

## **The Benevolent Society: Policy recommendations on NGO leadership, 2009**

In 2009 The Benevolent Society responded to two Federal Government inquiries about a proposed national compact between government and the non government organisation (NGO) sector, and on the contribution of the NGO sector. Both inquiries stemmed from efforts by the Federal Government to promote better relationships with our sector and to improve the effectiveness of government-funded NGO service delivery. The Benevolent Society's key messages centred around the NGO workforce, innovation, evaluation, and improved contractual and other relations between NGOs and government.

### **Unique and vital contribution of the NGO sector**

- NGOs play a unique and vital role different to that of governments and the private sector. Strengths include their ability to:
  - foster public participation through providing opportunities to volunteer, be involved in government program design and evaluation, contribute to community development, and by giving a voice to marginalised individuals and communities through advocacy
  - increase community cohesion through facilitating the development of social connections.
- NGOs contribute to improved social policy by identifying new and emerging areas of need in communities, articulating ideas and solutions, producing evidence of good practice through research and evaluation, and working with government, academia and the private sector to translate knowledge about what works into policy and practice.

### **Stronger workforce**

- In order to provide better services, the NGO workforce needs to have the necessary skills and qualifications. In order to attract and retain skilled workers, the sector needs to be able to offer competitive pay rates and conditions, as well as opportunities for learning and development.
- Governments can contribute by assisting with workforce planning and providing adequate funding which allows for pay parity between the sectors and developing the skills and capacity of workers.

### **Cooperation between government and NGOs**

- NGOs should be included as partners in policy and program design and delivery, not merely as sub-contractors. Governments should encourage

inter-sector secondments, promote collaborative research and dissemination of findings, and provide structures which support collaborative planning at local, state and national levels between government departments and sectors.

- Community services are more effective when they are coordinated and complement each other. This requires collaborative planning and the sharing of expertise and information.

## **Innovation**

- Innovation requires access to resources above those required for day to day service provision. Funds need to be set aside for innovation. An innovation fund for trialling major new initiatives by NGOs is one option. This is particularly important if innovative programs which tackle complex problems that cut across portfolios and funding streams are to be supported.
- Innovation can also be stifled by unnecessarily rigid program design. Program design should allow for local variation and innovation.

## **Contracts**

- Fairer and more transparent contracts would have a significant impact on the quality of services provided by NGOs.
- Longer-term funding contracts which either cover the full costs of service delivery or make explicit which costs are covered, would result in more sustained and better quality services.
- Contracts should better reflect the costs incurred by NGOs in running services, especially in relation to the establishment phase of a service, risk and costs incurred when government policy changes.
- Standardising and reducing the regulatory burden on NGOs would make more time for focusing on core work.

## **Evaluation**

- Evaluation is essential to measure the effectiveness of services provided through NGOs and for quality improvement. A common evaluation framework across the sector would be helpful for comparing the strengths and outcomes of different services.
- Any measurement and evaluation framework should focus on outcomes and impact rather than simply measuring outputs.
- The framework also needs to reflect processes such as client and community participation in services and evaluation that contribute to better results.
- In order to not impose a further financial burden on NGOs, evaluation should be funded as a standard component of all service delivery contracts. This requires investment in building the evaluation capacity of NGOs.

- Evaluation requirements should be flexible and proportionate and NGOs must be involved in their design.

### **National compact**

- Compacts between government and the NGO sector have great potential. To be effective, the implementation and governance of a National Compact must be well resourced; have clear practical processes; clearly defined outcomes, timeframes, roles and responsibilities; and transparent review mechanisms.
- The proposed National Compact should be championed by Prime Minister and Cabinet in order to reflect its importance.

### **Further information**

- Submission on a National Compact: [September 2008](#) and [September 2009](#)
- [NGO leadership issues paper](#): April 2009
- [Submission on the Contribution of the Not-for-Profit Sector and Response to Draft Report](#): May and October 2009

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