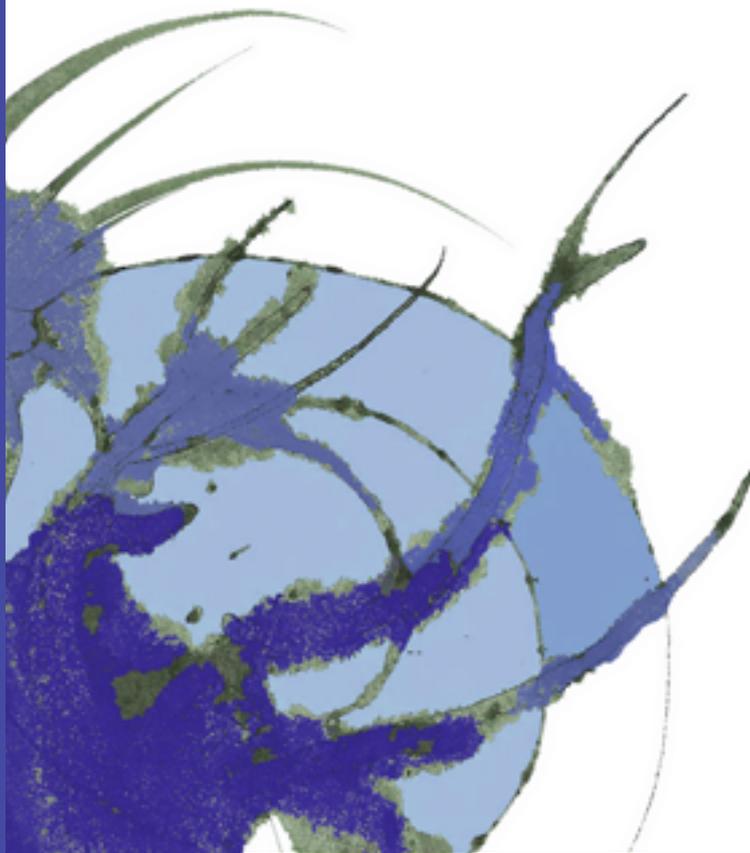


birdsong
charity consulting



Staff perceptions of Chief Executives
Charity Pulse 2014 Special Report



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Introduction

Charity chief executives have a tough job. Championing their cause to a myriad of stakeholders, while at the same time being adept at inspiring staff and volunteers and running a tight ship. All of it under the media spotlight. Their work is a complex balance of internal and external factors, requiring an equally complex mix of skills and personal qualities.

In this year's *Charity Pulse* survey we thought we would ask charity staff to tell us what they thought about their CEOs and what mattered to them most.

So, how well are charity CEOs doing?

This report sets out our findings and we hope it will provide useful insights for charity trustees and senior management teams – as well as CEOs themselves.

The contents of this report

The report is divided into five sections:

- Summary
- How well are CEOs performing?
- What are staff looking for?
- Pay
- The importance of organisational factors

Effectiveness

CEOs are seen as effective by 63% of staff – and ineffective by just 18%.

CEOs are felt to be more effective as external champions than internal change agents. For example, 78% think that their leader is effective at championing the organisation's cause, in contrast to just 43% who think that they are good at building an organisation with effective working practices.

The areas where staff feel that their leaders are *least* effective concern how well people work together: encouraging effective working relationships and building an effective senior management team.

What matters most to staff?

The most important quality that staff are looking for in their CEO is the ability to communicate a clear vision for their charity.

Encouraging healthy working relationships and effectively balancing a consultative and decisive management style are least important.

Pay

When it comes to pay, there are no dramatic headlines. 64% of charity people believe that their CEO's compensation is about right, 21% think they receive too much and 15% think they receive too little.

The challenge for CEOs

So where do all of these findings leave CEOs, when there are only so many hours in the day?

There is a positive message for CEOs coming from our research this year. Overall, charity staff think that their CEOs are doing a pretty good job. They also think that they are fairly rewarded for the work they do.

There are, however, two areas where this research indicates CEOs need to bring greater attention.

Vision

Staff are sending a signal to leaders that they need them to step up when it comes to communicating a clear vision for their charity. This is a key leadership role and one that cannot be delegated. To be successful charities need to bring their people with them. For that to happen effectively the vision must be clear – and it must be clearly communicated from the person at the top.

Organisational health

Staff mark their CEOs down in the areas that contribute to organisational health but, when asked to choose priorities, they do not rate these areas as the most important ones for their leaders to master.

And therein lies the challenge. Non-urgent but vital organisational development areas are losing out to the urgent pressures of external priorities.

But our research shows that CEOs risk everything if they do not set their sights on creating a healthy and sustainable organisation. There is a pressing need to raise the profile and importance of these organisational factors - and this work starts with CEOs.

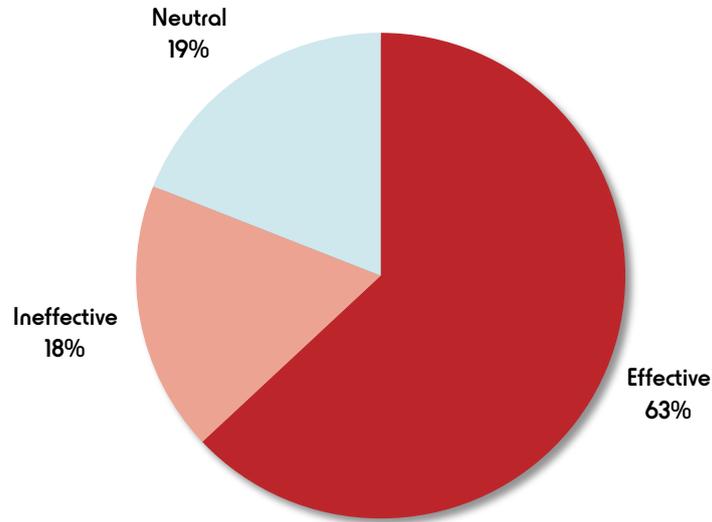
Charity chief executives do have a tough job, but what better way to cement that all important external reputation and deliver the highest quality services than by building a thriving organisation, bursting at the seams with motivated and committed staff and volunteers.

How well are CEOs performing?

Overall

CEOs are seen as effective by 63% of staff – and ineffective by 18%.

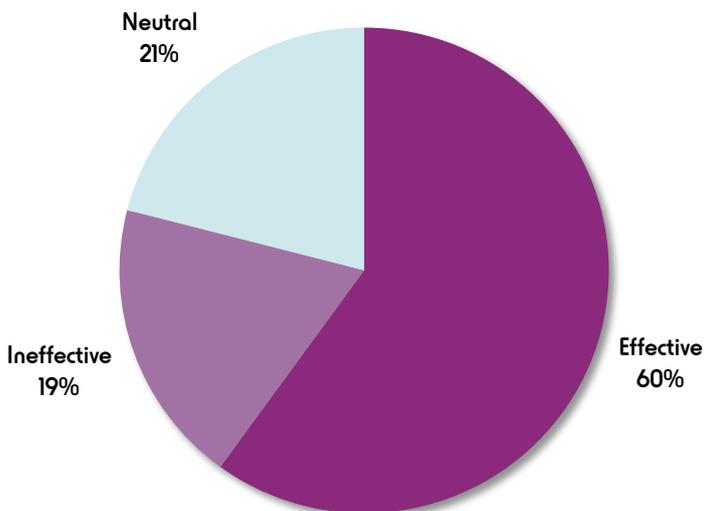
Overall, how would you rate the leader of your charity?



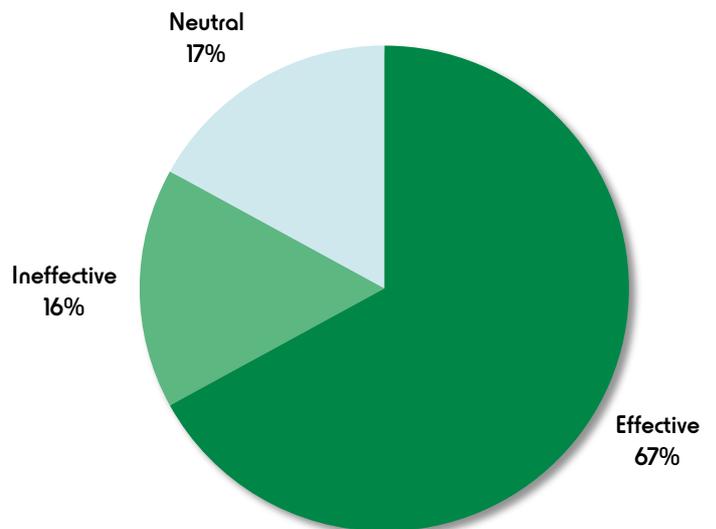
Managers vs. Non-managers

Managers are less likely to view their leaders as effective with 60% feeling that way. Non-managers, on the other hand, are more positive, with 67% seeing their CEO as effective.

Managers



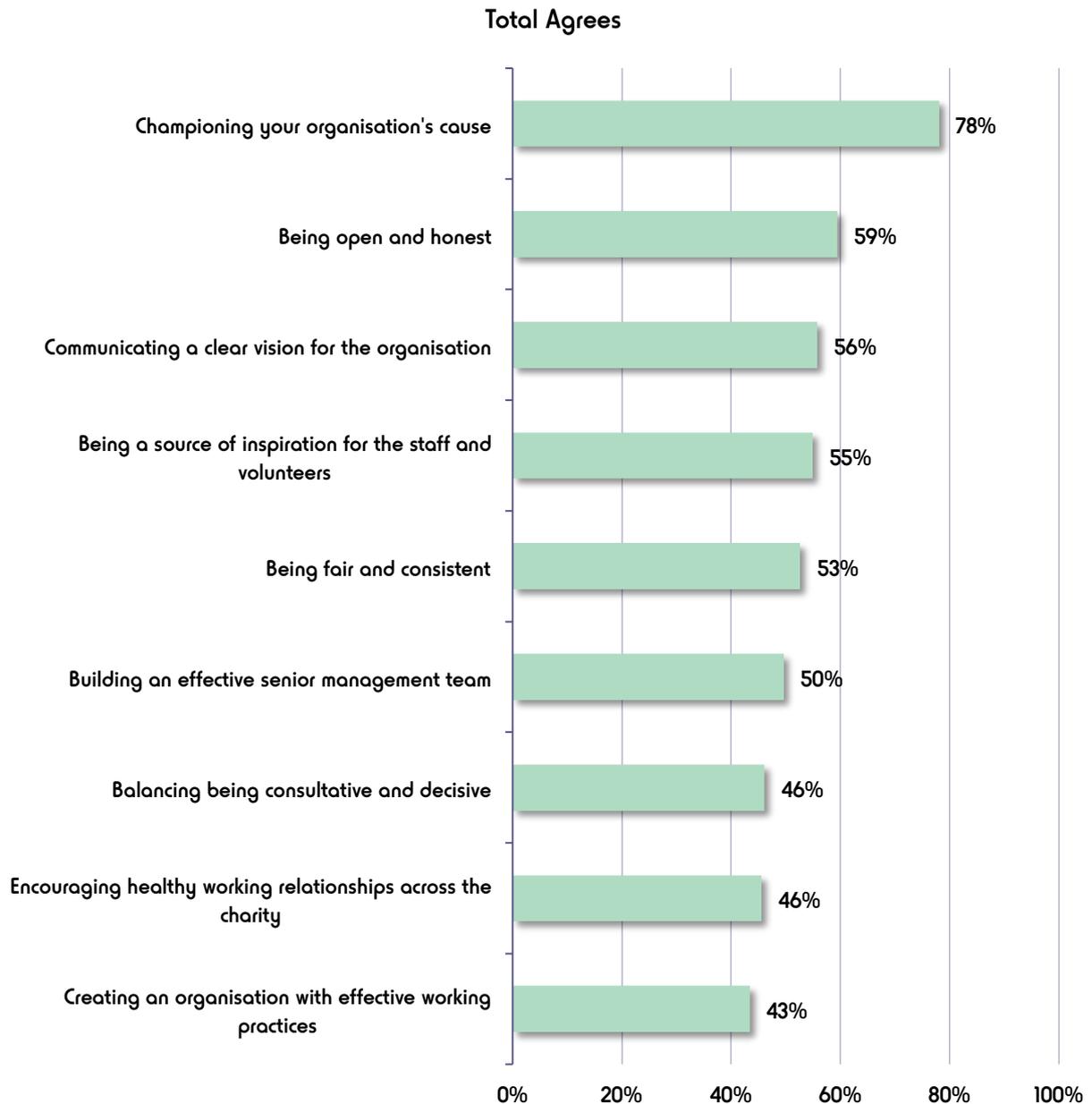
Non-managers



In more detail – performing well

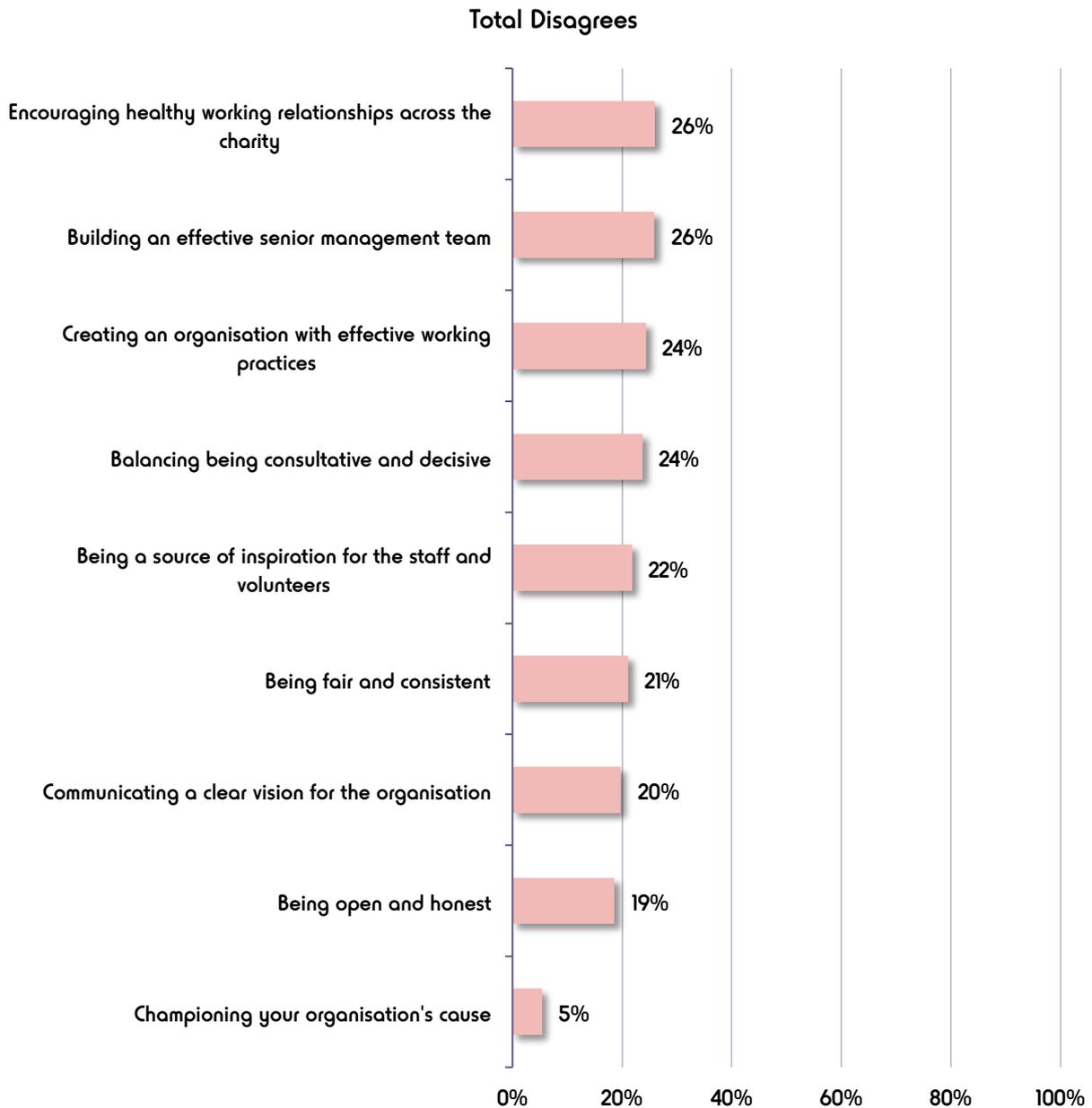
We asked the *Charity Pulse* survey respondents to provide some more detail and they told us how effective they thought their CEOs performed across nine different areas.

Top of the tree is championing the cause. 78% of staff agree that their leader is good at this. At the other end of the scale, just 43% think that their CEO is effective at creating an organisation with effective working practices.



In more detail – not performing well

Focussing in on areas of perceived ineffectiveness, 26% of charity people think that their leader is ineffective when it comes to encouraging healthy working relationships across the charity. The same percentage are not enamoured with their CEO's ability to build an effective senior management team. Interestingly, both of these areas are about bringing people together.



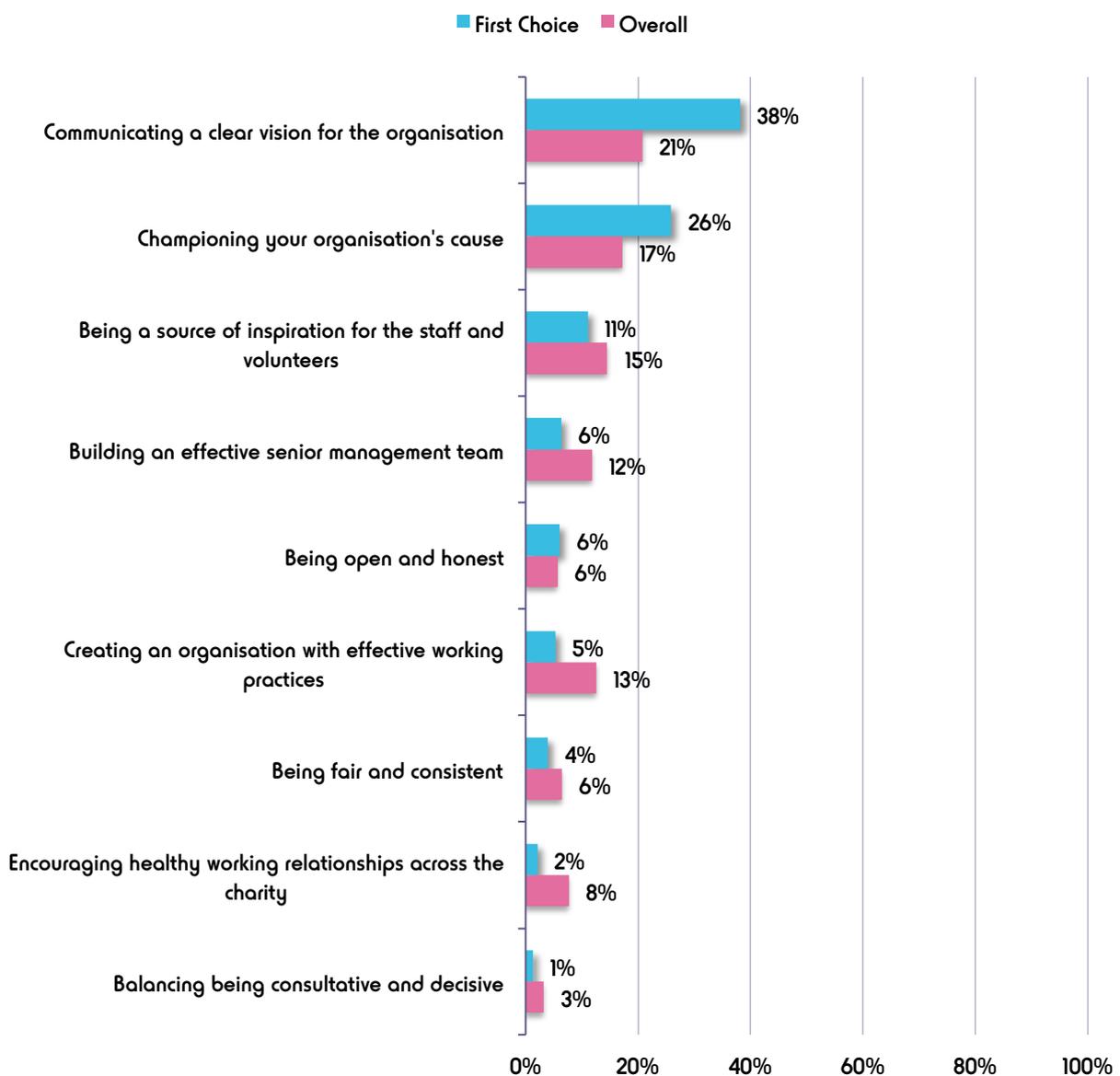
What are staff looking for?

We asked survey participants what matters most to them – what are they looking for from their leader. CEOs may be great at championing their cause, but is that where charity staff want them to focus their energies?

When asked to pick the *three leadership qualities* that mattered most to them, 38% prioritised communicating a clear vision for the organisation, 26% chose championing the cause and 11% thought that being a source of inspiration for staff and volunteers was the most important role for their leader.

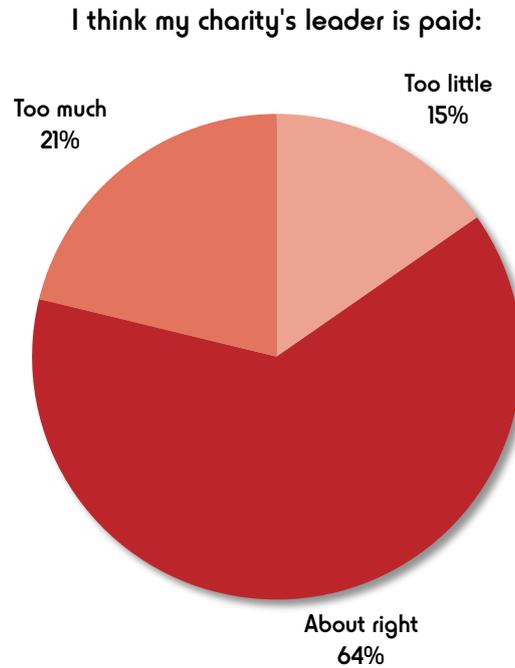
The top three areas remain the same when all of survey respondents' choices are combined.

Which leadership qualities matter to you most?



Pay

When it comes to pay, 64% of charity people believe that their CEO's compensation is about right, 21% think they receive too much and 15% think they receive too little. There is no significant difference of opinion between charity managers and non-managers.



Leaders may take some comfort from these findings, which are an interesting contrast to the general public view (expressed through the *nfp Synergy* November 2013 Charity Awareness Monitor), where 31% of people felt that charity chief executives should not be paid at all.

The importance of organisational factors

These results present an interesting challenge for CEOs. At one level, it is reassuring that a healthy majority of charity staff are happy with their CEO - and that their skills broadly match up to what staff think is important. But when you take a closer look at what's being emphasised by CEOs and staff alike, an important issue is revealed.

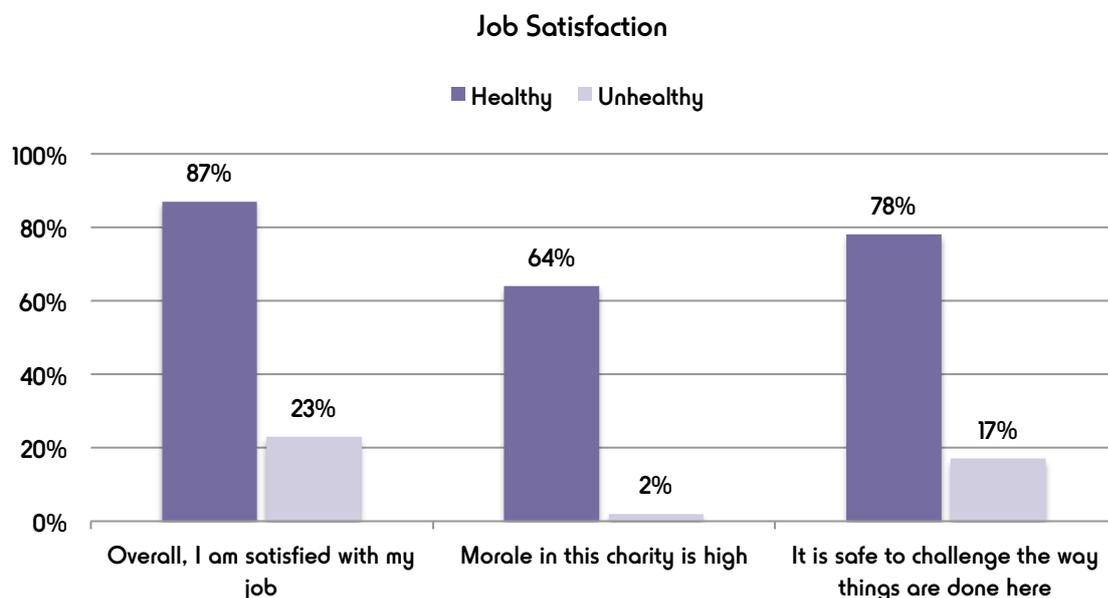
What do CEOs do best? It's championing the organisation's cause. What do staff want most? That's communicating a clear vision for the organisation. Not much wrong with that and we agree. It's when you look at what came *last* that it gets interesting.

Staff believe that CEOs perform least well at *creating organisations with effective working practices* and *encouraging healthy working relationships across the charity*. Staff also rated these areas 4th and 2nd *least important* as the leadership qualities that matter to them most.

So what is this saying? These results indicate that CEOs and staff are more focused on the external aspects of leadership than the internal elements. We think this matters, as our past research shows that these internal factors are crucial to maintaining staff satisfaction.

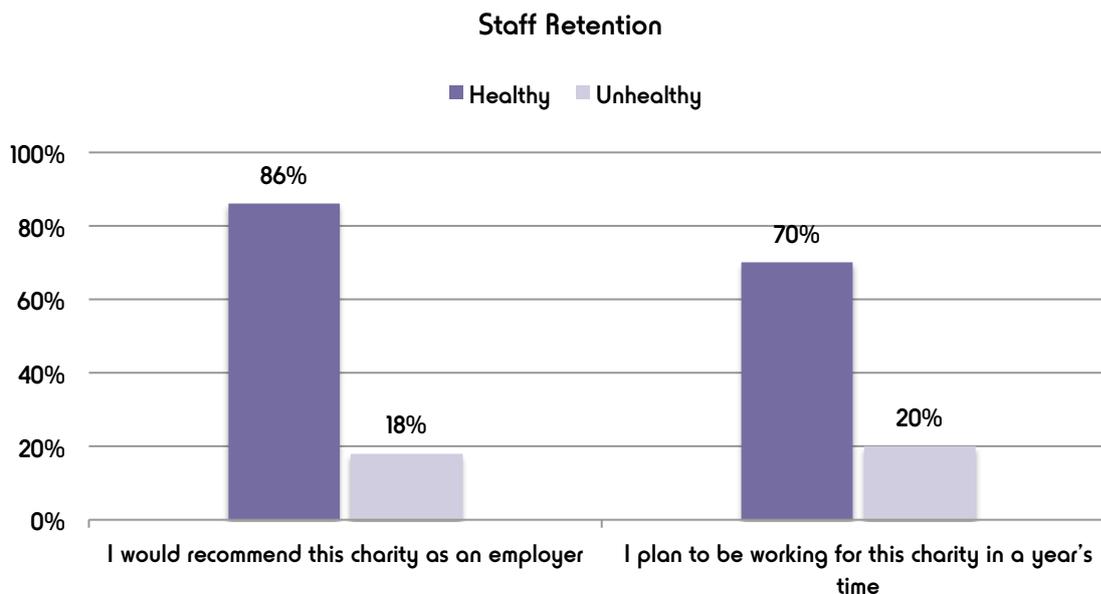
Healthy working relationships

In 2013, *Charity Pulse* took a look at the state of working relationships in charities. Set out below are some highlights from that research that show the impact of unhealthy working relationships on key aspects of staff satisfaction. (You can download the full report: *Better together?* from the resources section our website: www.bird-song.co.uk/resources).



This graph shows that 87% of respondents working in healthy environments are satisfied with their job, while only 23% of those working in unhealthy environments feel the same way. 64% of staff in healthy charities feel that morale in their charity is high, compared with just 2% - *yes 2%* - of those in unhealthy environments.

The final comparison reveals the impact of unhealthy environments on organisational culture. 78% of those working in healthy workplaces feel that it is safe to challenge the way things are done at their charity – compared with just 17% of those in the unhealthy ones.



Even more significantly, perhaps, this graph from the 2013 research shows that 86% of respondents working in healthy environments would recommend their charity as an employer, while only 18% of those working in unhealthy environments would do the same.

70% of staff in healthy charities are planning to be working for their organisation in a year's time, compared with just 20% of those in less healthy environments.

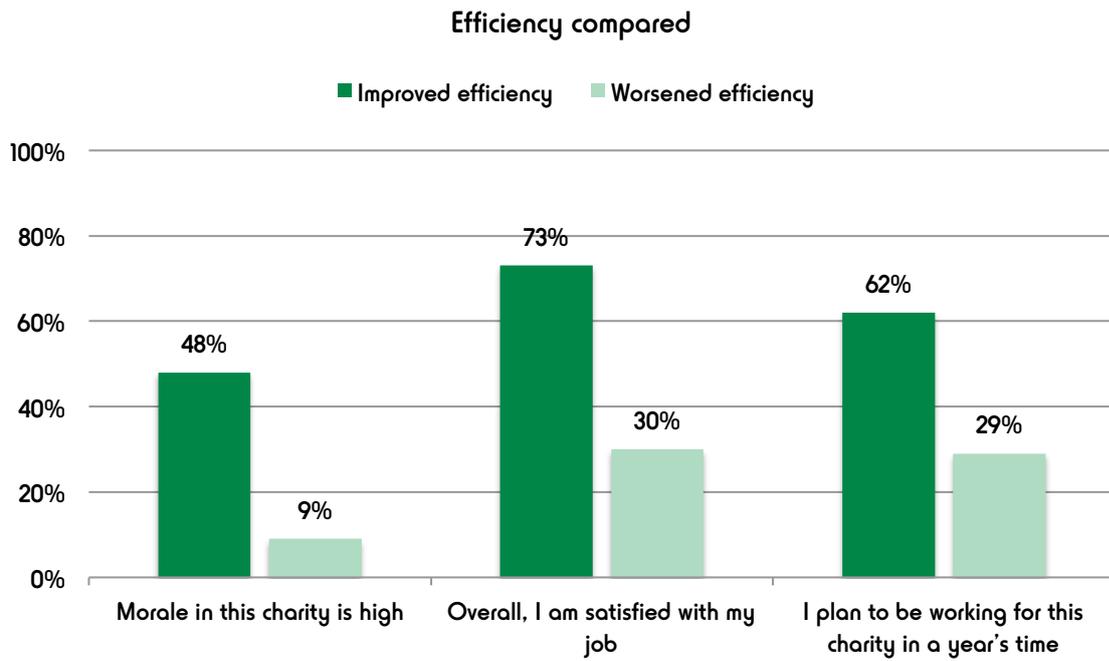
Effective working practices

In 2012, we took a look at how charities were responding to the downturn with respect to working practices (you can download the full report: *Poles Apart* from the resources section our website: www.bird-song.co.uk/resources).

The following graph compares three areas of staff satisfaction between charities that had worked on improving efficiency through the downturn and those that had not.

As with the working relationships research, this analysis revealed that staff morale, job satisfaction and staff loyalty are all significantly affected by the level of a charity's efficiency.

As the graph overleaf clearly illustrates, ineffective working practices are a drain on staff motivation and commitment.



In conclusion

The bottom line here is that healthy working relationships and effective working practices are vital for maximising staff satisfaction and retention, yet this fact is still widely under-appreciated – and so under-prioritised – as an area of focus for charity leadership.

About Charity Pulse

Charity Pulse is an annual voluntary sector-wide staff satisfaction survey conducted by Birdsong Charity Consulting and *Third Sector* magazine. This year's survey ran during March and April 2014. This is the eighth year that we have run the survey.

Charity Pulse is a unique approach to measuring staff satisfaction in the sector, because it enables individuals working for any UK charity to take part. The aim of the research is to build up a picture of working life in charities and help to raise the standard of people management in the sector.

The survey asks charity workers 46 questions about working life at their charity exploring:

- the effectiveness of their management
- the quality of internal communications in their organisation
- their views on development, reward and loyalty
- their morale and work/life balance

It also provides the opportunity for charities to receive cost-effective benchmarked staff satisfaction data, by promoting the survey to their staff.

Many thanks to everyone who took Charity Pulse this year. 463 people took the survey, representing over 180 different UK charities.

Look out for Charity Pulse 2015!

The next survey will open in March 2015 with *Third Sector* magazine. The more charity people who take part, the more impact and relevance the results will have - so please join in!

If you would like to find out more about running a benchmarked *Charity Pulse* staff satisfaction survey for your charity at any time of year, visit **www.bird-song.co.uk** or contact Frances Hurst or Sam Attenborough at **info@bird-song.co.uk**.

Birdsong Charity Consulting

People work best when they feel good about themselves, when they are enjoying their work, feeling motivated and appreciated. They don't work best when they feel over-stressed, over-worked and over-looked.

Birdsong exists to help charities work more effectively with their people. We help charities to become thriving, vibrant organisations where people love to work.

To find out more about Birdsong's work or to download *Charity Pulse* survey reports from previous years visit: **www.bird-song.co.uk**

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