentiator. Those under 30 have been with their charity for an average of only 21 months, wherever they are based, compared to an average of 4.3 years for colleagues who are over 30.

The good news for smaller charities is that despite pay levels being perceived as less competitive, the average length of tenure of staff in charities with less than 200 staff is 3.9 years, only the slightly less than the 4.5 year average for charities with more than 200 staff.

And finally... the battle of the sexes continues

In 2007 it is perhaps surprising to still see such a large differential between men and women's pay:

70% of the women taking part in the survey earned less than £30k a year, compared to just 51% of the men.

This is despite the fact that women have worked for an average of 4.4 years at their current charity, compared to an average of 3.6 years for men.

Birdsong Charity Consulting

Birdsong Charity Consulting exists to help charities work more effectively with their people.

In addition to our voluntary sector research work, we specialise in:

- Organisational effectiveness – strategy, vision & values, reviews, restructuring, new ways of working and change management
- Staff satisfaction & retention – talent management, appraisal processes, staff surveys and benchmarking
- Team building – executive teams, departments, work groups, cross-team working
- Leadership support & development – coaching, mentoring, management and personal effectiveness training

We also run the *Fundraising Leadership Forum*, sharing best practice and supporting Fundraising Directors with real life management issues, and the *Middle Management Forum*, providing personal development and support for charity managers.

For more information go to: www.bird-song.co.uk

Third Sector

Third Sector is the only weekly magazine to cater for charities, voluntary organisations and social enterprises in the UK. It's written by people who are passionate about the sector, with coverage of developments across the full range of sector concerns, including fundraising, finance, marketing, and communications.

The combination of news, opinion, analysis and an eight-page 'At Work' section containing case studies, informed analysis and knowledge from leading experts make Third Sector essential reading for anyone who wants to keep up to date and get ahead in the fast moving not-for-profit sector.

For more information go to: www.thirdsector.co.uk

Charity Pulse 2008

Look out for the 2008 *Charity Pulse* survey! The survey will open in March next year and the more charity people who take part, the more useful the results will be.

If you would like to register your charity's interest in a benchmarked *Charity Pulse* survey please contact Frances Hurst at frances@bird-song.co.uk or see www.bird-song.co.uk for more information.