Strategic Implications of the CRC Scandal for Donor Interactions in Irish Charities.

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Declaration

I, Isaac Boss, declare that all work within this dissertation is entirely my own, with the exception of sources indicated in the text and references. It is being submitted in partial fulfilment of the requirements for the Masters of Business Administration at Dublin Business School.

No part of this work has been previously submitted for assessment, in any form, either at Dublin Business School or any other institution.

Signed: Isaac Boss

Date:
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Abstract

This dissertation examines what the strategic implications of the CRC scandal that occurred late in 2013 are Irish charities in relation to donor. The qualitative research approach collected primary data through in-depth interviews of seven Irish charitable organisations, specifically seeking information on what the implications were, which strategies were revised and implemented, if there are differences in strategy between corporate and individual donors and how donor recruitment and retention have been affected by recent developments in the charity sector.

The analysis of this research presented a number of common themes. Across the sector there was a significant disconnect between standards of governance in charities operating in the international environment as opposed to the Irish sector. Charities operating nationally are addressing governance issues in direct reaction to the CRC scandal, as they try to become more transparent, accountable and credible. In conjunction with this, media and communication strategies are being used to deliver stories of impact and divert the focus from inputs into charities onto the effectiveness of their service delivery, something already achieved by international charities. There were differing impacts on funding and service delivery across the board with every charity in a unique situation in this respect, although they all considered reputation to be their greatest risk and the CRA being established as a welcomed development in the sector.

The study confirms issues in governance cited in previous literature and contributes to this further as there has been minimal research into the impacts of the CRC on the Irish sector. It also opens up lines of further research in order to be able to be able to reach more accurate generalisations within the industry. It is recommended that charities should be pursuing better transparency and communication of effectiveness while the CRA should be educating the public on the charitable environment.
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**Section 1. Introduction:**

All organizations exist for a purpose, with goals set out to align with its mission statement. Strategy is an aspect of business that is crucial in achieving these goals yet in the charitable sector the need for strategic management in its purest form creates a unique operating environment due to inherent differences in its application. As Tse (2010) states:

> Strategy refers to top management’s plans to develop and sustain competitive advantage - a state whereby a firm’s successful strategies cannot be easily duplicated by its competitors - so that the organization’s mission is fulfilled […] Strategic management is a broader term than strategy and is a process that includes top management’s analysis of the environment in which the organization operates prior to formulating a strategy, as well as the plan for implementation and control of the strategy (Tse, 2010, p. 2).

Contrary to this, the characteristics required for an organization to be charitable, indicates the key dilemma in the co-existence of the two, namely for the competitive advantage sought over competitors. The Australian Government (2000) highlight this when they sought the definition of a charitable organization for regulation purposes, stating:

> An essential attribute of charity is that it does not confer private advantage or benefit. In its simplest expression, this reinforces the 'not-for-profit' requirement, which precludes any individual from receiving a financial gain from the activities of a charity - other than as a recipient of the services provided by the charity (Australian Government, 2000).

Given the contrasting elements of both domains it is no wonder that there have been significant inadequacies in the strategic operation of many charities that have managed to taint the sector as a whole. The actions of a few can have implications across the broader spectrum as the misuse of charitable funds damages the reputation of those seeking to provide maximum benefit to those less fortunate.
The objective of this research is to examine the evolving use of strategic management in the Irish charitable sector. In particular, it is to understand its points of strength and weakness that have been realised in relation to the Central Remedial Clinic executive pay and top-up scandal that rocked Ireland in 2013. Each charity and each of its stakeholder relationships is unique of the next, as they have many differing needs from the corporate to the individual donor, while from a business perspective, the need for accountability is increasingly prevalent for the benefactor rather than the beneficiary. As the use of strategic management in charity is recent in the world of business, this research is intended to give greater practical insight into the specific areas of strategy that need consideration in the Irish context.

This research is particularly relevant to me as I am on the fundraising committee of the LauraLynn charity (Ireland’s children’s hospice) and on the Board of Directors of the Le Chiele charity (mentoring and youth justice support services). I therefore have a great interest in the strategic operations of charities while have an understanding of the complex array of stakeholder relationships that are present in the sector. Unfortunately I also have experience with the increasingly wary eye that is being cast upon the charitable sector, hence I am eager to gain greater understanding of the implications this has on the sector. Dublin Business School (DBS) will be the sole recipient of my research.
Section 2. Literature Review:

The combining of business strategy and Not for Profit Organisations (NPO’s) such as charities is a relatively modern phenomenon in the world of business. Hunger and Wheelen (2004) state, “by the mid-1990’s, most not-for-profit organisations were turning to strategic management and other concepts from business to ensure survival” (p 324). This relationship has continued to develop over the last two decades due to a number of reasons, not least the necessity of survival, and still it continues to evolve. The importance of the strategic management of charities is more evident now than ever, as they operate in a competitive environment to secure funds to address their organisational goals. Still however, inadequacies are continually exposed in the operation of certain organisations, which continue to cast an increasingly critical eye over how charities conduct their business.

2.1 Theoretical Considerations.

Theorists agree there is an important role for business theory in the operation of charities but also point out the there are many difficulties faced as business strategy in the charitable environment contains many contradictions and unique challenges that need negotiating. Drucker (1989, pp. 33-39) points out the traditional nature of NPO’s and charities meant pride was taken in the fact that they were not tainted by commercialism or the consideration of the bottom line as they sought to achieve a greater good. Commercialism has become critical to their operation however, and means they need to be managed more efficiently than a business specifically because charities lack discipline of the bottom line. Johnson, Scholes and Whittington (2005) also emphasise this battle with the bottom line and the dilemma it poses charitable organisations in the business environment as “it is often fundamental to their existence that they have zeal to protect and improve the interests of particular groups in society. But they also need to remain financially viable which can bring problems with their image” (p 191). Additionally to the environment charities operate in, Haberberg and Rieple (2001, p. 491) focus on the internal make up of the organisation. They recognise that traditionally charities are a volunteer run sector, highlighting the fact that now they often have a mix of paid employees (for management and administrative purposes) and volunteers who are generally
motivated and rewarded intrinsically. Associated with this are difficulties in aligning the goals and perspectives of each to ensure operational efficiency. Further to this internal perspective, it is common in the business environment for organisations to seek a sustainable competitive advantage. However in an argument presented by Lynch (2003), weather or not this is true for charities is questionable, as he rightly indicates the nature of charities is that they provide a free service to consumers without competition. In discussing this point he later states:

Charities depend for the financial support either on government funds or on private donations. Such support is usually not unlimited, and so in this sense such organisations compete for finance from potential providers. Developing arguments and evidence to maintain and enhance the funds distributed will be important (Lynch 2003, p 127).

This indicates how competitive advantage is not directly sought but can be gained indirectly through the procurement of resources from potential funders at the expense of other charities; hence a competitive advantage in the operation of the organisation can be achieved.

2.2 Theory in Practice:
The common belief among theorists is that funds are not unlimited. Although this may be true, trends show that charitable giving is increasing rather than decreasing as suggested by some, including Haberberg and Rieple (2001) who state, “In the case of charities with a diverse donor body, they are competing for what seems to be a declining pool of available money” (p. 494). According to the world-giving index, charitable donations in 2012 were in fact on the increase although they were yet to reach levels as high as 2008 before the financial crisis (Charities Aid Foundation, 2013). Figures released in the United States by the blackbaud index support this trend indicating charitable giving grew by almost 5% in 2013 nationwide (blackbaud 2013).

2.2.1 Philanthropy:
The reasons for growth in charitable giving can, to an extent, be linked to the rise in philanthropy and corporate social responsibility (CSR). Philanthropic giving of large
sums has become an increasing trend and varies worldwide between individuals and businesses. Individual philanthropy thrives in the U.S. where in 2000, 7% of US households donated 50% of all charitable dollars donated, while just over 1% of the wealthiest individuals accounted for almost 30% of all donations (Lincoln and Saxton 2012, p. 4). India on the other hand has taken philanthropy to a new level, as it has become the first country to have CSR legislation, mandating companies give 2% of net profits to charitable causes (Chhabra 2014). With this sort of philanthropy comes greater responsibility. Charities now need to be more transparent and held more accountable for the use of funds that are procured while plans set in place to encourage future giving by individuals and organizations. As donations and community giving are a part of modern business, there needs to be business like consumer relations from the charities point of view as now “charities are more explicitly and directly accountable to their income providers than a commercial organisation. Key donors … are very keen to see value for their money” (Haberberg and Rieple 2001, p 493).

2.2.2 Corporate Social Responsibility:

The CSR area as a whole has also evolved to include more than just monetary donations. Corporate volunteering, although not new, is another trend increasing in popularity. It is practiced both by multi-national corporations and indigenous businesses and involves employees being encouraged to work pro bono or volunteer in community organizations, while alternatively, the companies themselves offer their human resources to community groups. The perceived benefits of this are that it is good for the community, good for those who volunteer and good for the company itself. (Greuter 2014, pp. 14-16). Corporate volunteers, for example, have particular skills that are not always available with regular volunteers and can create value to organizations by performing specific tasks strategically to the benefit of the organization (Roza, 2013, pp. 5-9). Again, like corporate philanthropy, charities are expected to develop this relationship also, providing evidence of not just what donations are being used for but what the corporation itself is getting in return. Charities must therefore nurture lasting relationships with corporate partners to subsequently receive donations, and as Scott (2012) states, “develop novel fundraising ideas that involve a company's employees and create meaningful,
impactful volunteer opportunities which advance mutual goals”. More precisely these goals refer to corporate partners enjoying “an enriching volunteer experience, which aligns with their cause marketing strategies and promotes employee engagement (Scott 2012). Further to this by dedicating more time to donor relations, increased donor loyalty to the organization can be achieved (Worth, 2002).

2.2.3 Managing Donor Relationships:
Managing the donor relations is not isolated to corporate givers and the individual donor must be included. Individual donors often gift the largest charitable amounts, therefore communication and an understanding of motivations driving these donors is key. Individuals need to regularly see the impact and benefits that result from their own perceived philanthropic support so that whatever intrinsic reward the individual seeks can be delivered by the charity and the relationship enhanced. (Humes, 2013)

The reality for charities is that strategic planning is difficult due to the nature of the business environment; particularly as they have multiple donors (with differing motivations) who are themselves not actually direct beneficiaries of the organisations actions. These motivations are of importance however, as donors are key stakeholders in the charity (Johnson, Scholes and Whittington, 2005 p. 26). For this reason it is imperative that, as stated by York (No Date):

Leaders of sustainable organizations connect with funders by sharing results at a level that resonates with them in order to inspire long-term commitments. Leaders must achieve credibility and community support in order to develop or strengthen long-term funding relationships. (York, No Date, p. 6)

There is plenty of literature emphasising the need for managing relationships but exactly how this is achieved adequately varies. Charities must balance the corporate needs of value for money and employee engagement while meeting the individuals desired intrinsic reward. This has had significant strategic implications for charities as they have evolved into a business discipline in their own right and hence require corresponding standards and transparency in all levels of operation, with particular interest from stakeholders given to governance, leadership and accountability, while
the resulting performance of their attempt to achieve the ‘greater good’ becomes a measurable outcome.

2.3 Practical Considerations
With the increasingly apparent need for increased governance and accountability in the sector, the aspect of trust has instead been damaged rather than enhanced. As Haberberg and Rieple (2001) state:

The general public is becoming fatigued with the deluge of increasingly sophisticate solicitations from charities, making it difficult for an individual charity to make its voice heard. This has not been helped by the occasional case reported in the newspapers where donations have been entirely swallowed up by administration costs leaving nothing for the intended recipients of donors’ money (Haberberg and Rieple 2001, p. 494)

This emphasises the clinical efficiency that needs to be delivered due to the use of stakeholder funds to achieve objectives while the charities remuneration of paid employees is, rightly or wrongly, more scrutinised than that of normal business enterprises. This not only indicates the dilemma remuneration creates for the charitable sector in general, as it may be hard to attract top-level directors and managers as they can earn higher wages in the private sector, but also hints at the damage that can be inflicted on the sector due to media scrutiny on poorly operated charities.

2.3.1 Scandals:
Standards from the business sector are increasingly being applied to the charitable sector as the two environments converge. The transition for charities into the business environment however has been far from seamless. Many scandals have been revealed in the past, and still they continue to be exposed, predominantly in relation to remuneration policies. In the UK in 2013, 30 senior executives at the 14 charities that make up the Disaster Emergency Committee were found to have salaries of more than £100,000 while revenues and donations fell, for example the Save The Children’s
chief executive’s salary increased from £140,000 in 2010 to £170,000 in 2012, while the charity raised less income in the same period (Ribeiro 2013). This received great criticism in relation to whether very high salaries are really appropriate and fair to both the donors and the taxpayers who fund charities. Disproportionate salaries have the added risk of bringing organizations and the wider charitable world into disrepute (Mair 2013).

2.3.1.1 CRC and Rehab:
In an Irish context, the sector has recently suffered its own charitable pay scandal in the form of the Central Remedial Clinical (CRC), which was later compounded by The Rehab Group.

In the case of CRC, payoffs and salary top ups were received by executives from The Friends and Supporters of the Remedial Clinic, a separate company set up to raise funds for the CRC. Payments included topping up the CEO salary from a publically funded €107,000 to over €240,000 while six senior staff members received an additional €250,000 annually on top of their state funded salaries. Astonishingly the CEO also received a pension top up of over €700,000, which was recorded as a donation, before being dismissed from his position (O’Brien and Wall 2013).

Another Irish charity, Rehab – who at the time were over 50% funded by the taxpayer (to the tune of €95 million), have also attracted significant controversy to the charitable sector. Similarly excessive pay scales have been exposed with documents showing as many as seven employees were on salaries between €104,000 to €174,000. Further to this a consultancy company owned by Frank Flannery (former Rehab CEO) received €5000 a month from 2007 and 2013. This amounted to over €400,000 for work that is unknown, while Rehab CEO Angela Kerins, who signed off on these payments, was herself on a salary of €240,000 (Flanagan, 2014).

These scandals have had great impact on the public perception of the Irish charitable sector with its reputation plummeting. The notion of trust in the industry has come under the spotlight and individual charities relationships with donors are being called into question. It was reported that 97% of charities believe the CRC affair has damaged public trust in them while 54% believe that this damage may be permanent.
This damage has also impacted charities at the bottom line, with 61% claiming the negative publicity generated from the CRC and Rehab has decreased funding - almost half of these charities claiming decreases of up to 10% (Hennessy, 2014).

2.3.2 Regulatory Environment:

2.3.2.1 The International Environment:
Strategic Management is playing a major role in gaining the required transparency and accountability in the charitable environment particularly through the areas of regulation and governance. Regulation in the sectors’ legal environment is a new development with many economies only recently becoming regulated while others remain unregulated.

In the United Kingdom, The Charity Commission for England and Wales was established in 2007 to regulate its combined charitable sectors under the Charities Act 2006 (Hogarth et al 2012, p.4). Following this the Charity Commission for Northern Ireland was formed in 2008 to regulate its own jurisdiction, being based significantly on the structure of the English and Welsh model (The Charity Commission for Northern Ireland, 2014). Scottish regulation dates back further however, with the Office of the Scottish Charity Regulator (OSCR). This has been operational in some form since 2003, originally being an executive agency, it became part of the Scottish Administration following commencement of the Charities and Trustee Investment (Scotland) Act 2005 (Office of the Scottish Charity Regulator, 2014).

2.3.2.2 Irish Regulation:
As opposed to many foreign environments, the Irish charitable sector remains unregulated despite most recent developments. McKeown (2004) indicates however, that the need for regulation was recognized as early as 2004. Of particular note was the fact that the previously mentioned economies of England, Wales, Scotland and Northern Ireland, along with Canada, Australia and New Zealand, all had proposed legislation taking affect from 2004 onwards. Keeping updated with developments in these economies was deemed crucial, as there were significant lessons that could be
gained from their experiences and transferred to our own sector. Further to this, McKeown reports that a consultation group formed to study the area of regulation concluded that it:

Shared the Government’s commitment to modernizing the charity sector and regards regulation as one of the key elements […] regulation will build public confidence in the charity sector which is now a major player in the social and economic life of Ireland as in other developed societies (McKeown, 2004 p. 3).

With the importance of the charitable sector recognized, so too was the need for change within it, however this reform has been characterized by large periods of inactiveness. 2006 saw the Heads of Bill for Charities Regulation published which was to make the registration, regulation and supervision of charitable organizations mandatory (Perrin and Sheehan, 2006, p.4). Action following the creation of this bill was laboured however and it was not until 2009 that The Charities Act was created. This Charities Act provided the legislation upon which the registration, regulation and supervision alluded to in 2006 was now achievable through the establishment of a Charities Regulator and the Register of Charities (The Wheel, 2009). Once again action stagnated until recently, when according to the Irish government news service, minister Alan Shatter enacted this legislation as he announced Ms. Una Ni Dhubhghaill as CEO of the Charities Regulation Authority (CRA). Establishing the CRA is the final step in honouring the commitment government made years ago to regulate the sector and this should now be operational by the end of 2014 (Merrionstreet, 2014).

Although I cannot see the logic in why this progression in the regulatory environment has been so drawn out, I can at least understand to an extent why it occurred this way by reviewing debates in the Dáil at the time, particularly the second reading of the Charities Bill in Houses of the Oireachtas in 2007. The Minister for the Department of Community, Rural and Gaeltacht Affairs – Pat Carey, made no mention of the timeframe in relation to the reforms that were referred to. Although it is clear that the intention is to introduce the Charities Regulator, the speech fails to make it clear that regulatory provisions would be ‘enacted’ but not ‘commenced’ immediately. This fact
is only alluded to in his closing remarks when he states; “I consider that this Bill, when enacted, will deliver a regulatory framework worthy of the sector.” (Carey 2007, p. 11).

2.4 Irish Developments:

2.4.1 Charities Regulations Authority:
The CRC scandal has acted as the catalyst for the long awaited commencement of regulatory reform in Ireland. While the CRA has since been established in October of this year (2014), one of the first tasks of the authority will be the development and publication of a register of charities. Other notable functions will include increasing public trust in charitable organizations and ensuring charities are accountable to donors, beneficiaries and the public. It will also ensure and monitor compliance of the Charities Act by the registered charities (Charities Regulation Authority, 2014).

The registration process is already underway with the CRA currently forming the register, which will be completed in the coming months. In order to form the register, the Charities Regulation Authority (2014) explains that charities will automatically be included if they are registered with the Revenue Commissioner for tax purposes. Charities that are not registered for tax exemptions presently will have to apply to the CRA to be included on this register. According to A&LGoodbody (2014), The Department of Justice and Equality estimate this register will therefore automatically include approximately 8,400 charities, while every other charity wishing to be included must apply to be registered on or before the 15th of April 2015. Therefore even though the CRA is now up and running the regulation that is needed in the sector will still be some time in coming yet, as the register of charities will not be confirmed until well into next year.

2.4.2 Charity Support Organizations:
While there was no regulatory advancements in the charity sector there were progressions in order to help the industry reach acceptable practices and standards. This came in the form of the establishment of two organizations in particular, The Wheel and Boardmatch Ireland. The Wheel, formed in 1999, is a one-stop resource
for charitable organizations that help them achieve goals, link with the community to enhance understanding and also engage with the government to influence decisions (The Wheel, 2014). Boardmatch Ireland is a lot younger, being established in 2005, with a more specific remit of improving governance by strengthening boards and management committees (Boardmatch Ireland, 2014).

Currently both The Wheel (2014) and Boardmatch Ireland (2014) recommend the use of Standards of Recommended Practice (SORP) in relation to financial reporting, something that is mandatory in the UK but not here in Ireland. Besides SORP, both The Wheel Boardmatch also recommend charities sign up to the Governance Code and the Irish Charities Tax Research (ICTR) Guiding Principles of Fundraising in a effort to increase the standard of governance overall in the sector. The ICTR Guiding Principles of Fundraising offer a set of key principles and guidance for charities about how fundraising should be approached and organized, designed to give donors and potential donors clarity on what they may expect from the charity (Irish Charities Tax Research Ltd, 2008, p.9). The Governance Code is a set of five main principles that are designed to help charities reassure funders their money and the organization are governed well, increase transparency, avoid risk, achieve goals faster and reduce costs.

2.4.3 Donor Trends in Ireland:

An important part of the charity environment is being able to fund the services they are providing and the fact is charities are totally reliant on funders/donors for continuation of their service level. Even though the importance of the charitable sector to the nation’s economy is undeniable, particularly in terms of GDP, employment and the services they provide, there exists a distinct lack of information from an Irish perspective.

Given the economic climate since the financial crisis of 2008, donations have been harder to solicit. According to Irish charitable advisors Russell Brennan Keane (2012, p.4), funding is currently the biggest challenge facing charities with the majority expecting funding to be decrease by upwards of 10% in the coming years with almost half of government funded charities expecting this reduction to impact on services.
This is at a time when such external factors are also creating a greater need for charities to provide their services, creating pressure at an operational level for charities to obtain funds needed to match the increase in demand. This is highlighted by Power, Kelleher and O’Connor (2014, p.36) who explain that the public and state as funders have decreased resources and financial security, therefore compounding the changing relationship between demand (increasing) and funding (decreasing). With this in mind the majority of Irish charities have actually experienced a decrease in funding. They do however go on to contradict themselves by indicating Ireland had an overall increase in fundraised income of 7.4% from 2011 to 2012, a trend present over a couple of years. While this matches earlier mentioned trends in the US and worldwide sectors, by looking closely at the Irish sector as a whole I think the contradiction can be justified and explained. As Mullen et al (2012) points out, there has been a significant increase in Non-profit organizations in the last few decades with 2211 being formed between 1990 and 1999 while staggeringly 4747 were registered from 2000 to 2010 (Mullen et al., 2012 pp. 12-16). This equates to over 80% of the approximately 8400 Non-profits referred to earlier, with 55% of these being registered since the turn of the century. This rise means that there are significantly more solicitations for funds made to the public and the state, creating a much wider reach for fundraising efforts, therefore offering a logical explanation to the fact that while total fundraising amounts have increased, individual charities are actually experiencing declines in income.

Aside from the total amount of funding received in the sector, we must also take into account the type of giving that is occurring. A significant point of note is that the corporate sector in Ireland appears under developed, especially when we compare it to the UK charitable sector. In 2010 corporates accounted for 3.5% of donations in the UK while in Ireland this amounted to a mere 0.05%. Likewise the aspect of committed giving (such as subscriptions, direct debits and memberships) accounted for a miserly 2.28% of total fundraised income in Ireland, a figure that pales in comparison to the UK’s level of 16.1% (Russell Brennan Keane, 2012. p. 35). This gives a significant insight into areas for potential growth in the Irish sector moving forward.
2.5 Implications for Charities:
As has been noted already, the efficient running of the charitable organization is key to its success and is something that from a strategic business perspective has been lacking thus far. Theorists have identified both the need and benefits associated with strategic efficiency while scandals have highlighted the inefficiencies that are crucially ailing in the sector. Added to this, the importance of a strong stakeholder relationship is a key fundamental to ensuring quality service delivery. To simplify this, everything can link back to a broader sense of governance and the charities understanding of both what this means and how they can convey good governance to stakeholders.

2.5.1 Governance
Governance is not a new concept and has been around for centuries and takes slightly different forms depending on the environment it is practiced in. Kioe Sheng (No Date) describes governance in its most basic form as:

The process of decision-making and the process by which decisions are implemented (or not implemented) […] governance focuses on the formal and informal actors involved in decision-making and implementing the decisions made and the formal and informal structures that have been set in place to arrive at and implement the decision (Kioe Sheng, no date).

While a very simplistic view of governance, it indicates the importance of the transparency needed in decision-making and the processes by which decisions are made, thus creating lines of accountability the whole way through the process. To adapt this to corporate governance, the notion of maximising profits needs to be included as most shareholders expect a return on their investment into a company (Fisher, 2010, p.3).

Although very accurate, these versions of governance cannot simply be replicated for the charity sector, as they make no allowance for the transparent use of donor funds, the processes around its procurement or the fact that the expectations of donors are not pertaining to financial gain. This forms a key junction between the charitable and
business worlds and the challenge faced in a strategic sense. While they provide great examples of governance at a boardroom level, they neglect issues unique to the industry considering the fundamental existence of charities are not to maximise profits but to provide a need or service of public benefit that would not be provided (or provided to the same extent) otherwise. Good governance being achieved is therefore not measured by the return to the major shareholder but rather how the needs of all stakeholders are met, namely donors, government and service users (Hyndman and Jones, 2011).

The importance of good governance was highlighted by the recent financial crisis, which was attributed to failures and weaknesses in governance practices particularly at board level (Kirkpatrick, 2009, p.24). With similar weaknesses having been exposed in the charities sector, albeit not as prevalent, the consequences of such weakness poses a substantial risk to the industry as a whole. The lack of good governance practices creates concerns amongst stakeholders and the general public in relation to accountability and transparency, particularly in regards to information sharing and financial reporting. This can significantly impact the organizations ability to fundraise and therefore deliver their core service, a fact clearly emphasized by Reddy et al (2013) who state, the “lack of publicly available information about the charitable organizations, its management and how donated funds are utilized makes it difficult for the donor organizations as well as general public to select charities, which they would prefer to support” (p.111).

Governance is naturally a weakness for the charity sector, a weakness attributed to the foundations of the charity sector itself. Traditionally a sector run by volunteers, the majority of boards are under resourced, lacking experience and lacking knowledge to not only know what good governance is, but how to go about achieving this (Renz 2007, p.7). Although this weakness has been compounded by the regulatory environment, or lack of from an Irish perspective, charities can no longer use this as an excuse and must be pro-active and take ownership, as theneed for greater accountability comes not only in the form of increased government regulation, but also self-regulation by the charitable organizations themselves (Newberry 1993). This means following models of best practice present in more regulated environment like the UK and using the institutions present, such as The Wheel and Boardmatch Ireland,
as a resource to ensure good governance is understood and practiced by their organization.

2.5.2 Governance in the Irish Sector:

2.5.2.1 Models of Best Practice:
Despite all good intentions, governance in the charity sector is being left behind as it is outstripped by the growth in the industry and it is “surprising that more has not been done to support the governance of organizations in this sector “ (Quinn, 2007. P.13). This is highlighted by the fact very few of the estimated 8400 charities that will make up the initial charities register are following recommended practice and have signed up to the Governance Code and The ICTR guiding principles of fundraising. According to The Governance Code (2014), only 99 charities are signed up to the governance code while a further 532 are strengthening their current governance structures and are on the adoption journey. Even fewer, approximately 140, are signed up to the ICTR guiding principles of fundraising (Irish Charities Tax Reform Group, 2014). When these two lists are cross-referenced, we can see that less than 50 charities are compliant on both accounts emphasizing the extent to which best practice is more a thought than a daily routine in the Irish charity environment.

In regards to financial reporting however, there is contradictory literature as to how good this is in the Irish sector. According to the Dochas (2014), most Irish charities have followed what is widely considered best practice in the UK sector and voluntarily adopted the use of the charities SORP even though it has no jurisdiction outside the UK. However according to RSM McClure Watters (2012, p.5) only 10% of Irish charities use SORP with 76% using the advice of their accountants instead when reporting on finances. This difference in opinions highlights the fact that perception is not entirely aligned with the reality in the charity sector, which is exactly how such scandals as the CRC and Rehab managed to slip through the gaps. The lack of supervisory and enforcement channels present in the sector has meant charities that have been considered pillars of the sector have actually been examples of what needs to be avoided. With financial transparency high on the agenda in any regulatory reform the Government has still not issued guidance on whether the use of
charities SORP will become mandatory as it is expected to be, even though the CRA has now been established in order to make such models statutory, (Clarken, 2014).

2.5.2.2 Opportunities:
Just how far behind Irish charities are in the aspect of governance is quite alarming. Whether charities themselves are compliant with regulations or engaging in best practice from established environments, it is simply not enough. Charities themselves can and should be doing a better, more transparent job of their governance at both an operational and cultural level in order to build trust. A fact emphasized by Rudge (2013) who states:

> Overall, greater benefit could be obtained from annual reports. These publications represent a real opportunity for organizations to demonstrate transparency and trust showing how they are governed, what they have achieved and their culture […] We found that a number of charities stop at meeting the minimum reporting requirements, rather than providing a comprehensive picture of their organization and its achievements and future plans. Such minimalistic annual reports comply with the law but, we believe, are a wasted opportunity (Rudge, 2013, p.3).

This means that through good governance charities can build a greater level of trust with donors and that is especially relevant in Ireland at the moment as donors are wary of the sector. Being proactive here means being financially transparent and communicating clear lines of accountability to the stakeholder. This enables the organization to reassure donors, not just on what the charity is achieving at a service level and how donations are being used, but also that the organization is being efficiently governed (Abraham, 2007).

2.6 Summary:
With the business environment and charitable sectors increasingly encroaching into each other, a unique operating environment has been created where the importance of strategic management has emerged as a key success factor. Charities are now being exposed to not only the moral obligations they have to beneficiaries but also the legal
and business obligations that need to be provided to their benefactors. Evidence suggests the total amount of funds raised is increasing mainly due to a significant increase in the number of charities; however individual fundraising is becoming more difficult. Taking this into account, along with the impact that scandals have had on the industry worldwide - not least here in Ireland, the growing importance of governance is emphasized, particularly in relation to transparency and accountability. This is uniquely challenging in Ireland due to the absence of regulatory controls with the CRC and Rehab Group scandals exposing just how weak governance is in the Irish charitable sector while they have also provided the catalyst for Irish regulatory reform with the CRA being established to both register and regulate charities.

With faith in the charitable sector at faltering levels, charities are now working harder than ever to manage relationships, as they need to be able to blend the needs of the organization with the needs of donors with many different objectives. The challenge charities face in staying financially viable in an even more challenging business environment is highlighted by McQuillan (2014) who states:

With an increasing requirement for charities to justify their value for money, to show clear and measurable outputs or outcomes and in some cases to compete for service contracts, the overarching requirement is for non-profits to become more businesslike in the way they operate, whilst retaining their ethos and culture (McQuillan, 2014, p. 2).
Section 3: Research Methodology:

The objective of my research is to explore the direct implications the CRC scandal has had on how Irish Charities are managed strategically. In the following I will discuss the methods I have chosen to use in relation to research design, sample selection, data collection and analysis, with justification for each step in the process being made along the way. Finally the ethical considerations and limitations to this research will also be discussed.

3.1 Research Questions:
This research aims to gather in-depth information about the strategic implications and subsequent actions of Irish charities regarding donor relations in response to the CRC scandal. The proposed research questions are:

A) What were the Implications of the CRC Scandal Specifically for Your Charity?

The objective of this question is to gain an understanding of the overall response by the charity to the CRC scandal. This will indicate which areas they felt were most important and where they could take learning’s from the CRC context. It can also provide a general overview of the charities perception of donor needs and the needs of the charitable sector at that specific time.

B) What Strategies Were Reviewed or Implemented in Response to the CRC Scandal?

This question will indicate what strategic areas were strong and which were weak in charities during the CRC scandal. It will also indicate what strategies were used in response and how effective these were in negating the negative affects. This will give greater insight into both short and long term plans of action.
C) Are There Key Differences in Strategy Between Corporate and Individual Donors?

This question is designed so that an understanding can be gained on how the charity values the relationship of both corporate and individual donors. It will also establish if there is more importance placed on one donor compared to the other and if so what are these differences and how are they provided for in the strategic operation of the charity.

D) What has been the Impact of Recent Developments in the Sector on the Recruitment/Retention of Donors?

This question seeks to gauge the donor focus and interaction of charities in the current environment. This includes how the reaction to scandals, both in the media and through regulatory reform, has affected the ability of charities to recruit/retain donors and what have they done to counter this.

3.2. Proposed Methodology:

In researching this area it is important to understand what my viewpoint as the researcher is in order to understand why I have chosen the methods I have, while this will also help with interpreting the conclusions that will be drawn in analysis. In order to convey this appropriately I will use the process driven ‘research onion’ seen here in Figure 1. With this in mind, the philosophy most appropriate will be interpretivism and from the subjectivist viewpoint. Consequently an inductive approach using qualitative data gained through mono-method interviews will be implemented.
3.2.1 Research Philosophy:

The research philosophy adopted from the outer layer of the ‘Onion’ is important, as according to Saunders, Lewis and Thornhill (2009, p. 108) it contains assumptions on the researchers view of the world that will reinforce the research strategy and methods chosen within this strategy. It is important for the researcher themselves to establish this philosophical perspective from the outset in order to focus their research appropriately as they move through the layers of the onion (Saunders, Lewis and Thornhill, 2009, p. 106).

In an interpretivist philosophy it is crucial for the researcher to be able to enter the world of the subjects and understand their world from their perspective. This is in order to gain an understanding of the interactions of the social roles present, how these interactions are interpreted by the subjects and how this leads to adjustments in their actions (Saunders, Lewis and Thornhill 2009 p. 116). Additionally, from the subjectivist viewpoint, “social phenomena are created from the perceptions and consequent actions of social actors. What is more, this is a continual process in that...
through the process of social interaction these social phenomena are in a constant state of revision” (Saunders, Lewis and Thornhill 2009, p.111). This philosophy and viewpoint have been chosen because of their particular relevance to this research. The social environment continually changes and influences the charity sector, with a positive and emotive perception influencing the giving process. Therefore it is important to understand how the actions of the CRC have impacted the perceptions of charitable donors and how this has influenced the subsequent actions of charities.

3.2.2. Research Approach:
As we work deeper into the onion we come to the research approach layer. Here Saunders, Lewis and Thornhill (2009, pp. 125-126) cite two main approaches to consider: inductive or deductive. The deductive approach is considered scientific research and involves constructing a hypothesis and then designing research to test this hypothesis rigorously either proving it right or wrong. This means a larger sampling size in order to be able to make a statistical generalisation. An inductive research approach on the other hand, is less structured and enables more flexibility to research alternative explanations for actions rather than proving one researchers explanation either correct or incorrect. As opposed to the deductive approach, inductive is therefore more concerned with the context in which events are happening and means a smaller sampling size. The choice of the inductive approach is therefore due to the fact my research is based on the context of the CRC scandal and the how and why of the resulting actions of a particular stakeholder, the charity, in relation to this event.

3.2.3 Research Strategy:
In this layer of the onion, Grounded Theory will be used. This is helpful for explaining behaviour while data collection starts without the forming an initial theoretical framework (Goulding, 2002, cited in Saunders, Lewis and Thornhill, 2009, p. 149). This strategy is therefore beneficial for this research as explanations can be developed for the actions of charities in relation to the CRC scandal while further implications can continually be predicted and explored throughout the research process. In considering this strategy, Saunders, Lewis and Thornhill (2009) warn, “Grounded theory is not perfect. By its nature it is ‘messy’. It requires researchers to
develop a tacit knowledge of, or feel for, their data” (p. 149). This however should not be a problem as I can also adopt the role of the practitioner-researcher as I myself am on the Board of Directors and fundraising committee of two separate charities. This means a significant level of background knowledge and feel for the sector has already been gained.

**3.2.4 Research Choice:**

As I am seeking to explore and explain the actions of charities in the context of the CRC scandal, I will collect and analyse data using the qualitative data collection technique of interviews – mono method. These interviews will be recorded for ease of analysis and will be conducted with CEO’s from seven charities that are present in the Dublin area. Interviews will also be semi-structured and in-depth. This type of interviewing will, as Saunders, Lewis and Thornhill (2009) explain:

> Provide you with the opportunity to ‘probe’ answers where you want your interviewees to explain, or build on, their responses. This is important if you are adopting an interpretivist epistemology, where you will be concerned to understand the meanings that participants ascribe to various phenomena (Saunders, Lewis and Thornhill, 2009, p.324).

Therefore there will be pre-determined questions with the purpose of collecting detailed answers. Additional lines of questioning are possible at any time depending on the answers given. This will be particularly helpful in probing the deeper meaning of answers received while also can redirect answers to desired areas if respondents stray from desired research area. It must also be noted that due context of the research, answers will be subjective to particular charities therefore to be able to gain the full benefit of the ‘richness’ of information then the data collected must take this into account and be interpreted sensitively (Riley et al. 2006, p. 129).

**3.2.5 Time Horizon:**

Longitudinal research enables the observation of people or events over time and enables the researcher to exercise a degree of control over the variables being studied (Adams and Schvaneveldt, 1991, cited in Saunders, Lewis and Thornhill, 2009, p.
155) As I will not be observing events or people over a period of time and due to the time restrictions placed on this research, a cross sectional will be applied in this research. As opposed to a longitudinal timeline, Saunders, Lewis and Thornhill (2009, p.155), explain the cross-sectional timeline as “the study of a particular phenomenon (or phenomena) at a particular time”. Therefore, the study is a “snapshot”.

3.2.6 Qualitative:
As is noted by Riley et al (2006), “There are many occasions in which we want not to ‘count’, or quantify some social phenomenon or interaction, but to investigate feelings, attitudes, values, perceptions, motivations – those unobservable fluid and intangible factors which help explain human behaviour” (p. 99). This is particularly appropriate in researching the strategic implications for charities in the context of the CRC scandal. Therefore we need to dig deeper into the research and gain a better quality of answer for the meanings associated with actions in relation to the social context. “The only way in which we are going to find that out is by asking questions, collecting data in the form of words rather than numbers” (Riley et al, 2006, p. 99). The choice of a qualitative method then is an obvious one in this research and primary data will be collected through in depth-interviews of charitable organisations. New data will be collected in relation to strategic implications for the charities in relation to donor relations and the CRC scandal while secondary research through literature, articles and regulation will also provide a valuable source of information.

3.2.7. Sampling:
As it is not possible to collect data from a total population, the population from which I will draw my sample needs to be defined. This will be Irish charities that are situated in Dublin. In relation to the sampling technique, probability sampling (or representative sampling) indicates that the chance of each case being selected from the population is equal in all cases. As this is not the case in this research, non-probability sampling will be used as “non-probability sampling (or non-random sampling) provides a range of alternative techniques to select samples based on your subjective judgement” (Saunders, Lewis and Thornhill 2009, p. 233). This still enables me to be able to make generalisations in relation to relevant theory in the population however this will not be able to be done so on statistical grounds.
The sample size will be seven as it is coming from a highly defined population, however this is flexible, as is highlighted by Saunders, Lewis and Thornhill (2009, p. 235) who indicate when collecting qualitative data if additional insights are continued to be found after these interviews then interviews can be continued until sufficient data has been collected or there is a saturation of data.

The sample participants will be selected via the convenience sampling technique. According to Riley et al (2006, p. 87) this means, “quite literally taking as a sample whoever is available to receive the administration of the research instrument (a questionnaire, an interview)”. Convenience sampling has many criticisms, including the fact that this technique can be biased; therefore any generalisations can be flawed (Saunders, Lewis and Thornhill, 2009), however I am not seeking to generalise in relation to the entire population rather explore the strategic actions of Irish charities present in Dublin in relation to the CRC scandal, where general implications may or may not be found. The use of this technique is consequently supported by the view of Riley et al. (2006, p. 87) when they state, “Convenience sampling is most often used where research objectives are inherently qualitative in nature and focus upon the elaboration of theoretical concepts and issues in micro-social contexts.”

3.3 Ethics:
In relation to ethical research it is important to “think first about protecting the rights of the participant, respondent or subject. Whether data are gathered in an experiment interview, observation or survey, the respondent has many rights to be safeguarded (Blumberg, Cooper and Schindler, 2005, p. 93). This will be addressed by contacting research targets in advance and providing participants with an outline of the interview process and question areas as well as outlining the purpose of the research therefore enabling them to decide whether to participate or not. This is in alignment with informed consent which according to Bryman and Bell (2011), means “that prospective research participants should be given as much information as might be needed to make an informed decision about whether or not they wish to participate in a study.” (p. 542). This ensures participation is voluntary while this participation agreement is not exclusive to prior to the interview commencement as participants
can refuse to answer questions at any stage and can cease the interview at any time if they desire. Information obtained through the interview process will be used for my research purposes (dissertation) while the right to privacy is paramount however, due to informed consent being given, It can be presumed that the participant has a detailed understanding of their involvement and therefore in a sense acknowledges that their right to privacy has been surrendered for that limited domain (Bryman and Bell 2003, p. 544)

3.4 Limitations:
In conducting this research, it is important to state already present as well as possible limitations. Some key considerations here are time management, sensitivity of information, access to CEO’s and data collection and analysis. Time Management is possibly the most crucial limitation because there is a finite period for which I can complete this research. I therefore have to rigidly adhere to my planned timeline in order to ensure the deadline is met, especially since I will be combining research with work, personal and vocational commitments.

The access to the intended research target may also be a limitation for two major reasons. Firstly, the timeframe falls over the Christmas period meaning I need to be in contact early to ensure there is a window to conduct my research. Secondly targeting CEO’s may be slightly ambitious due to both their reluctance as well as workload. Through connections I have in certain charities and being involved in this sector myself I hope this limitation can be reduced however my contingency is to either move on until I get the appropriate number of CEO’s to interview or alternatively seek an appropriate ‘other’ from the charity to conduct my research through. This can easily be done through liaising with the CEO via phone and e-mail if they are willing.

The sensitivity of the information requested may also be an issue. Although I do not foresee this as being an issue as there is no request for specific sensitive information such as remuneration, due to the nature of the CRC scandal, the charitable sector is under scrutiny therefore some charities may be reluctant to talk in depth about specific strategies with an unfamiliar face to stay on the safe side and protect against any negative perception.
Lastly the data collection process may be limited by my biases in selecting who is in the sample while my innate preconceptions in relation to the context may influence my line of questioning both in the predetermined aspect and as I probe deeper into the answers given. My interpretation of the findings may also be influenced by these preconceptions.
Section 4. Data Analysis

4.1 Synopses of Interviews

In my research, interviews were conducted with seven charities. All charities are Irish based and all interviews were conducted with the CEO of the charity unless it is otherwise stated. The sector the charity operates in will be given while additional descriptive information may vary in order to protect the charities anonymity.

4.1.1 Charity 1

Interview 1 was with a charity operating in health sector. Overall the charity was experiencing significant increase in need for its services, with the intake of referrals up by 100% in last two years. It is partially government funded with the rest fundraised however government funding is decreasing while it is trying to expand its service offerings; additional fundraising is therefore undertaken to fund new services. Overall funding has remained constant largely due to the work of the fundraising team, while expenses have also increased.

Initially there was no public reaction to the CRC and Rehab scandals however facts were added to their website i.e. the amount of each Euro donated that is spent on frontline services. They did review many internal aspects with governance high priority at the moment specifically board makeup, size, skill area and succession planning. It considers itself as transparent with the salary of the CEO published as well as income and expenditure, but expressed concern as to how these figures would look to an uninformed public. Updating its risk register, it now considers its reputation as its highest risk. CRC is estimated to have impacted fundraising by 10-15% with donor fatigue predicted to be an additional factor in the future. Many enquiries were received post CRC from media, corporates and individual donors as to where their donations would be spent.

Strategy meetings were held to identify organizational strengths, threats, weaknesses and opportunities in order to clarify long-term strategic direction. The main focus is on their professional reputation at present rather than their public reputation in order to be known for their excellence in the health sector. Once this is achieved then they will focus more on their public profile. In terms of the CRA, they have had reviews
with the wheel and everything is up to standard for any pending regulations governance wise, while they have become SORP compliant in the last 6 months in reaction to the CRC and Rehab scandals.

4.1.2 Charity 2
An Irish charity in the health sector was interviewed as part of interview 2. This charity has seen an increase in demand and hence an increase in service offerings over the last number of years. It has also undergone a significant period of change that has resulted in strong governance.

The organization was critically reviewed a number of years ago with focus placed on training, recruitment, efficiency and measuring impact at the service level. To achieve this it had all services, branches and support groups throughout the country independently evaluated to ensure standardization and best practice was being implemented. This resulted in rigid protocols and monitoring of services while they invested heavily in areas such as education and volunteer training. This review was prior to the CRC scandal with the fact they realized a lack of professional skills within the organization being the catalyst. Both board and employee makeup therefore changed over five years by approximately 80% with particular skills required being added (i.e. legal, marketing, technological). This created human resource issues as room had to be made for new employees and volunteers while attracting the right staff was also difficult due to remuneration restrictions. They signed up to the ICTR guiding principles of fundraising over two years ago, have modelled the UK charity SORP for the three years (but are not totally compliant) while they are neither signed up or on the adoption journey for the governance code.

It expects the CRA will help rebuild trust while it also expects consolidation within not only the whole charity sector but also its own, as there are numerous similar organizations which could enable greater access to funds in the future. Apart from regulation they feel there is also a big job to be done in educating the public. Currently, government provides 20% of its funding which has been decreasing while it fundraises the rest. Funding is restricting its service offerings as it has the structure,
governance, models and validation tools necessary to expand but not the security of funding.

Publicly they did not respond to the CRC scandal as didn’t want to be associated with the negative publicity so just sat and watched. They did write to all volunteers and major donors directing them to relevant information on their website regarding governance, salaries and audits. Journalists contacted them with salary queries but strong governance and transparency meant all information was already available.

4.1.3 Charity 3
A charity from the social sector was the subject for interview 3. Funding is via government (70%) while their commercial activities make up a significant contribution to the remaining 30%. Historically they are very good at getting legacy and bequests (due to their work and reputation) that takes the pressure off fundraising however funding is experiencing challenges. Government funding has decreased by approximately 20% while unsolicited donations (money that is posted into their offices) are down by 35%, the latter being directly attributed the scandals and the diminishing trust in the sector. Commercial activities are increasing in order to combat this funding challenge while they have also altered some aspects of their service delivery, which has seen an increase in operational efficiency. An aspect they feel is important as the private sector are possibly about to be invited to tender for government grants in their sector.

It has been signed onto the governance code for less than a year and the ICTR guiding principles of fundraising for 18 months. There have been many changes in its governance structure in the last twenty years however it is still experiencing issues regarding transparency as well organizational efficiency, as internally different sectors battle for control of funds. A major risk to funding and service delivery is seen to be the commercial ventures therefore they have changed governance structure to isolate the risk as much as possible, reputation however tops their risk register as consequence of the CRC and Rehab scandals.
The introduction of the CRA may create immediate difficulties but long-term is expected to make governance for charities easier therefore positively impacting service delivery. Consolidation in the sector is expected to occur as a result, with charities merging or even ceasing operation. This consolidation is already occurring in their case, as they are in talks to merge another charity into their structure soon. They also see a need here for educating the public on the charity sector operation.

There was no direct public response to the CRC scandal for fear of association with the negative publicity however they did change a few things on their website. Donors and journalists alike made queries generally regarding salaries, annual reports and governance structures and received personal responses to their questions even though all information was available on the website. They admit to being poor in interacting with donors post scandals as their focus has been on a significant period of change in the organization instead although they are currently working on avenues to show and measure service impact.

4.1.4 Charity 4
Interview 4 was with a high-ranking employee of an International charity. It is a member of the Dochas, which is “an umbrella group of international development, humanitarian and global justice not-for-profit organizations who share a commitment to tackle poverty and inequality in the world” (Dochas, 2014). Due to its operation across international borders and dealings with governments, it has always been strong in terms of governance and is extremely transparent. Staff salaries and expenses are published and it is SORP compliant but only this year became compliant with ICTR guiding principles of fundraising and the governance code (this journey was started before the scandals broke). They currently adhere to international business standards for governance however thought it important to be seen as compliant domestically to avoid possible negative perception.

The reaction to the CRC occurred on multiple fronts. They spoke to journalists (who they class as influencers) privately to show their excellence and also embarked on a donor interaction campaign. In this they went to their social media sites to address

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1Giving further information on employee position may risk charity anonymity.
issues and interact with supporters, had a press release in the form of a letter from their CEO to the editor of every local newspaper in the country, they phoned donors and also e-mailed everyone on their donor database. The correspondence was in a personalized manor and included salaries, how donor money was spent and what it had achieved. As a result, income for that period actually increased from the previous year. Their risk register was reviewed and has also seen reputation and staff behaviour move from near the bottom to second.

Longer-term they feel the need to show their effectiveness and competency at the frontline as their own research shows public trust is at an all time low in the sector. Being an international charity they experience more distrust than domestic charities due to visibility of services provided with donors preferring to support domestic rather than oversees charities. To counter this they have invested in transparency, accountability, marketing and communications campaigns and although challenging, funding was not in a sense restricted or restricting their service delivery.

Concerns were expressed with how long it took to establish the CRA, the reactionary way in which it was achieved and they consider the CRA is itself not resourced adequately to swiftly action reform. They do expect that In the long run the presence of the CRA will make it easier for charities to be able to develop donor and public trust. Public enquiries from journalist and donors as to fund use did increase, while volunteers needed education to be able to handle queries on the streets while some also received abuse from the public. They have also expressed a need for the education of the public on charitable expenses and efficiency as charities offer different services and more specialized ones require greater unit costs etc.

4.1.5 Charity 5
An international charity that is also a member of the Dochas was Interviewee 5. Unlike many charities it has experienced increase in funding over the last few years while its need for services has increased dramatically due to global humanitarian and environmental factors. This has stressed resources and staff however they don’t think that funding is restricting their services. Although ideally they would use 100% of funding for education and development, they do have an obligation to react to
humanitarian needs, therefore the external environment dictates spending on reactionary short-term responses rather than long-term development each year. It is funded from public raised income and major donors in addition to government funding and EU funding that can be accessed when responding to global catastrophes. Public funding goes into the worldwide fundraising pool, while major donors or corporates fund specific projects. The results of these projects need to be evaluated and the service impact measured to justify the project to the donors that means this charity has exceptional governance. Being part of the Dochas means it also adheres to its own governance code but it is not signed up to the Irish charitable governance code or the ICTR guiding principles of fundraising although they are SORP compliant. Due to its global operations it understood the need for transparency and good governance to build donor trust. They consider these non-negotiable, as donor trust and confidence are their most prized assets.

No statement issued regarding the CRC, as they were very happy with their systems, transparency and governance. The Dochas, its representative organization, however did issue a media statement condemning the governance failures in the CRC. Longer term the organization reflected on what occurred and felt that governance had to be first class, constantly reviewed and was a number one priority with the risk register giving stronger attention to risk evaluation and mitigation. There were minimal donor enquiries post CRC, while they understood the importance of showing effectiveness to gain trust and conveyed stories of impact to donors through the media on a regular basis already so felt they did not need to change anything.

They expect the CRA will enable the trust in the sector to be rebuilt, while it will also enable charities to focus more attention to service effectiveness however this will take a while to occur. They also expect to be compliant with any regulation introduced relatively easily if they are not so already.

4.1.6 Charity 6

Interview 6 was conducted with a health sector charity. Although it is a national charity it has worldwide counterparts through its corporate partnership therefore meaning it has had governance and transparency that is of an international business
standard. It has internal audit procedures which delivers information to its corporate partner which they have always included on their website and in their annual reports also.

Demand for the services provided are increasing while it currently relies purely on fundraised income with no government support. There is a minimal surcharge for users of their service to help towards costs but it is in a unique situation however as it is operating at capacity and restriction of service is not from funding but rather external factors such as development of complimentary services that is beyond their control, meaning they have not truly tested the market yet from a fundraising perspective. They receive funding via their major corporate sponsor while drive two events yearly through this association also. An added benefit is the support they receive from the corporate network of their sponsor because of this association, which helps reduce the cost of inputs significantly. In relation to the donor trends in society, their own research (compared to international compatriots) suggests that Ireland is significantly more generous than other countries. Structurally it is operated very efficiently with minimal staff and a large volunteer base, although they are finding this model harder to continue and realize they will need more fulltime employees in the future, which will impact funding.

In response to the CRC scandal they made an announcement on their website stating they are compliant and transparent and talked about their governance, pointing people to areas where they could find relevant information including salaries, board member profiles and the fact that they were all volunteers. In the longer-term they have focused on having impact evidence for their service effectiveness to validate their cause to donors while they reviewed their current structures and as a result signed on to the ICTR guiding principles of fundraising as a direct result of the CRC in anticipation for CRA regulation, it is not however signed up to the governance code. Journalists enquired post CRC regarding salaries of staff all of which has been very transparent and accessible before the scandal.
4.1.7 Charity 7

Finally, interview seven was conducted with an Irish charity in what is classed the environment sector. It is a long-standing organization that relies on the trust gained from its reputation over time. They receive some Government funding (10%), while they also have commercial operations that make up the majority of the remaining 90% of funding. Traditionally bequests have also been very successful for them. Funding has dropped by nearly 20% in the last couple of years however they attribute this mostly to the economy. This has meant they have had to focus on fundraising a little more recently but as yet this has not affected the delivery of their service.

In reaction to the CRC scandal they did not come out with any public response but there were enquiries from the public and media regarding salary transparency that they were not prepared for. Initially did not give a reporter the CEO salary when asked over the phone but then changed policy on such questions to avoid possible negative publicity. They do not published reports online and are aware they lack transparency that is something they are working on at present. They have however, increased their focus internally on marketing, branding and communications. Here they are making regular and conscious efforts to interact with donors primarily through the media in order to show the impact that they are achieving at a service level, while they are also actively working on branding themselves as a community/family charity.

They are audited yearly and currently are committed to increasing their standard of governance with the addition of three new members to the Board of Directors, all with varying skill attributes. One of their immediate tasks is signing up to the ICTR guiding principles of fundraising, which they are in the process of completing. There are also issues regarding human resources that they are trying to address that is proving difficult, this is in relation to trying to gain efficiency in the organization and making room for people with the necessary skills. They feel that they will be compliant with any regulations the CRA create while they also feel that the establishment of this authority will help the sector restore trust.
Section 5. Discussion of Themes:

The interview process gathered a great amount of valuable information. When analysing the findings a number of similarities as well as differences have emerged amongst the charities. These combine to illustrate a number of themes that are strategically affecting charities in Ireland at the moment. An interesting sub theme that runs throughout this section is the differing standards and trends that occur in charities in the international environment as opposed to the national environment.

5.1 Funding and Service Delivery.

5.1.1 Funding
The funding and service delivery theme has produced some contrasting results with international charities directly opposing trends offered by national charities. Nationally charities have reported that funding has decreased by up to 20%. This has generally been at government level with charities increasing fundraising efforts to try and balance this shortfall. This has been done reasonably successfully, as although government funding has decreased, general income levels have remained reasonably consistent across charities. Following the CRC scandal however, some charities reported a further decrease in donations of up to 15% with different aspects of funding being hit worse than others; charity 3 for example experienced a drop in unsolicited donations of 35%. From an international charity perspective, funding increased from both government and general sources. This is due to factors external to the national charitable environment, such as an increase in natural disasters and humanitarian needs, as they are able to tap into government and EU funding in response to these. The CRC scandal had no direct impact on international funding, however ironically charity 4 actual experienced an increase in fundraised income through November and December from the previous year, something they attribute to not only the global environment but also their reaction to the scandal, which is highlighted later in the communications strategy theme.

2Unsolicited donations are monies sent in via post, very common in this charity.
5.1.2 Service Delivery
Overall decreasing government funding is negatively impacting on charities with service delivery being restricted. Although charities are managing cover the shortfall generally, these funds could alternatively be used elsewhere. Charity 2 highlighted this and noted it has the structure, governance, models and validation tools necessary to expand but cannot due to funding, while charity 1 is forced to increase fundraising efforts even further as it increases its service offerings. Charities are also using other methods in an attempt to generate a more sustainable income level and limit the effects of funding on their service provision including increasing their commercial activities, such as in charity 3 and 5 and charging nominal fees or subscriptions for use of services such as charity 3 again, along with charity 6. Although these costs are very minimal to the user, they can be very beneficial in easing the pressure on the charity because of the large number of users. The restriction funding places on the provision of services at a national level has not been felt in international charities however, due to the ability to access emergency aid funding.

5.1.3 Corporate Funding
It is evident from research conducted that charities do not rely on the funding of corporate donors in the Irish sector, supporting the notion that Russell Brennan Keane (2012) presented in the literature review that the charitable/corporate relationship is under developed in Ireland. Corporations do provide significant support to charities, however it is at an informal level and often through the efforts of corporate employees. Charities that do have major corporate links tend to be the international charities, with these relationships being more formalized than that of the charities operating solely in Ireland. Charity 7 is the only national charity that talked of a major corporate link and this is due to its international connections. In return for the money donated they require a measure of service impact in return to validate their support and justify future giving. This relationship between the international charity and the corporate forms an interesting sub-theme throughout this discussion, as it is also prominent in the governance, communication and media strategies themes.

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3 Any further information on commercial activities risks identifying the charities.
5.2 Governance

The most prominent theme resulting from my research was the area of governance. This theme reinforces literature that governance is a major issue in charities at present with it being even more relevant in an Irish context. After all it is governance, or lack of, that caused the CRC scandal as well as the Rehab debacle that followed soon after.

Each charity interviewed was operating at a differing level of governance, with each having specific areas they are currently addressing. All charities see the need for good governance increasing in the Irish sector and are investing time and resources into achieving this. Those with strong governance realise the importance to constantly review and upgrade this, while those that are lagging behind are clambering to reach an acceptable level.

Charities that have strong governance structures are generally those who operate beyond the Irish environment. Their services are provided across international borders dealing with governments and MNC’s, resulting in governance that is based along corporate lines. Each environment they operate in also differs in requirements, especially legally; therefore they constantly revise structures to ensure good governance is achieved. This corporate link to strong governance forms because corporates themselves need to be able to see the impact their support is generating.

Further to this governance has improved markedly through the appointment of CEO’s from corporate backgrounds. The knowledge and experience they have of governance at a corporate level is valuable in the charity sector and although this has long been the case in international charities, it is now filtering down to national charities also.

Charity 2 is a great example of this, with their CEO instigating an organisational reform, standardising the level of efficiency throughout the organisation. Branches were unable to offer differing services, as they could not control quality while they invested in volunteer training and education to increase the level of expertise across the board. More significant was the fact they realised the lack of professional skills across the organisation, at both employee and board level. This caused a major turnover of both staff and board members (approximately 80%) as they added particular skill sets to the organisation, particularly at board level where they brought in legal and technological expertise.
5.2.1 Human Resources Issues
This lack of professional skills not only reaffirms Renz (2007) thoughts earlier that charity boards are by nature under resourced, but it also presents another common issue facing charities in the form of human resources. Many have realised the need to both grow and diversify their board membership but doing so is difficult. Charities 1, 2 and 7 all increased board membership with up to three board members being added with a particular focus being on legal skills, while size, diversity and addressing the gender balance were also influencing factors. More notably is the fact that two of these have addressed board issues directly as a result of the CRC scandal. Beyond the board of directors there are also human resources issues affecting the efficiency of charitable operation, as difficulties exist making room for employees with the desired skills. This is causing conflict within the charities, putting reputation at risk and also further stressing already limited resources.

5.2.2 Transparency
The overall weakness in governance is highlighted by the fact that recommendations from support organisations The Wheel and Boardmatch Ireland are being ignored. Recommendations such as using charity SORP for financial reporting, signing up to the governance code and the ICTR statement of guiding principles of fundraising are all designed to increase credibility for charities and regarded as best practice however adherence to these are very poor. Of the seven charities interviewed, three are not on the governance code while all the other four have only just signed on recently, most of these in reaction to the CRC scandal. Likewise in terms of the ICTR fundraising principles, only two charities have been signed on for any length of time, with another two only recently becoming members and three not members at all. The outlook on charity SORP reporting is harder to gauge, as all but two charities would say they are totally transparent although some admit to being not quite totally SORP compliant. This seems to be a more sensitive area than others for charities, as it seems they do not want to admit to not being totally transparent. When looking at annual reports it is easier to see the difference in the financial reporting standard of charities, especially with national charities compared to international charities. This illustrates why there is a contradiction in literature from my secondary research, where the Dochas (2014) stated most Irish charities adopted the use SORP while RSM McClure Watters (2012,
p.5) claimed this take up was actually as low as 10%. International charities seem far more transparent with national charities generally reporting minimal financial data. This is where the question of actual compliance to SORP becomes a factor, as there is much more they could and should be reporting to be totally transparent. All but one charity was publishing the salary of the CEO however many are harder to find than others. Of the charities that admitted to transparency issues, both are addressing these with plans in place to increase this, not just from a financial viewpoint publically, but also internally with business practice.

5.3 Communications Strategy
Overall there was very little response publically to the CRC scandal. The Dochas did make a press release condemning the weakness in governance shown by the CRC and was therefore representative of two of the interviewed charities, however charities themselves made a conscious decision to avoid any association with the CRC media coverage and the increased scrutiny this would bring to their operations. While charities watched how events panned out publicly, journalists were on an aggressive, often vindictive campaign to expose charities, ringing CEO’s asking for salaries and other information. Most charities handled this well, although one under prepared charity refused to give their salary and got tainted negatively in the press (this policy was revised afterwards). Another CEO narrowly avoided negative press by returning a reporters call – if they had not of then they would have been reported as refusing to comment.

5.3.1 Individual Donors
Despite this lack of public response, there was definite trend to reassure donors in varying ways of the credibility of the organisation as all charities received donor queries, of a minimal extent, wanting to know what donations would be spent on. Almost all charities dealt with this at a very basic level, adding sections to their website stating where to find relevant information and providing avenues for questions and feedback.

At the opposite end of the spectrum, charity 4 showed a comprehensive communications campaign on a very personalised level. Strategically they map out the donors journey with the organisation already, beginning with a text or email sent
within twenty four hours to the donor, and then follow this up after months one, three and seven. Having a detailed donor database, they phoned or emailed each donor, thanking them for their support and informing them what that support achieved. They also did this via their face book page, while instead of going to the national newspapers the CEO wrote to the editor of every local newspaper in the country to connect geographically with donors. This letter stated how money is spent, what amount goes overseas, what is spent on administration and who the CEO himself is and what his salary is. This response did not stop here as they also spoke to journalists (who they class as influencers) privately to show their excellence, prompting positive articles being written about them rather than themselves saying it in a press release, therefore taking away the notion of looking defensive and therefore vulnerable

5.3.2 Corporate Donors
Managing corporate donors was a little different and dependent on organisational needs. With corporate relationships underdeveloped compared to the UK and other environments, accountability to corporate supporters is less important for charities responding to the CRC scandal. For the international charities that have large corporate support there was little need to do anything other than they were already doing, as corporations with major corporate funders are already akin to measuring and evaluating their service impact to justify to the corporate the benefit of their support. In an international context, the CRC had little or no bearing on this.

5.3.3 Marketing Campaigns
Extending the communications strategy theme further is the fact almost all charities stated the need to be showing their service effectiveness. Charity 5 explained this in context suggesting charities should be looking beyond governance, as this should be a given in all charities with money being spent efficiently on purposes intended. The bigger question should be of effectiveness because donors want to see the benefit of their good will – that they are making a difference. While many charities are not at this stage with their governance they are all aware of the need to show effectiveness. Charities are therefore actively seeking greater and more regular press coverage for their services as a result, from feel good stories in the paper or on social media platforms to television news stories, while their work is also filmed and presented to
donors so they can see and feel the impact of their support which in the long term will develop trust in the organisation.

5.4 Reputation
As charity 5 highlights, donor trust and confidence are their most prized assets and consider transparency and good governance as non-negotiable in achieving this. The CRC, combined with the Rehab scandal, has significantly impacted this trust, with the reputation of the charity sector being significantly damaged. Charity 4 have conducted their own market research since the scandals, discovering trust levels in the charity sector is at an all time low, with almost 50% of the population not trusting charities, scoring lower than schools and the Gardaí. Additionally, international charities claim they experience more distrust than domestic charities due to the visibility of services they provide, while donors would prefer to support local rather than overseas causes during tough times, with the drop off in funding being greater than that of local charities.

Charity 3 indicates there is no magic way to rebuild this trust apart from piece by piece, as one negative experience by an individual can negatively effect their reputation. This is appreciated by most charities as they personally responded to donors and journalists alike in relation to any queries post CRC. This was to avoid the possibility of any negative reputational consequences had they not responded to these requests for information, even when much of the information sought was readily available online.

One of the major areas of governance reviewed by almost all charities was their risk register, with all charities indicating that reputation had climbed the register and was now one of the highest perceived risks, if not the highest. This is a key junction in the convergence of themes, as governance delivers organizational efficiency and communications strategies show organizational effectiveness. Both efficiency and effectiveness are important to the reputation of the charity, which increases the level of trust it has in the public domain. Charity one highlight the important link between reputation and trust by stating they are focusing on improving their professional reputation in the short term so they are trusted by professionals in their sector. This
trust will mean greater referrals and recommendations, greater use of their service and lead to justification of funding to donors, hopefully leading to greater government funding also.

5.5 The Future

5.5.1 Charities Regulatory Authority
The overall feeling toward the establishment of the CRA is one of positivity as the sector looks to move forward and rebuild trust. This is expected to be an on-going process, with the CRA crucial in driving this. An additional result of regulation is expected to be consolidation within the industry, as charities either cease operation because compliance is out of reach or merge with similar charities to become stronger. The later is already occurring with charity 3 in the process of absorbing another into its operations due to foreseen difficulty in it becoming compliant. This is expected to streamline the sector, as areas of charity duplication will be eliminated to an extent and potentially an increase in funding will result, as less confusion will exist for donors, while competition for government service contracts would decrease also.

The journey to a fully regulated and trusted charity sector however is not expected to be smooth. Many charities predict further trouble as there is likely to be another CRC or Rehab type controversy exposed as the CRA checks governance structures of registered charities. Some charities also expressed concerns as to the reactionary way in which the CRA was established and also fear that it is not resourced adequately to swiftly action reform.

5.5.2 Donor Education
Charities feel that educating the public on the charity sector is an important issue moving forward. The current knowledge of donors is affecting transparency levels, as it is feared some charities may appear financially stable and deter donors from supporting them. Charity 1 is a great example of this where they stated that the policy on reserves means they have a significant amount of money held to cover operational costs for six months to a year should anything affect funding. An uneducated public will not understand this and may perceive the cash reserves to be surplus, deciding the
charity is not in need of their support when that is not reality. Donors, by nature, want to see and feel the benefits of their support but with international charities this becomes an issue. Development and education in countries facing humanitarian crisis is a key service of their operation, however the results of this are often a generation away making its impact less visible. This makes it harder to attract support for these projects whereas disaster relief gathers instant support from donors.

Overall, charities are concerned that since the CRC scandal a lot of the focus has been on inputs rather than outputs of charities. Charities that have higher input costs such as salaries, administration and operational costs can come across as inefficiently managed even though every charity has different costs depending on how specialised their service is. The more specialised the service then the higher the input costs, while it is hard to compare one charity to another unless they are offering the same service. Donors need to be able to understand how to judge the effectiveness of a charity, weather they are achieving the purposes intended and if they doing so efficiently.
Section 6. Conclusion and Recommendations:

The CRC scandal has had numerous implications for charities in Ireland as well as the donor population. The charity sector relies inherently on the trust it has with the public and donors to be able to deliver the services it advocates. This trust is gained over a long period; however in Ireland there has always been a traditional thought that a charity, by nature, is trustworthy. This traditional notion of trust has been questioned in the aftermath of the CRC scandal and as a result there have been a number of consequences for both individual charities and the charitable sector as a whole. In forming conclusions from the findings of analysis it is important to revert to the research questions set out in the methodology.

6.1 What Were the Implications of the CRC Scandal Specifically for Charities?

With the importance of the charity sector as an industry increasing in the Irish economy, so to is the need to have the relevant standards in its operations, namely transparency, governance and accountability. Despite the available guidance and wide acceptance that charities needed to self regulate due to the unregulated nature of the Irish environment, these standards were found to be significantly lacking across the sector as a whole. The reaction to the CRC scandal increased scrutiny specifically on transparency and governance issues. For charities that were lacking in the area of governance, this created an immediate focus on improving governance structures. The Board of Directors of charities were generally under resourced, lacking diversity and under manned, therefore board sizes were increased, while the make up was also adjusted with the appropriate skills the charity desired added. The gender balance is also being addressed as charities strive to attain a level of governance the sector now demands. Along with these changes however have come human resources issues, as the challenges associated with trying to make room for personnel with the necessary skills create complications for charities. Transparency was also addressed particularly as there was significant pressure from the press in regards to remuneration of executives, however being totally transparent goes beyond the publication of salaries. This can only be achieved once the governance structures are in place, so while charities realise the need to be more transparent, they also understand that this comes later in the process, and only after they have governance that can support total transparency.
Charities with good governance and transparency were in a better position to respond post the CRC scandal and subsequently experienced minimal consequences. They were able to take the opportunity to strengthen their donor trust relationship due to their transparency and governance structures. Just as the scandal itself had highlighted poor governance within the industry, it also had the effect of highlighting the charities that had exceptional governance standards. None of these experienced a decrease in donations due to the CRC scandal and instead even increased donations at this time. In contrast, charities that were lacking in governance and transparency did experience a decrease in funding. This funding decrease extends generally to the entire sector, particularly in relation to government funding. This has had a mixed effect on service delivery as some stated it was restricting its current service level while others indicated they had made adjustments so that it was not restricting their service at the moment. Overall however it is making it increasingly harder to offer an unrestricted service provision.

The charities with exceptional standards of governance were generally charities operating in the international environment, or who’s CEO had come from a business background with knowledge of corporate governance. Dealing with MNC’s, governments and operating in many jurisdictions meant governance had to be a strength as they needed to be held accountable for their actions, however beyond this, international charities have the preconception that governance should be a given, meaning in a nutshell money should be spent efficiently on the purposes intended. Beyond governance they pose the bigger question of effectiveness, as with governance being a given, effectiveness is more important than efficiency because donors want to see the benefit of their good will – that they are making a difference, something that shows through time and again throughout these conclusions.

6.2 What Strategies Were Reviewed or Implemented in Response to the CRC Scandal?

The CRC scandal initiated a number of strategic responses from charities with there being a distinct commonality among strategies reviewed and implemented. One of the first reviews conducted by charities was of their risk register, with reputation climbing significantly in this ranking to become one of the top risks associated with the
industry, if not the top. In responding to this, as well as the attention media were placing on salary levels, charities took a number of steps to minimise the potential reputational risk that was present. One of the main strategies was engaging in communication and media strategies to divert the focus away from the inputs and back to the more relevant outputs that charities were achieving. This was targeted with two main strategies, communications strategies were in place to interact with, and reassure donors and supporters, while media strategies were directed to not only their support base, but also the wider public.

Initially charities watched quietly to see how the CRC scenario panned out, avoiding any negative association with the press coverage. Before long, having a communications strategy quickly became an important part of donor interaction to ease the concerns of supporters. This was performed in a variety of ways from online through websites and social media sites, to intense campaigns targeting every donor the charity has. A variety of medians were used also, such as phone, email and local newspapers, while all conveyed similar messages stating pay scales, providing direction to annual reports and also providing an avenue for questions and feedback for public and donors.

Media strategies on the other hand were implemented to help divert the focus from the cost of inputs to the effectiveness of the charity in achieving its desired benefits. Some charities were already doing this and stepped up its regularity, while others were engaging in this process for the first time. Being able to show the effectiveness of the service delivery means that donors are able to see and feel the difference that there support is having, strengthening the bond of trust with the charity. The way in which charities are achieving this is predominately through stories of impact on social media sites, in newspapers and on television, with some charities filming their activities. The importance of these media campaigns is significant because it is one of the few ways the public and donors have to measure the efficiency of the organisation.

Aside from these, as mentioned earlier there were also significant governance strategies implemented. Besides the shake up in the boardroom, there was also a revision of reporting standards. Charities that didn’t have reports accessible online
placed them online, or are in the process on doing so, in an effort to attain levels of minimum transparency. This is part of the process of becoming SORP compliant, something that the majority of charities are not, even though it was widely assumed that most in the industry were. In fact being SORP compliant has been considered best practice and widely recommended for sometime, as has being signed up to the Governance Code and the ICTR guiding principles of fundraising. It was the CRC scandal that caused charities to review their decisions not to adhere to these three key indicators of governance, with a significant take up of all these directives occurring post CRC debacle. This is due to the fact that it looks better to be on board with these than not and because it is widely expected that all these will become legal requirements once the CRA introduces regulation.

6.3 Are There Differences in Strategy Between Corporate and Individual Donors?
A number a differences occurred between individual and corporate donor interactions in charities, but not to the extent at which I was expecting. From a national perspective, there is very little difference if any, mainly because the corporate sector is very underdeveloped and is more informal by arrangement than expected. Although I realised it was not developed to the extent that foreign sectors are, I did not realise how significant this was. Corporate support is present in the industry and extremely important, however it is driven by employees and therefore very informal, while if there is a formal arrangement it is usually shared with other charities for a short period. This means there was very little difference in interaction with corporates compared to normal donors by charities operating in the national environment. The only difference present was the fact that corporate associates were thought to warrant a personalised phone call or e-mail before the individual donor was, particularly after the CRC scandal.

This differed for international charities, which demonstrated far higher levels of accountability to their donors as a whole. Individual donors have a journey with the charity from the moment they donate, and are regularly updated with the activities of the charity and progression reports of actions. This is progressed further from the perspective of the corporate donor as there is also a significant emphasis placed on being able to measure the impact made, evaluate the efficiency of the service and
justify the funding that had been received from corporate relationships. Although highlighting the difference in managing individual and corporate donors, this highlights even more so the difference in standards between charities that operate in the Irish environment and Irish charities that operate in an international environment. Just as in the governance aspect, their donor strategies are based on higher transparency and accountability, while their interactions are at a level that resonates more intimately with the donor and strengthening the bond of trust shared.

6.4 What has been the Impact of Recent Developments in the Sector on the Recruitment/Retention of Donors?
Recent developments have in many ways distracted charities from recruitment of donors with the priority being placed on retention in this period. Immediately post CRC there was a move to ease the fears of current donors, as charities interacted with donors through the use of communications strategies, ringing and emailing them while using websites and social media platforms in particular, to emphasize how important their individual support was and how this was helping them achieve their service benefits. Media strategies are supporting the communications strategy in retention by showing how effective the charity is with stories of impact being filmed or reported in the media. This later use of media strategies not only supports retention but looks forward at the recruitment of donors also. This has the critical purpose of enhancing the general reputation of the charity in the public eye.

Reputation is important in relation to the establishment of the CRA, as this is expected to streamline charities and eliminate areas of duplication, creating mergers and possibly pooling of donors. This is why governance has been addressed along side the use of communication and media strategies, so they have the governance structure that can reinforce this trust with new donors. One critical aspect the charities are dependant on is the education of donors, which needs to be achieved by both the CRA and charities themselves. This is a big factor effecting recruitment as well as retention going forward, especially since the levels of transparency will increase. Donors or potential donors need to understand the costs involved with each charity, as every situation is different, some having higher overheads or specialised services that cost more to provide. There is also a far greater need for some services, which is shown by the level of support they receive. The education of donors is therefore
important to make sure donors are not tuned off because of the level of the support charities already receive or because one charity may have significantly higher costs than the next.

6.5 Limitations of Research.
There are a number of limiting factors to this research that need to be considered. Firstly, although not by design, the charities interviewed are all very strong and well-supported charities with a large donor base, therefore it means that conclusions reached in this research may not be relevant for smaller charities or the sector as a whole. Also important to note is the significant difference in standards between international and national charities. As two of my interviews were with international charities it did create a valuable comparison but also may skew the results when forming generalisations.

This research also forms its analysis and conclusions on the information gathered from the organisations themselves, and while there is no doubt of its validity, it must be considered that charities would be reluctant to be totally transparent to the researcher with the extent of their governance issues. Therefore generalisations on the full extent of these issues may not be accurately achieved from this research and may be deeper than concluded.

6.6 Recommendations
Based on this research, there are a number of recommendations for additional research as well as for charities. Although specific actions are impractical to recommend due to many variables present in the sector at the moment, general recommendations for charities can still be made. With this in mind it is recommended that charities immediately seek to ensure governance is at a level where they can be transparent relevant to the needs of the charity. This must also be communicated in such a way that donors can understand exactly where the charity is operationally and why it has governance of a certain standard. The bigger the charity, the greater the transparency needs to be. For smaller charities however where standards equivalent to that of corporate governance may be unattainable, there is still value in reaching minimum levels, as not doing so risks the credibility of the charity. This is also an
important recommendation due to the fact the sector will soon be regulated. Charities must consider this regulation as their minimum acceptable level but in reality should do whatever they can to go beyond this, particularly in the area of financial reporting. The charities SORP for financial reporting should therefore be a given standard for every charity, as should the governance code and the ICTR guiding principles of fundraising. Lines of communications between the charity and its donors should be constantly open weather this is in the media, on websites or social media sites, as the more interaction they can have with donors, then the greater the bond of trust will be, as is highlighted by the international charities. The media platforms present this day in age makes the delivery of stories of impact much easier and can help validate the support the charity receives from donors.

It is also recommended that from the basis of this research there is further research conducted. Specifically, it is suggested that further research be conducted in the Irish context, eliminating the international charities from this research. This will gather more in depth information that can help form better generalisations of exactly where the Irish charitable sector is at the moment. Specific areas to target in this research are governance as well as what impact the strategies implemented post CRC scandal are having on donors and the general public. Another area recommended for further research would be smaller charities that receive less than a certain amount of funding (e.g. €1 million). This is because the sector is so diverse in size and service provision, that judging the whole sector on the standards of the bigger charities alone is inappropriate. Understanding what issues are present for governance and donor interaction in smaller charities will give a more rounded understanding of the sector as a whole.

Lastly, it is recommended that the CRA take steps to educate the Irish public on the charity environment in Ireland. This is in terms of what should be expected from the charity in interaction, transparency and governance structures so that donors can make educated decisions on which charity they should support. This will give donors confidence in their decision-making and encourage them to be active in the charitable environment. This education should also target the donors’ knowledge of the environment so they understand what is required by law from the charity, while also educating the public on differentiating between input costs and the effectiveness of
charities service delivery. This should come from the CRA rather than the charities themselves, as it will have more credibility and greater reach across the sector whereas leaving this education up to the charities themselves will put further pressure on charities in already testing times.
Section 7. Self-Reflection on Own Learning and Performance

7.1. Rationale for Undertaking MBA

Undertaking the MBA course of study was an important process for me in progressing my professional career. I currently enjoying being a sportsman and playing rugby for a living, however this line of work is fast coming to an end for me. This is particularly due to my age (34) and because I am off contract in June, although am looking to extend this for one year at present. Another significant factor is that I have no other notable work experience besides my current profession, as I have been in this career for the last 15 years.

Specifically, obtaining the MBA was designed to make myself more employable. Developing the skills necessary, while increasing my knowledge and expertise in the business environment in order to create opportunities. This is important for me as I am in a unique situation where I will enter a transition phase in the next year or so. Having no previous experience in the business environment I felt it was essential that I educate myself further to enhance my prospects of a successful transition from the sporting to the business environment.

7.2. Discussion of Skills Development

All the skills I had prior to undertaking the MBA were practical and based around operating in a team environment and working closely to achieve common goals. This enabled me to excel within group activities throughout the course, which therefore enhanced my leadership style and abilities. My cognitive skills also developed dramatically during this course as being able to communicate my research, findings and conclusions appropriately in written form was much more difficult than in the verbal or visual manner in which I would do so on a daily basis. More importantly the ability to back this up through research and theoretical frameworks strengthens my ability to form credible conclusions through critical assessment.

My current career has had a major impact on my skill development throughout this process. Strengths and weaknesses are constantly reviewed and prioritised in my industry, while discipline, hard work, sacrifice and work ethic all play a major role in performance outcome. This helped me focus throughout the course of study and each
assessment reached indicated a significant milestone in reaching the ultimate objective of the MBA. This process driven plan of action, which is regularly implemented throughout my rugby career, means that the broader significance of each skill developed was realised from an early stage, not just for the attainment of the MBA but also for the practical use of this in the business environment. My current career also had its drawbacks however as due to its physical nature I often found I was fatigued in the evenings for classes which meant my ability to effectively process information was reduced.

Overall my business knowledge has been enhanced which helped me focus on specific business areas which I enjoyed and excelled at, some such as project management appealed to me but I didn’t enjoy as much as I thought, while my grasp of strategic concepts gave me the confidence that I can succeed in the business environment on my own accord. This is important for me as I think my competitive streak that has helped me excel in sport will be a huge asset for me when I fully immerse myself in the business world. This will now be supported by the knowledge gained in this course particularly of analytical frameworks, strategic planning and decision-making, ethical considerations and critically evaluating the appropriate business environment.

**7.3. Knowledge and Skills Acquired During the Dissertation Process**

**7.3.1. Secondary Research.**

This area was difficult for me and made me realise the importance of defining your research topic fully in order to channel efforts in the right direction. I knew I wanted to focus on strategic management because I enjoyed this aspect of the MBA course as I had in my undergraduate degree also. My marks reflected this and as I want to achieve a distinction mark the fit seemed logical. Initially I thought I would focus my research sustainable fundraising as I knew the challenges it presented from my charitable involvements with both Lauralynn and Le Cheile charities, however due to publicity gathered by recent charitable scandals and changes in the environment pending, I felt that looking at the overall strategic implications charities faced as a result would be interesting and extremely relevant. Meeting my lecturers at Dublin Business School then helped me narrow my research area appropriately.
In conducting this research I used a variety of sources including class notes, strategic management handbooks and a significant amount of online material. This gave me an understanding of the theoretical framework, while a better understanding of practical considerations was gained through reviewing publications from both the government and organisations that support the work of charities. Filtering relevant from irrelevant literature was difficult, especially considering the differing operating environments of charities worldwide, while there was very little information on my specific research topic. Although this provided evidence supporting the gap in literature argument, it also diverted my focus onto irrelevant lines of research. I therefore prioritised my information by the sub sections I felt were most relevant, while such filters as date, author, place of research and academic level where all used to focus my efforts. The more literature I read, the better I could determine relevance to my research topic – evidence of my skills in this area improving. Another issue I encountered was the battle of forming a title for my research, which caused issues later as it hindered my primary research.

While I did not agree with every viewpoint I came across, I found it important to acknowledge the researchers’ reasons for coming to their conclusions. This gave me greater foundation understanding of the environment in differing contexts and caused me to justifiably reason why I came to my own conclusions. As a result of this secondary research I gained areas of questioning I wanted to research further in my primary research, while also developed conclusions of my own that I wanted to investigate also.

7.3.2. Primary Research Process
As mentioned above the formation of my primary research was a real challenge due to the fact that I was not set on the title of my research. This made it harder to focus my research questions when forming my interview. This was by far the most demanding area of the research process however my supervisor was able to provide valuable guidance in overcoming this hurdle. Through my charity contacts, those of my team mates and my profile as a sports person, I was able to gain access to charities relatively easily and although the first interview was a bit nerve wracking, I found my
feet relatively quickly and the interview process as a whole more comfortable than expected. What was challenging was getting the relevant information as interviewees tended to stray from questions to give examples of how good they were at their service.

Besides getting valuable qualitative research information, I also gained valuable contacts in the wider business environment as many CEO’s have come from broader backgrounds. It enhanced my networking abilities and people skills, while it also gave me practical skills such as interview skills and being able to critically think both on the spot during interviews and later in evaluating interviews. Although conducting qualitative research is not entirely new to me I found that my ability in this area grew significantly.

7.3.3. Dissertation Formulation
Firstly the use of secondary research, through conducting my literature review, provided me with a broader understanding of the current environment that charities are operating in and factors affecting their success. This was both in an international and an Irish context, which enabled differences and similarities to be realised. This secondary research then helped me focus my primary research specifically to the context of the Irish charitable environment, where conflict and reform are having significant strategic implications.

My research was of a qualitative nature on a particularly recent topic therefore I felt it was important that I was adequately informed on the sector as a whole so I could then draw the appropriate findings from my primary research. With this in mind, I set out to conduct a thorough literature review allowing 5,000 words of the total dissertation. After this I conducted my research and then set about discussing and analysing my research findings. The outcomes of my research are somewhat different than I had expected even though I have experience in the charity sector. This indicates to me the appropriateness of my research topic in the context of the current charitable environment, particularly due to significant reform occurring in the sector. My dissertation topic therefore fills gaps in current literature while also provides a base for further research.
7.3.4. Learning Style
Everyone has a different way of learning and knowing which approach is best suited
to me will help maximize my learning’s. According to Kolb (1984), there is a four-
stage cycle of learning and four separate learning styles. In its basic form this
describes learning as being gained from experience, with new experiences offering new
concepts that can be used in a range of situations. This is highlighted when he
states, “Learning is the process whereby knowledge is created through the
transformation of experience” (Kolb, 1984, p. 38). In explaining my learning style and
experience, I prefer to use the work of Peter Honey and Alan Mumford who
developed learning styles based upon the work of Kolb. They identified four distinct
learning styles, which are activist, theorist, pragmatist or reflector (Mobbs, 2014).
Although I see myself learning in each of these styles, two in particular would stand
out for me. I would consider myself a reflector to an extent as I like to observe and
reflect on what happened and why. This maybe due to my current career, where post-
game video analysis can help me understand why things occurred in the match, which
can help me in the future. This is after the fact though, as I have already fully
immersed myself in the action I am learning from, therefore my preferential learning
style would be that of an activist. I have an open mind and learn by doing, tackling
things head on while brainstorming and problem solving along the way. These two
styles complemented each other during the MBA course particularly during the
dissertation interview process where being a reflector was beneficial in improving my
interview techniques while the activist in me gave me the drive to get out and get the
interviews started. Ironically the course as a whole has also increased my ability in
my least preferred style, theorist, becoming more rational in my decision-making,
critical evaluation and analysis skills.

7.4. Career Plan
My career plan is dependant on many variables and is therefore based around having
options rather than a specific path to follow. These variables include where I will be
living, when will I finish my current career, will I have dependants to think of and
what my financial position will be therefore I want to be prepared for all possibilities.
There are also opportunities to start building this future career while I am in my
current job, which will be my immediate focus post MBA.
Initially I will obtain a mentor and seek work experience for the rest of the current season in order to familiarise myself with the business environment in a practical sense. This will be done through the corporate mentoring programmes available through my current career, such as Ernst and Young and the Institute of Directors in Ireland (see Appendix C and D). Beyond my rugby career I have the option to become a sports agent with the company that currently handles my contract negotiations, although this cannot be started any earlier than post rugby due to conflicts of interest with my employers. This is a positive however as it means I can continue to explore other opportunities in the meantime and as owning my own business appeals to me, I am actively looking into the franchising industry for possible business opportunities to invest in (time wise and financially).

Although I lack experience in these areas I have gained a number of attributes from my current career that will be transferable and to my benefit. These include the ability to work in a team environment, being a leader and effective communicator. Goals are also being constantly set and reviewed with a detailed action plan implemented to ensure objectives are met, while the discipline to work hard in a competitive environment is one that I look forward to testing in the business environment. The skills I have developed and acquired during the MBA process will complete my current skill set, while utilising the business network I have fostered during my rugby career effectively will also be critical to my success. Although many of these contacts may not be able to provide employment opportunities, what I have discovered is that they take pride in giving advice when asked and are only too willing to help, therefore they can be crucial in my success throughout my business career.

7.5. Conclusion

Many skills have been gained throughout the MBA process that will help my professional advancement in the business environment post rugby career. My knowledge has been increased on all areas of business thanks to the staff at Dublin Business School. The introduction to theories and models have given me a good understanding of different ways and reasons to make business decisions, while
the practical exercises conducted in groups gave an appreciation for different views due to the mixture of cultures, professional backgrounds and experiences.

The MBA programme helped enhance an array of skills including my analytical, problem solving, communicative, research and investigative skills, which were put to the test practically in the dissertation process. I felt this was the most beneficial exercise because instead of drawing on the research of others, I had to do the research myself and then filter the information into relevant findings and conclusions. This is where my knowledge on critical thinking and evaluation really developed, especially in a strategic management perspective, as my research topic was in an environment going through a lot of strategic change at present.

Overall the MBA and the dissertation process enhanced my understanding of what it takes to succeed in the business world and it encourages me to further expand and test the knowledge I have gained. I will continue to do this in the immediate future by exploring other business opportunities and learning as much as I can from experienced members of the business community, as I continue in my current career as a rugby player. More importantly it has given me confidence that I can make the transition from the sporting environment to the business environment a successful one.
References:


Russell Brennan Keane (2012) *Charity and Not-for-Profit Sector Survey Results 2012*.


Appendix A: Interview

Question 1:
1. **Fundraising (sustainable, who target, costs involved)**
   a. First of all how has demand for your services changed over the past number of years?
      i. (Increased, decreased or steadied? Enquire about trends, evolved from initial services)
   b. Have you managed to increase/match the funding to the demand for your service
      i. How are you funded?
      ii. Is there more money around/less money/harder to tap into?
   c. How have the costs involved in achieving funding impacted on the charity?
      i. Increased presumably? (cost, effort, interaction, transparency and governance etc.)
   d. How has the service provided been affected by funding
      i. Expanded? Had to focus on core offerings? Restricted – would like to offer more?

Question 2:
2. **What impact has the CRC scandal had on funding and the actions of the Charity**
   
   What was your charity's initial response? (How did you reinforce the trust relationship and ease donor concerns)
   a. Was there an initial reaction (knee jerk/short term response)
      i. Was there a longer-term approach? (strategy sessions?
         Overall direction of charity or purely a fundraising perspective?)
      ii. Key areas of focus for your charity? (funding or has governance become more pressing?)
b. Were there enquiries from donors following the CRC?
   i. If so in what form? (transparency, pay, services etc.)

c. Has any donor dictated your actions more than another? How?
   (corporate v public v government)

d. How has the CRC scandal impacted your charity’s day-to-day operation?
   i. Costs up? Donations down?
   ii. Has one area needed more focus than another? (ie governance compared to fundraising and awareness)

e. How have you shown good governance to donors/society? Has this changed since the CRC scandal?
   i. How transparent are you? Do you publish salaries/expenses and revenues?
   ii. Will annual reports be affected? More emphasise on good governance etc?
   iii. What have been your strengths in minimising the CRC effects? (In place/present before CRC or was this a reaction)

Question 3:

3. Regulations authority position has been allocated recently.
   a. What impact will this have on how you currently interact on with Donors?
      i. Will it give charities more direction to enable them to focus on fundraising and their core service? (or will it consume more of their time and resources etc)
      ii. Will Transparency and credibility be easier to gain?
      iii. Increase or decrease associated costs?

   b. Is your charity (Probe why/why not? For how long? Pre/post CRC?)
i. A member of the IRCT and Do you comply with the Statement for guiding principles for fundraising?
ii. Signed up to and Compliant with the governance code?
iii. Adopting the use of SORP in relation to your financial accounts?
iv. Did these assist the reaction to the CRC Scandal?

Question 4:

4. Donor Trends in Ireland

Although we pride ourselves on being a generous society we are behind the UK in giving.

i. Have we reached our peak in giving as a society?
ii. What areas can the charity do more to encourage giving?
iii. With costs rising and demand for services increasing is the current level of funding sustainable?
iv. Are charities fighting an uphill battle in donor interaction with little help from the government?
   a. Due to Lack of regulation are we playing catch up?
   b. Is lack of incentives for donating damaging charities?
APPENDIX B: S.W.O.T Analysis:

**STRENGTHS**
- Good Work Ethic
- Competitive Edge
- Good Range of Transferable Skills:
  - Teamwork
  - Leadership
  - Communication
- Enthusiasm
- Exposure to Corporates

**WEAKNESSES**
- Lack of Clear Career Direction
- Lack of Work Experience
- Networking Skills
- Lack of Knowledge:
  - Technology
  - Software

**OPPORTUNITIES**
- Opportunities for Work Experience through Corporates
- Enhanced Networking Opportunities
- Access to Mentors/Guidance Schemes
- Further Education while Playing
- Equity
- Short Term Security to Assist in Exploring Business Opportunities.

**THREATS**
- Uncertainty
  - Where Will Live
- Contract Length
- Dependents
- Indecision on Career Path
- Age Demographic
- Complacency.
APPENDIX C: Ernst & Young and Irish Rugby Football Union

Mentoring Programme
Background

2012 marks the 2nd year of the EOY/IRFU Mentoring Initiative. In 2011, 34 IRFU players were paired with alumni of the Ernst & Young Entrepreneur Of The Year Awards Programme who acted as their mentors. This year, EOY and the IRFU will match a number of alumni with new IRFU players to continue this unique initiative.

After a year of the mentoring programme, EOY and the IRFU asked players and mentors about their experiences to date and have taken these key learnings on board to improve the programme further. This document explains the key principles of the Mentoring Programme and sets out some broad guidelines for mentors and players.

“A mentor facilitates personal and professional growth in an individual by sharing their knowledge and experience. The desire to help someone of less experience to develop and grow, in a relationship of mutual trust, is characteristic of a successful mentor”.

- Arizona National Guard
The Programme

Core principles of the EOY/IRFU Mentoring Programme
- Confidentiality - all issues between mentor and player are confidential
- Guidance - mentors will offer advice and guidance and assist with self development
- Post-Rugby Career - the mentoring relationship should concern itself with non-rugby related issues and focus on helping a player ready themselves for a career and life post-rugby

Mentor/player pairings
As far as possible, mentor/player pairings are based on:
1. Location of player and mentor - to encourage more frequent meetings and interactions
2. Background of the player and their areas of interest
3. Personality compatibility of the player and mentor

The IRFU and EOY invest considerable time together in pairing the players with appropriate mentors. Appropriate pairings lead to more successful relationships being formed that last longer and are enjoyable, beneficial and interesting to both player and mentor.
Guidelines

Proposed guidelines for a successful mentoring relationship

EOY and IRFU propose the following:

› Mentors will take the initiative at the start and will make initial contact with their player.

EOY and the IRFU have agreed that, if a player fails to get back in contact with their mentor after two attempts, the mentor will let EOY know. The IRFU will then get in touch with the player and if the player continues to not make contact the player will be taken off the mentoring programme.

› Mentors and Players should meet at least 3-4 times a year.
› Initial meeting and at least 1 meeting a year should be face-to-face.
› An agenda should be set for each meeting (after initial meeting) and a definite time to start and finish should be agreed upon.

Each mentoring relationship is unique and a flexible approach must be taken in each case. However it may be helpful to read the following outline of the early stages of a typical mentoring relationship.

› Initial meeting should help mentor and player get to know one another. Understanding each others’ experiences, interests, personal and professional backgrounds can help build trust and also an understanding of each others’ motives and goals going forward.

› Initial meeting should set out how the relationship will operate (mentor and player to agree on all aspects):
  › Tell each other your initial expectations – expectation may be realistic or may need to be refocused.
  › Agree on procedures and goals for the relationship in general going forward
  › What are the mentor’s roles/responsibilities
  › What are the player’s roles/responsibilities
  › How many meetings - when, where, how long
  › What player and mentor need to do in advance of meetings

› As early as possible, the mentor and player should set out goals and a plan of action for the player

› Subsequent meetings assess progress towards goals, re-assess goals, add new goals, etc.
Mentoring relationships can take weeks or months to play out depending on the relationship and its overall purpose. Some may last indefinitely.

It is perfectly reasonable that a mentoring relationship may come to a natural end when the mentor has given all they can give and the player has gotten as much benefit out of the relationship as possible. It is also just as likely that a mentoring relationship can continue for years with player and mentor continuing in a relationship of mutual benefit and trust.

Mentors and players may choose to cease their relationship at any time. This is a perfectly acceptable conclusion. Every effort will be made to find new mentors for that player and new players for that mentor.

Mentors may feel they personally are not able to help a player in a particular area. They may continue to act as mentor while introducing the player to other people who can help in a particular area. This should only be organized after consultation with the player. A great example of this was when Peter Stringer’s mentor helped get him his pilot’s license by introducing him to Pádraig ÓCéidigh of Aer Arann.

What the player should expect to achieve through mentoring:

- Mentoring can help players achieve their goals by providing information, support and encouragement. Mentors can help players to clarify their goals, keep them focused while working toward the goal and provide information and advice when asked.
- The success of a mentoring relationship will depend to a large degree upon the player’s attitude and commitment. Players are expected to be proactive and work in order to achieve success.
- A player should not expect his mentor to give him the answer to a problem.
- Players will be encouraged to set goals and work towards achieving them. If the player is unable to determine clear goals to begin with, the mentor should be able to help with this during the first stage of the partnership.
- The mentor is there to help the player think through his options and help him to formulate his plans. The player makes the decisions and takes the responsibility.
- Players will be encouraged to focus on what they want and what they can do. Players shouldn’t focus on what they don’t want, can’t have or things out of their control.
- Mentoring is not the same as counselling; players shouldn’t expect a shoulder to cry on.
- Mentoring relationships cannot answer or solve all questions or issues for a player. This does not mean the partnership will not work! A mentor will be able to introduce a player to connections in their network that may be able to assist in a particular area.

Entrepreneur Of The Year Team at michael.mccarney@ie.ey.com or call 01 221 2888

SOURCE: ERNST & YOUNG.
APPENDIX D. Irish Institute of Directors and Irish Rugby Union Players Association Mentoring Programme.
IoD and IRUPA Mentoring Programme

The Institute of Directors in Ireland (IoD) is delighted to have been chosen to partner with the Irish Rugby Union Players’ Association (IRUPA) on its mentoring programme for professional rugby players in Munster, Connaught and Leinster.

As leaders in Irish business offering their support to leaders on the field, IoD members are uniquely placed to share their skills, experience and expertise with players who are eager to learn and benefit from their knowledge.

Providing players with a business mentor is a valuable way to assist post-playing career planning, gain industry-specific experience, provide access to relevant networks and promote personal growth and development in an environment outside of rugby.

The value of such a mentoring relationship is that it creates a one-of-a-kind opportunity for collaboration, goal achievement and problem-solving. An ability to set goals and to collaborate on solving problems are essential characteristics of a successful business mentoring relationship.

Please note that the IoD and IRUPA mentoring programme will involve provincial rugby players only.

Core principles of the mentoring programme

Confidentiality – all issues discussed between mentor and player are confidential.

Guidance – mentors will offer advice and guidance and assist with self-development.

Post-rugby planning – the relationship should concern itself with non-rugby related issues and focus on helping a player ready themselves for their post-rugby career. This should include advice and assistance with work placement opportunities, possible educational opportunities, advice on obtaining a work life balance and development of skills such as leadership or public speaking.

Goal setting – mentors will help players set non-rugby related goals including educational and personal development, lifestyle and family. Goals will be shared with the mentor and reviewed on an ongoing basis.

Mutual challenge and learning – there should be mutual benefit for both parties in the mentoring relationship, in terms of exchanging ideas, creating and establishing goals and developing self-awareness.

Person focused – academy players often need to juggle their rugby lives with college responsibilities. This programme will take this into consideration and the programme timings will be tailored individually.
Matching Mentors and Players

Mentors and players will be matched based on a range of factors including common interests, educational background, professional interests, skills and geographical proximity. Personal compatibility of the player and mentor will also be a factor.

The IoD and IRUPA will work together to appropriately match players and mentors so as to ensure a successful and effective mentoring relationship. At times, the players themselves may be encouraged to get involved in the matching process by reviewing information provided by prospective mentors and in some cases, personally selecting a mentor.

Mentoring guidelines

➢ Once matched with a player, mentors should take the initiative at the start and make initial contact with their player.

➢ If at any stage throughout the course of the mentoring relationship, a player fails to get back in contact with their mentor after two attempts; the mentor should advise their regional IoD mentoring representative who will contact IRUPA. Having been contacted by IRUPA, if the player still fails to make contact, they may be removed from the mentoring programme.

➢ Mentors and players should aim to meet 3 – 4 times a year.

➢ Ideally, the initial meeting and at least one meeting a year should be face-to-face.

➢ An agenda should be set for each meeting, with follow up at every subsequent meeting.

➢ Each mentoring relationship is unique and a flexible approach must be taken in each case. However, mentors should be willing to share their own insights and experiences, to encourage and support players to build connections and if possible, to facilitate opportunities to gain industry experience during or after their playing career.

A mentor should:

* Ask questions and challenge
* Suggest networking opportunities
* Boost confidence and encourage
* Offer advice but the decision to act on it will be for the player
* Nudge, not nag
Setting Goals

➤ While the initial meeting should be about getting to know each other, it should also set out how the relationship will operate and the mentor and player should agree on all aspects together.

➤ Tell each other your initial expectations – expectations may be realistic or may need to be re-focused.

➤ Agree on procedures and goals for the relationship in general going forward.

➤ Agree on the role and responsibilities of the mentor.

➤ Agree on the role and responsibilities of the player.

➤ How many meetings – when, where, how long?

➤ Exchange the relevant contact details and determine an appropriate level of contact outside of face-to-face meetings.

➤ Agree on any preparation needed by both the player and mentor in advance of meetings.

➤ As early as possible, the mentor and player should set out goals and a plan of action for the player.

➤ Subsequent meetings should assess progress towards goals, re-assess goals and add new goals, as required.

In order to build a successful mentoring relationship, both the mentor and player need to be fully committed to the process. If either feels that the mentoring relationship is not working then this should be brought to the attention of the IoD and IRUPA. Every effort will be made to find a new mentor for that player and vice versa.

The mentoring relationship should be fluid, with both parties recognising that the relationship may come to a natural end. Equally, some mentoring relationships can continue indefinitely if both parties believe it to be beneficial.

In some instances, mentors may feel they personally are not able to assist a player in a particular area. They may continue to act as a mentor while introducing the player to other people who can offer assistance. However, such introductions should only be made having consulted with the player. The IoD and IRUPA will put a review process in place for all mentoring relationships at the end of the first year.
What Players Should Expect

What should the player expect to achieve through mentoring?

- Mentoring can assist players to set and clarify goals, keep them focused while working to achieve those goals and provide advice, support and encouragement.

- Players should discuss aims and goals; find out their strengths and weaknesses and get advice on areas they need to improve upon. Players should not expect their mentor to help with all problems.

- The success of a mentoring relationship will depend, to a large degree, upon the player’s attitude and commitment. Players are expected to be proactive and work with their mentor in order to achieve success.

- The mentor should assist the player to assess career options post-rugby and to formulate plans.

- The player makes the decisions and takes the responsibility.

- Players will be encouraged to focus on what they want to achieve and on how to do so. Mentoring is not the same as counselling; players shouldn’t expect a shoulder to cry on.

- Mentoring relationships cannot answer or solve all questions or issues for a player. It is important that the player is realistic about what can be achieved; this is why setting goals at the outset is so important.

Key Contacts

Your IoD Regional Representatives:

Leinster:
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Munster:
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