



Learning for Purpose

Highlights from Researching the Social Return on Education
and Training in the Australian Not-for-Profit Sector



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ABOUT THE AUSTRALIAN NOT-FOR-PROFIT SECTOR

The Australian Not-for-Profit (NFP) sector operates across most aspects of our lives and communities, it provides services and support that are diverse and complicated, and in fields where business and public organisations are not able or willing to engage. The Australian NFP sector is the fastest growing part of the Australian economy with:

- 600,000 NFP organisations in Australia (57,000 NFPs economically significant)
- Employing over 1 million people – 9% of the workforce (generating \$55 billion towards GDP)
- 5 million volunteers, contribute an additional \$15 billion in unpaid work

ABOUT THE RESEARCH

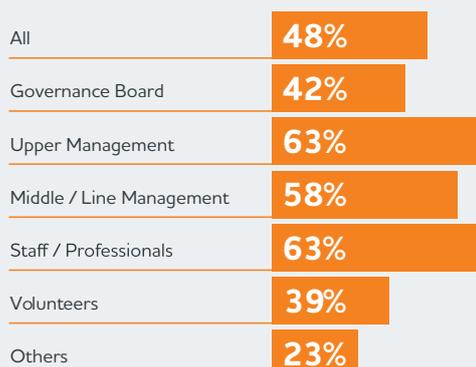
The employees and volunteers of the Australian Not-for-Profit sector are under severe strain to meet the increasing obligations and challenges – it's not about making them work harder, but smarter. Training and professional development activities can facilitate social impact. Yet, there has been a profound absence of systematic information on the state of workforce development in the Australian Not-for-Profit sector.

The seven key findings summarise research on what we call the 'social return' on education and training. The findings should be used as the catalyst for discussion if we are to confront the challenges facing Not-for-Profit organisations, funders and the sector's decision makers.

For more information please refer to the full report available here.

1 Training intensity is highly variable across organisational size, job role and sub sector

While 48 per cent of all organisational members received at least one formal professional development experience, this is highly variable across the Australian NFP sector. Members of governance boards, volunteers, and small NFP organisations generally appear more particularly challenged to realise training.



2 NFP organisations that systematically develop their people do better

Data from hundreds of Australian NFP organisations shows that professional development of employees makes them more effective in their roles. This rise in competence and capability flows on to the creation of social impact.



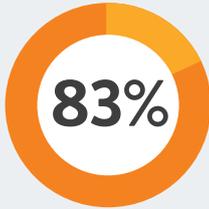
3 Training NFP workers works

New evidence shows a set of professional development activities addressing NFP governance, strategic leadership, and impact evaluation was found to have systematic, positive effects on those trained. They gain greater role clarity, competence knowledge and self-confidence that facilitate better decisions and behaviours at work.



69% apply their new knowledge and skills once a week or more often

92% would recommend their training experience to someone else



83% attest that the training encouraged discussion of new practice or policy

4 Training NFP key competencies leads to multiple positive outcomes



Powerful narratives illustrate how professional development experiences favourably affect the knowledge, skills and

abilities of NFP workers. Rich data shows that training NFP workers facilitates better leadership, saved funds, superior performance, and greater well-being, which in turn enhances organisational viability and social change.

5 Training can deliver positive economic returns

Exemplary cost-benefit estimation for a NFP governance training scheme suggests an economic impact factor of +6. For each dollar spent on the capacity building, there appears to be an average positive return of about six dollars that can be attributed to the training and the resulting behaviours, decisions and flow on effects.

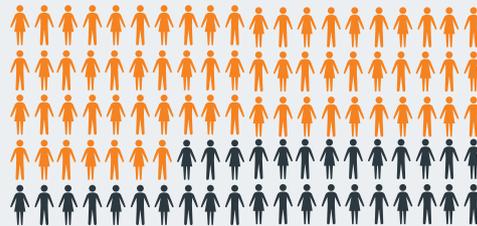


Economic impact - \$1 returns \$6.

Finding represents exemplary cost-benefit estimation for a Governance capacity building scheme

6 The lack of money and time prevent needed professional development opportunities

Insufficient financial and structural support prevents the Australian NFP sector and its people from engaging with more professional development. Smaller NFP organisations appear particularly prone to financial challenges, while larger NFPs are challenged by time and support required to offer training.



33% of NFP executives have NO access to a designated development budget

7 The needs for developing NFP key competencies vary considerably

There is a need for increased leadership development and strategic competence across the Australian NFP sector to ensure mission success. Certain sub-sectors and organisational features demand specific attention. A larger, national study must generate more granular data to inform policy makers, training providers, funders and other NFP stakeholders.



Key competency development needs as ranked by managers and directors, in relation to subsector

1. Strategy 2. Leadership 3. Outcome / Impact Measurement and Evaluation 4. Program / Service Design and Implementation 5. Governance 6. Management of Resources and Stakeholders 7. Financial Management and Non-profit Accounting 8. Talent Development and Skills 9. Fundraising Principles and Practices 10. Advocacy and Public Policy 11. Risk Management and Legal Issues 12. Organisational Culture 13. Attraction and Retention of People 14. Other 15. Volunteer Management

Learning for Purpose is a program to research and realise workforce development in the Australian Not-for-Profit sector. Led by the Centre for Social Impact at the University of Western Australia Business School, the program seeks to inform practice, policy, and theory about maximising Not-for-Profit organisations' capability so they achieve their community objectives and social change.

In 2012 the research team began to systematically examine the social return on education and training for individuals and organisations in the Australian Not-for-Profit sector. This work is funded by the Origin Foundation and realised in close collaboration with the Australian Scholarships Foundation. Research starting in 2015 will identify the most effective and efficient means by which to develop Not-for-Profit key competencies on a national scale through formal and informal work learning. This research is funded through the Australian Research Council and EY, and realised in collaboration with the Australian Scholarships Foundation, the University of New South Wales and Swinburne University.

For more information please refer to the full report available online.

www.business.uwa.edu.au/learning-for-purpose

www.originfoundation.com.au

www.scholarships.org.au

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A Research Report by the Centre for Social Impact at The University Western Australia Business School, prepared for the Origin Foundation (2015)