“Peddling ever Faster”

A Needs Assessment of the Victorian Social Purpose Sector

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The research team adopts an engaged research approach to all projects. Engaged research is based on authentic partnerships with communities and organisations to craft a research program that creates value with and for communities or organisations and that has aligned academic outcomes.

Suggested citation

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Executive Summary

The primary purpose of this report is to identify the evolving needs of the social purpose sector in Victoria. The project was conducted over a 3-year period between 2019 and 2021 and included consultation (interviews, surveys, forum and virtual workshops) with over 160 service providers, charities, community organisations and social enterprises of different sizes and in a range of social purpose domains in Victoria.

The findings reveal that organisations in the social purpose sector are facing a complex and turbulent operating environment. Increasing demand for services, pressure to innovate and change, coupled with a challenging funding and government climate has pushed some organisations to breaking point. Several needs and challenges are identified, which include:

Revenue streams and business models
- Sustainability - we’re highly aware of the need to have a highly diversified income base
- Funding - I want a new shiny thing
- Growth - peddling ever faster

Business and leadership capabilities
- Strategy - we’re always stuck in the operational weeds
- Capabilities - there’s a leadership capability that needs growth and some enhancement
- Impact Narrative - we’re just so busy doing it, we don’t talk about what we’re doing and why
- CEO - very rarely does anyone ask you how you’re going

Stakeholder engagement and relationships
- Ecosystem - we never think about this entire sector from a user experience
- Advocacy - don’t you use the money that I have given you to fight against me
- Government Relations - we do need to work on our government relations because whatever we’re doing is not working
- Board - I think they often don’t understand what we want to do

Internal resources
- Managing change - our biggest barrier is resistance to change
- Talent - I want skilled human resources on a longer-term contract
- Data Analytics - that’s one of the first things that drops off the priority list
- Compliance - a multitude of disconnected regulators all requiring you to report on the same things but in slightly different ways

Social purpose organisations and leaders require more support. If we are to truly accelerate the impact of social purpose organisations, we must:

1. Rethink current funding models to provide multi-year untied support that will build organisational capacity.

2. Find new avenues for productive discussions between the sector, government, philanthropy and business.

3. Support leaders by developing their strategy, business and leadership capabilities.

4. Identify opportunities for members of the social purpose ecosystem to work more effectively together in addressing the needs of the communities they serve.
Background and Scope

The landscape for social purpose organisations has changed drastically over the past few years. Social-purpose organisations are faced with declining government funding and increasing competition for philanthropic funding at a time of accelerated community reliance, expectations and scrutiny. These challenges existed prior to the Covid-19 pandemic. They have been intensified by disruption to service delivery, an accelerated reliance on digital technology, changing revenue streams and pressure on the workforce.

With the increasing pressure placed on social purpose organisations, it is imperative that these organisations can innovate, adapt to changing economic, social and political contexts and develop and sustain revenue streams.

It is timely, therefore, that Melbourne Business School, in partnership with the Helen Macpherson Smith Trust, has undertaken a needs assessment of the Victorian social purpose sector.

Approach

The research approach consists of four components: interviews, surveys, prioritisation forum and group discussions.

The scope of the project includes consultation over 3 years with more than 160 service providers, charities, community organisations and social enterprises of different sizes and in a range of social purpose domains in Victoria. Figures 2 and 3 represent the diversity of interview respondents and Figures 4 and 5 reflect the range of survey participants.

Figure 1. Research Approach
Interview participants represent a range of impact areas within the social purpose sector. Whilst Health & Community represents the largest segment (28%) we ensured that no one area dominated the research. Several participants preferred to be categorised as advocacy organisations because their work crossed several areas and their focus was on advocating for communities in need.

The majority of participating organisations can be classified as small-to-medium enterprises (15% with annual revenues less than $1 million and 45% with annual revenues of $1-$5 million). Six participants represent large organisations with more than $20 million in annual revenue. The revenue of each organisation is based on financial reports submitted to the Australian Charities and Not-for-profits Commission.
The profile of survey respondents reveals a similar balanced representation to that of the interview participants. The main difference is with 13% of respondents who selected ‘other’. This segment includes advocacy organisations and large organisations where their activities cross impact areas.

Survey respondents predominantly represent small organisations. The sample for the survey was a subset of the database of grant applicants to the Helen Macpherson Smith Trust. Given the Trust’s strength in capacity building for small-medium organisations across the Victorian social purpose, this bias in the sample is unsurprising.
Social Purpose Sector Needs

“You’ve got the scale of the demand, a lack of resources, the toxic government policy, you’re in a David and Goliath battle, you’re trying to mature your organisation and your people and culture, your IT, your risk management, your compliance around fundraising. We’re trying to manage all the risk, people and culture, financial things, stay financially sustainable while remaining independent, responsive, helping as many people as you can while trying not to burnout your people and lose people.”

Organisations in the social purpose sector are facing an increasingly complex and turbulent operating environment. Survey findings (Figure 6) reveal that some of the greatest challenges for organisations relate to securing funding, both untied and project funding, and the ability to keep pace with digital disruption by investing in new technologies.

Together with the funding challenge, all organisations recognise the pressing need to develop a more sustainable business model.

Other challenges relate to staff attraction, retention, development and wellbeing. Particular issues of concern are the heavy workloads for staff coupled with low wages.

The following sections outline the needs of the sector from a mega (societal), macro (organisational) and micro (leadership) perspective.

Figure 6. Challenges facing the Social Purpose Sector
“What have we learned and what are we going to do now”.

Societal

Mega Needs
Complexity and Disconnection

How close are we to solving societal problems?

At a societal level, it is clear that most organisations feel that they are very far from solving the problems that they were designed to address. This is partly because of the increasing complexity and interrelated nature of community needs. It is further compounded by siloed and disconnected services. There is a real need to review the social purpose ecosystem and identify areas for greater collaboration and coordination.

Increasing complexity of community needs

“Poverty is your biggest hurdle in actually starting to lift them out of mental illness. Mental illness is indiscriminate, but it’s a lot easier to treat when you don’t have to worry about food. It’s a lot harder to treat when you’re worrying about where you’re going to sleep that night and what you’re going to eat.”

• So busy servicing the problem that the solution seems very far away.

“Increasingly, we’re just an emergency ward for people whose opportunities for genuine sustained change are pretty limited.”

• The number of those in need of support is expected to increase and there is a pressing need for sector change.

“The sector needs to make wholesale change in the next decade because I think we’ve known it post-war is going to be incredibly constrained.”

Ecosystem – the sector is siloed and services are disconnected

“We should see it as much more of an eco-system than a competitive landscape. I think that probably nobody has really probably mapped it as an eco-system.”

• The system is failing, but there is a lack of clarity about where the fundamental problems reside.

“Something is not working, where is it falling down?”

• Responding to the complexity of and interrelated nature of people’s needs is a constant demand.

“More families access homeless services who need family services than they do family services...the people coming in my doors who are homeless absolutely have complex needs.”

• The problem is exacerbated by disconnected services and bureaucracy.

“All we do know is that there’s probably lots of double handing ...we have not sorted ourselves out at all.”
“COVID has been this impetus for a lot of social purpose organisations to kind of ramp up.

It's accelerated change.

It's forced innovation and it's led to quite a lot of success as well”.
Growth and Diversification

“You go from an organisation where it relies on informal structures of decision making, informal structures of working together, of managing risk, of managing communication and suddenly you’re having to navigate through great complexity. We grew six times the size basically in the last six years.”

Many of the organisational needs stem from consistent growth in demand for services. Whilst demand is growing, revenue growth is lagging, and many organisations are increasingly resource-constrained. This has put pressure on organisations to develop more sustainable business models and diversify their revenue streams.

Figure 7 identifies the percentage of total revenue contributed by various funding sources in 2019, prior to Covid-19 emergency funding. The majority are somewhat diversified in funding streams, but still reliant on government and philanthropic support. Philanthropic funding is a concern for all organisations with many expressing a need for multi-year, untied and leadership development support. Support and partnership with government is a major area of concern. There is a need for assistance with forming productive relationships with government at all levels.

More internally-focused needs relate to managing people in such a dynamic and turbulent environment and help is required if organisations are going to attract, retain and develop skilled employees. There is also a need to support social purpose boards more effectively and develop their expertise, understanding and commitment. Finally, many organisations identified gaps in their ability to turn data into insights and craft a compelling impact narrative that would strategically position their organisation and engage stakeholders.

Growth - Most organisations are experiencing year on year growth in demand for services.

“There is always demand for us to do more and provide more.”

- Revenue growth is lagging behind growth in service demand and provision.

“The cost of doing business is growing faster than the revenue that we receive... The national wage increase last year is 3%. The indexation we got from the state government funded programs was 2%, and federal government passes on no indexation... which has got an initial hit for organisations but no relief.”

- Small organisations are struggling with scale and others are trying to grow, but in a sustainable way.

“How do you scale up, which opportunities to pursue?”

- Growth leads to pressure to diversify income streams.

“Being able to sustain an increased level of activity or increased sophistication of activity as business as usual whilst still having the resources to be innovative and creative and not dampening that spirit.”

- The need for multiple income streams is also a response to diversification of risk.

“We don’t want most of our income to come from government because that makes us too vulnerable. Governments change and that could dry up in a couple of years’ time. So, we just want to have multiple income streams so that we have a diversified income.”
Funding Landscape (Pre-Pandemic)

**Figure 6. Percentage of Funding from Major Sources**

**Government Funding:** Approximately 20% of respondents do not receive State Government funding, whilst over 40% are reliant on State Government for 20%-40% of their annual revenue and over 30% on Local Government for 10% of their annual revenue. The majority of respondents do not receive Commonwealth Government funding.

**Philanthropic Support:** Individual donations account for 10% of annual revenue for over 40% of respondents and support from foundations and trusts contributes 10% of income for 37% of respondents.

**Corporate Support:** The vast majority of organisations do not receive any corporate support through philanthropic donations or sponsorship. Only 21% of respondents attribute 10% of their income to corporate support.

**Earned Income:** 24% of respondents are generating their own income through either fee for service or other commercial activities.
Funding models need to change to respond to the needs of the organisations, rather than be led by the interests of donors or grantmakers.

“Philanthropy will say, ‘Oh, we think that we should have an innovation arm to a project and you should then apply for that.’ Well, that’s great but that doesn’t really solve the problem... I can build clever, clever ideas but I have to be able to fund my core, and for that I think government and philanthropy do need to come together and think how do we actually give sustainable funding that creates organisations that can then find ways to self-sustain?”

• The lack of core funding pushes many to take on more projects in order to secure project funding that can cover some operational costs.

“We don’t receive any organisational funding. All of our funding is project based. So, the reason why we deliver way too many projects than what we probably have the capacity to deliver is because that’s how we receive funding... ideally in the future, we won’t be in this situation where we’re solely reliant on project funding to operate; ideally we’ll have really great, diverse streams that aren’t reliant on project funding.”

• Covid-19 funding is a welcome support, but requires a level of responsiveness and agility that is also challenging.

“Government has so many checks and balances and so many levels of bureaucracy, yet sometimes decisions can just happen very quickly with no real consideration. We are all similarly experiencing large amounts of quick money that just appear and then you’re expected to deliver on all of these things.”

• Funding insecurity is a growing concern with many recognising that increased funding from Government in response to Covid-19 will stop eventually and philanthropy may have less to give.

“It’s around stimulus and I’m worried that the bottom is going to drop out of it because eventually there’s got to be a reckoning with all the money they’ve spent and the way the economy is. There’s going to be a reckoning somehow and I worry about some of the programs which aren’t nailed down.”

• Multi-year funding would reduce uncertainty and the burden of constant grant applications.

“It’s really hard to plan when you don’t have funding. You can build strategic plans and you can do all of those things but unless you know where the money is coming from, the strategy gets blown out the water.”

• Untied flexible funding that enables organisations to be responsive to changing community needs.

“It’s a very competitive market now...it becomes increasingly harder to access those untied or flexible dollars to really make change happen.”

• Leadership support and professional development funds have been cut during the pandemic.

“The capacity to be able to invest in that senior management team... we’re operating at a pretty frenetic pace, and I think getting support at that level is absolutely critical.”
Government and Advocacy

Government relations are a source of stress, frustration and, for some, fear.

“We do need to work on our government relations because whatever we’re doing is not working.”

- Government’s risk aversion impedes its ability to work with the sector on innovative solutions to social problems.

“Government has become incredibly more risk averse and increasingly more targeted... they do target the resource ever more narrowly and with unintended consequences. So, instead of them building capability and diminishing stigmas and discrimination, it actually concentrates it.”

- Navigating bureaucracy is time-consuming and reduces the sector’s agility and responsiveness to changing community needs.

“They’re stuck in these systems that were probably good 40 years ago and just don’t work now.”

- A lack of perceived coordination between levels of Government is a major source of frustration for those seeking to solve social problems.

“The interactions between the various levels of government are fundamentally broken and I’d love that to be acknowledged and there to be some genuine effort to get to the harm that its causing and to recognise that its making everybody less efficient and capable.”

Advocating for the needs of the communities they serve is difficult at all levels of government for many in the social purpose sector.

- Polarised and confrontational

“It has never been more difficult than it is now and almost impossible to have sensible, robust nuanced conversations. It’s really deeply polarised, so you’re either all for ideas or you’re all against them, and you can’t have anything in between. Grey is gone.”

- Fear of retribution in the form of funding cuts results in many censoring themselves.

“Don’t you use the money that I have given you to fight against me.”

- Fear of retribution applies to all levels of government

“We’re probably a bit luckier in that we can say whatever we like about the Feds really because we don’t get anything direct from them, but I wouldn’t touch the State Government with a ten foot pole. Not now or into the future... you’ve got to be so careful in that space.”

- Smaller organisations struggle to be heard and find ways to unite.

“Advocacy - if you’re not a big conglomerate or a big organisation, which most of us aren’t, how do you find the other minnows to fight together and bring together? How do you do that when you don’t individually have the clout that bigger organisations have?”
Managing Change

Covid-19 has increased the compliance and regulation burden on organisations

“There’s a legislative component, there’s a policy component, there’s a cultural component, there’s a communication component. It’s complicated.”

- Need for greater engagement with the sector when determining how new regulations can and should be implemented.

“Regulation and compliance burden and government thinking that it knows what is best for the sector but without actually effectively talking to the sector about it.”

Leaders are managing change on many levels – strategy, operations, culture and particularly people

“You’ve got to professionalise and mature all the things that make you magnificent and amazing... and the more you rely on professionalism and formal structures, the more and more you find yourself struggling to maintain your culture, your values, your traditions.”

- Covid-19 forced many organisations to innovate and change their operating model. Now the issue is how to embed these changes.

“What is our new operating model? Because I think there will be some significant changes to how we deliver things on an ongoing basis.”

- As organisations are growing to address the needs of their communities, culture and ways of working are changing - Leave no one behind is the philosophy

“We’ve pretty much doubled the business in the last 6 or 7 years. That growth brings with it all kinds of challenges, people who sometimes get left behind.”

- All organisations need to respond to changing workplace cultures as a result of remote working.

“Last year it was about how to retain and support and develop talent and this year, it’s very much around how do we work together but apart? How do we work with teams who some are in the office, some are remote?”

- Culture and intergenerational change in a sustained way.

“The one that’s in my KPIs for this year is the culture change and how we can bring about ongoing and sustained culture change.”

- A top priority, but a big challenge

“Leading change is still hard. Just this week we’re in the middle of these big projects, we did our staff survey recently and it all seems a bit hard. Just the volume - just the kind of incessant volume. So, we’ve got all this sort of change happening alongside of or on top of business as usual.”
People and Development

Talent – attraction, retention and development challenges

“Working in a climate of constant policy change and shift that creates an environment that burns people out, that causes staff turnover and that makes you feel like you’re just having to react from one crisis to another. You know, it takes a real toll on people.”

• Attraction – competitive salaries + skills

“You get what you pay for. So, having a $30,000 grant means that we can pay someone two and a half days a week at a very low wage, and so that instantly reduces your market of who you can attract.”

• Retention and stability of employment

“I employ a lot of single women and I’m not alone in that in the NFP sector. My single women range in age from their mid-twenties to their mid-fifties. They’re dependent on me for an income, very dependent, and yet I don’t know if they’re going to have a job in 18 months. How do they have housing security?”

• The well-being of staff is a priority for all and Covid-19 has increased its importance

“Mental health is another time bomb we’re all sitting on and how we can deal with our staff in ways that are compassionate and kind, yet help them to deliver good work.”

• Development and succession planning is difficult when emerging leaders struggle to access professional development and capability building

“There’s a gap between the capability of your senior leaders and the more junior, like the gap between people being able to go from here to here. Succession planning can be really difficult.”

Board – expertise, understanding and commitment

“It’s no longer just OK to want to do something nice.”

• Leaders are looking for their Boards to engage more in advocacy for their organisations

“They need to be greater brand advocates for the organisation. They need to be out talking about what we do because that’s a really important connector that often management and staff can’t make. They often have access to different kinds of people as well, and that’s absolutely crucial.”

• Sector understanding is missing from governance training

“We don’t have enough skilled governors. They go off and do board governance training. What they don’t do is sectoral training - understanding of the sector and the dynamics of it, such that they really understand it.”

• Board members need to be kept more in touch with core operations and organisational needs in order to make more effective strategic decisions

“We identified that they’re making these high level strategic decisions without necessarily knowing what happens here. You don’t want them too involved in that space, but you want them to know enough.”
• The burden on leaders is dependent on the skills and commitment level of the Board

“Organisations split between those who have a functioning, skilled, committed Board and those where the Board is messy or not skill based.”

• Covid-19 changed the nature of the relationship between many leaders and their Boards – some for the better

“The Board became a lot more hands on.. all those boundaries blurred and that’s been good”.

“One of my Board members is a really good risk manager. So, he’s been helping me write all of the COVID protection strategies for us which has been really useful”.

• For some, the crisis also exacerbated weaknesses or dysfunctional relationships between leaders and their Boards

“I wish I could say I had a Board of Directors who were very supportive but that was a point of disappointment. They isolated me from decision making at a point of crisis. You cannot do strategy without your CEO.”

“The Board were not very good at talking about risk.”

• High-functioning Boards are critical to the success of the organisation

“It’s a board that could easily sit in an ASX top ten list of companies. I will prepare and develop strategy, present it to them, they will challenge me on it. Once they accept it, then they’re there to see that the strategy is implemented but not to manage or run the organisation.”
Impact and Insights

Impact – narrative, strategic positioning and engagement

“It is actually understanding our impact and being able to articulate that properly... Understanding why we’re important and being able to say it clearly and unashamedly.”

• There is a critical need to move beyond documenting outcomes to telling a story about long-term impact

“Lots of raw data, but how do you talk about your impact over time?”

• Leaders know they need to get better at strategic positioning, but do not have the necessary skills or time to make it happen

“How do we get better at telling our story and what our points of difference are to other organisations nationally and internationally?”

• Mechanisms and language to engaging diverse audiences

“It’s difficult to convey the way we work to different audiences. So, I think that holds us back because there’s just a lack of a clear, simple, concise description that comes across to all the different audiences that we meet.”

• A simple but important need to be heard

“It’s a very noisy space at the moment and it’s hard to be heard.”

Data – turning data into insights

“Everyone is talking about data-data-data and monitoring and evaluation, but nobody has the technical systems or the knowledge and knowhow to actually do it.”

• There is a spectrum in terms of data analytics capabilities

“I can tell a story, but I don’t feel like our monitoring impact and evaluation stuff is where it needs to be, and I don’t think we’ve got really the capability of getting us there.”

• Some are agile and able to use data to respond to changing needs

We started triaging phone systems, checking phone logs weekly to look for patterns and emerging patterns. The team just put all that together as a response and then we went out and ran with it.”

• Monitoring and evaluation skills may be strong for some, but more sophisticated analysis and modelling is needed

“We need help to model how our integrated practice works best for people coming off the back of the events that we’re seeing. You know, which way round should services overlap?”

Drowning in data, manual processes, no skilled staff

Highly developed evaluation frameworks with solid systems
“I think we all feel very grateful that we're working in a for-purpose organisation because that's the motivator behind what we're doing every day. I think if I was just in a corporate job, my motivation levels would be really, really challenged. I get up every day and I get to move forwards towards something that is so important”.
Strategy and Leadership

“We’re always stuck in the operational weeds”

The leaders of social purpose organisations possess many strong and unique capabilities. They are resilient and persistent, with a clear sense of purpose, naturally entrepreneurial with excellent communication skills and the ability to develop deep and enduring relationships. They are however, leading in a resource-constrained environment, experiencing significant levels of stress and many express a sense of isolation in their position. All participants identify a need to find time for strategy and to develop their strategic capability.

Strategy – time and capability

“Not being able to think strategically because it’s just been about just keep going and we’ve just got to get through that and we’ve just got to deliver that and then we’ll worry about that later. But then it’s like three years later and you haven’t worried about it yet and things start to unravel.”

- Inability to prioritise strategy

“I would like to be able to spend like 60% of my time on strategic work, but really, it’s probably more like about 5% to 10%.”

- Need to make space for strategy

“That kind of strategic conversation is really about space for me and having the space to actually think and do some visioning work.”

- Strategic skills need to be developed across the leadership team

“Being able to have skills and abilities of people that are focused on external strategy. Because we’re still quite operational, we haven’t quite got to that strategic view of the world”

Leadership development – isolation and formal skill development

“Like most extreme sports, you’re doing it - it’s quite lonely. You’re doing it by yourself. You know, take skeleton luge, you’re on your tummy and you’re heading straight down a mountain just in spandex and a shitty helmet. It’s like why would you do that?”

Participants identify that their leadership teams need to develop and strengthen a range of capabilities. These include:

- Strategy development and implementation
- Financial acumen
- IT and digital capability
- Business development
- Project management
- Marketing communication and brand management
- Government relations
- Partnerships
- Managing people
- Risk management
“I think everything we talked about a year ago is still desperately needed. So, I don't think any of that has gone away. The challenge is I think a few other things got added to the list”.
Survey participants were asked to identify the top 3 challenges facing the sector. Over 60% nominated securing philanthropic funding as one of the greatest challenges, over 50% selected measuring and evaluating impact, followed by recruiting and retaining talent, increasing demand for services and strategic leadership.

Interview participants were asked to identify one thing that would accelerate the impact of their organisation. The priorities all relate to the need for greater investment in people and systems. They include:

**Leadership Development**

“It would be about a really deep dive into what our opportunities for growth are and what are the perils, but also someone to work alongside us.”

- Continuous development of senior leaders
- Emerging leaders’ development
- Board development beyond AICD
- Accessible professional development with scholarships and fee subsidies

**Funding**

“Untied funding to enable us to increase our leadership capacity and improve our infrastructure.”

- Funding for core activities (wages, rent, existing programs)
- Flexible funding that can be allocated to the greatest organisational needs
- Multi-year funding based on long-term partnerships to reduce the time spent on grant applications and acquittals
- Backbone support for collaboration

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**Figure 8. Top 5 Challenges Facing the Social Purpose Sector**
Sector Priorities

“All those little decisions you have to make, if that goes to one person, then you’re just cooked.”

People and skills

“I’d love to have a business manager because I spend so much time just on the day to day operational things… while I’ve got a list of these strategic things that we need to be doing, but they do take a back seat.”

- IT and CRM
- Social enterprise and business development
- Brand building and communications
- Business Manager/COO

Time for strategy

“Because of our resource constrained environment, the senior team are needing to span both leadership and the operational management. It would be amazing to be able to free them from the day-to-day operations and to be in an innovation and development space.”

- Facilitated strategy retreats for senior leadership teams
- Regular strategy coaching

Thinktank

“To be able to access people with different ways of thinking, with different skills and put it all together while we continue our business of the day.”

- Expert support to diversify revenue streams
- Assistance with Incubating and developing new enterprises

CEO Isolation

“How do I support them and support this massive cultural shift that we’ve all undergone but also maintain myself? My life is completely overrun”

- Social purpose CEO network where they can openly share challenges and opportunities
- Convening a regular conversation series that operates under the Chatham House Rule

Government Relations

“It’s highly likely Australia will end up with a more disparate and disconnected set of standards around the delivery of human services at a time when we needed them to come together.”

- Need to bring Government/public sector together with the social purpose sector for open and productive conversations
- Advocacy support – objective opinion and based on research

Ecosystem

“We want to have a seamless, integrated practice, we don’t want to be sticking up boundaries that really are meaningless any longer.”

- Research that maps the service experience from the client perspective
- Support/enable collaboration across the sector
Conclusion

This engagement with over 160 members of the social purpose sector confirms that the sector is under tremendous strain. Pressures and capability gaps were evident pre-Covid and have been intensified by the current health, economic and social crisis.

The sector can be proud of how it has responded to the changing and growing needs of the community throughout the pandemic. As one participant noted:

“I think finding ways to keep the best elements of what we’ve learnt over the past 18 months going next year is a priority”.

However, increasing demand for services, pressure to innovate and change, coupled with a challenging funding and government environment have pushed some organisations to breaking point.

Social purpose organisations and leaders require more support. One interview participant went so far as to design the ideal program to develop leaders in the sector. His statement reflects the demands on and expectations of social purpose leaders today:

“a course in leadership around the core competencies of a great leader...understanding that you lead through imperfection and you lead through uncertainty and you lead through ambiguity; the ability to be the resilient and resourceful leader that draws on wisdom and expertise around them...how to navigate through risk, understanding what is real risk and what is theoretical risk... How to be a great communicator... How to be a great orator, to inspire and to bring people along; how to tell your story... What is a value centred leader and how do you lead from values?... How do you truly innovate and be entrepreneurial...How to identity talent and retain it and to nurture it, and how to drive strong people and culture in your organisation.”

If we are to truly accelerate the impact of social purpose organisations, we must:

1. Rethink current funding models to provide multi-year untied support that will build organisational capacity.
2. Find new avenues for productive discussions between the sector, government, philanthropy and business.
3. Support senior and emerging leaders by developing their strategy and leadership capabilities.
4. Identify opportunities for members of the social purpose ecosystem to work more effectively together in addressing the needs of the communities they serve.