

## Helping charities gain management skills



By John Willman, Business Editor

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“Treat this session as free psychotherapy,” says David Rivington, a serial entrepreneur. “You can be honest here – what’s said in the room stays in the room.”

Andy Hamflett, chief executive of UK Youth Parliament, looks relieved. He is there to devise a three-year strategy for UKYP, a charity that gives young people a forum to influence decisions made by government and other organisations. The charity, founded in 1999, has been growing fast and he needs candid advice on how to develop it further.

Also in the room are Steve Cook, a **BP** strategist, Mike Parker, head of sales and marketing at Channel 4, and Richard Armes, managing director in interest rate derivative trading at **Morgan Stanley**. The four senior executives are providing free advice to UKYP under a scheme run by Pilotlight, an organisation that helps charities improve their management capabilities.

The one thing they will not do, however, is to tell Mr Hamflett what to do. At their urging, he has already drawn up a statement setting out UKYP’s mission and values.

Now in their sixth meeting, they are helping him to draw up his own strategy, set suitable targets and devise ways of measuring progress. They ask questions, suggest lines of thought – often contradictory – and refer to their own experiences in successful business organisations.

“Their many years of business experience have been invaluable in challenging us to justify the resources we are seeking,” Mr Hamflett says.

### At a glance

- Pilotlight has helped more than 100 charities since 2003
- Currently working with 40 charities in London
- Its charities help 160,000 people a year
- Value of time given by Pilotlighters is £2m a year
- Started in Scotland in September – working with five charities there. About to start in Wales and one other English region
- There are more than 40,000 UK small charities
- 94 per cent of Pilotlight charities show gains and 90 per cent of Pilotlighters say it helped them

UKYP is one of 40 London charities benefiting from the advice of the top executives who are members of Pilotlight. Their services are worth at least £2m a year, it says, and have produced measureable benefits in 94 per cent of the 100 or so charities helped since 2003.

Fiona Halton, the dynamic chief executive, says the Pilotlight model has been carefully devised to get the most out of the scarce time available to the business people who become involved.

“We ask them to give two or three hours every four to six weeks. We have a project manager to organise the meetings, write up the results and make sure things happen.

“All the members have to do is point their brains towards the problems. The charities end up with 18 months of solid help they couldn’t buy on financial management, leadership and governance that helps them raise their skills.”

Ms Halton, part of the team that ran the first day of Comic Relief, is taking Pilotlight national. It launched in Scotland in September with help from the Big Lottery, HBoS Foundation and the Laidlaw Youth Trust, and already has 27 members working with five charities. Wales will be the next area for expansion, followed by an English region, using the organisational model honed in London.

One charity that benefited in the early days was Fine Cell Work, which has come back for further help four years later. It teaches prisoners needlework to embroider cushions, quilts and rugs for interior designers and to sell through the charity’s online store. It employs almost 300 inmates of 22

prisons in England and Scotland.

“Prisoners spend a lot of time in cells, which is mind-rotting and often means they come out worse than when they arrived,” says Katie Emck, director. “We teach them a skill they can use that will earn them money while in prison.”

Ms Emck, a former academic, turned to Pilotlight in 2003 to remedy her lack of business skills. “I was very overstretched at the time – as the director of a small charity you don’t have the resources. We had a high-quality product, but we didn’t know how to sell more. Our sales subsequently rose 20 per cent a year, and we increased our efficiency. I really learnt a lot from it – I was given the analytical tools to structure my thinking about strategy.”

Having seen her charity double in size in four years, Ms Emck wants help with the next stage of growth, on organisational issues and marketing.

“The expertise Pilotlight offers is something we couldn’t afford in a million years,” she says.

“Their time is very valuable and we are so grateful they give it to us.”

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### **A banker’s link to ‘real world’**

Gareth Johnson’s day job is executive director in the private wealth management division of Morgan Stanley at Canary Wharf. But some of the most interesting experiences of the investment banker’s working life have come as a Pilotlighter, helping a north London charity devise a business strategy.

“It reconnects you to the real world,” he says. “It’s humbling to work with people in a not-for-profit organisation – they really believe in what they do.”

Barnet Care and Support Services supplies cover for people who need time off from caring for friends and family. Its staff of 70 provide 70,000 hours of relief a year in a London borough that is home to 30,000 carers.

Together with a private equity executive and two consultants, Mr Johnson has been advising the charity on how to develop its operations, including suggestions on merging with a similar organisation in Barnet to share overheads. They have also advised on a marketing strategy to raise awareness of what the charity has to offer, with leaflets, a logo and a website.

“When you work in a big organisation and try something new, the culture is to give it a go. They needed confidence and support,” he said. “They’re right at the coalface. We haven’t suggested anything radical, but tried to help them see the wood for the trees.”

Mr Johnson says Pilotlight leapt off the screen when he was looking through the list of charities supported by Morgan Stanley. “I liked the fact they wanted the skills the firm has spent time and money developing.”

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