

Top tips for avoiding the spending cuts

Public sector commissioners are under pressure to deliver more for less. With a significantly reduced budget, organisations that can secure future funding will be those that inspire trust, clearly articulate the change they are trying to bring about, and demonstrate the difference they make.

With this in mind, we have put together 10 top tips to help you improve the way your funders view your organisation.

1. Tell them how you spend your money

Funders want detail. The main reason to trust a charity less than others is a lack of clarity around expenditure. Be precise, do not talk in general or vague terms, and don't use jargon. Account for every pound you spend and be prepared to justify how and why you spent it.

2. Use your monitoring and evaluation reports to market your organisation

Don't view monitoring and evaluation as a necessary inconvenience of your terms and conditions. For many funders monitoring and evaluation reports are the principle source of information about a project or service, yet the quality and detail of reports are often low. Reports are one of the primary ways to demonstrate to funders the difference your organisation makes. Invest time and effort.

3. Invite funders to view your project or services

Monitoring and evaluation reports are a good record of achievements, but nothing is as powerful as seeing a project or service in person. Invite your funders to see how your service is delivered on the ground. As long as your service performs well, this will create a much stronger impression on the funder than any report.

4. Use the voices of your service users and volunteers

Again, asking a beneficiary to talk about how your service has created positive change in his or her life makes an incredibly powerful impression. Use service users' stories to demonstrate the difference your organisation makes. This approach can be used in person, in reports, and in promotional materials.

5. The truth, the whole truth, or nothing like the truth?

You might be tempted to embellish your achievements for fear of losing funding. But don't forget, funders read a lot of reports, and it's easy to spot those that have employed a little artistic licence. Reports that fail to tell the full story generate mistrust, making the offending organisation less likely to secure future funding.

Be upfront and honest about any delays and failures, but be sure to explain what you have learned from your failures and how you will avoid making the same mistake in the future.

6. Keep it simple

Keep your impact report simple. Funders have limited time to read a lot of reports. Use to-the-point, punchy messages, avoid jargon, and make sure you tell a coherent and easy to read story. For further guidance, see the RNID's guide to impact reporting available at

http://www.rnid.org.uk/VirtualContent/85422/1589_Value_of_Impact_web.pdf

7. Build a relationship

It's a simple question, but how well do you know your funders? Do you largely communicate via email, or submit a report when prompted? Meet your funders, use the phone rather than email, and ask for their guidance and advice. Put simply, build a rapport. Putting the human touch back into your relationship with your funders will generate a greater degree of trust and confidence.

8. You said we did

Demonstrate that you listen to and respond to service users' needs using the simple 'you said, we did' model. For example, an organisation that supports older people might say 'You said you wanted volunteers to spend more time with you. We recruited more volunteers so that we can increase the average time of a volunteer home visit'. Demonstrating that your organisation is serious about engaging service users is a very powerful way of creating confidence in your ability to deliver services and adapt to change.

9. Review accountability and transparency within your organisation

How accountable and transparent is your organisation? The ImpACT Coalition offers a free diagnostic toolkit to help you measure levels of accountability and transparency within your organisation. To find out more visit www.impactcoalition.org.uk

10. How do other charities demonstrate their impact?

Don't reinvent the wheel. There are plenty of great examples of impact and monitoring and evaluation reports out there. Ask your local infrastructure organisation for examples of best practice.