

**Support in Uncertain Times**  
**Principles for managing in the Recession**  
**February 2009**

A document supported by NCVO, CFDG, Citizens Advice, NAVCA,  
Community Matters, Volunteering England, SCVO, Acevo, CTG & IOF

**In preparation for uncertain times there are a number of options open to voluntary and community organisations to consider:**

- Ensuring that your mission and the needs of your users are at the heart of all actions taken in relation to the recession. In particular consider how the users of your services may be affected by the recession. Make sure your services adapt to the changing needs of users and involve users in making changes.
- Ensuring that trustees and staff work closely together in providing effective leadership to their organisations and causes. Balancing optimism and realism will be more important than ever. Frequent honest communication with all internal and external stakeholders will also be crucial and celebrating successes will be more important than ever. Remember for many managers this will be their first recession – they will need support and guidance.
- Considering scenario planning for a range of different incomes that your organisation may receive in the years ahead.
- Considering a range of scenarios in terms of potential changes in demand for services.
- Ensuring you have in place good systems for receiving information about financial performance and can act quickly and decisively to a sudden downturn in income. Keep a close eye on cash-flow as well as income and expenditure.
- Diversifying your range of income sources – this has the potential to have benefits in the medium and long term.
- Considering ways in which you can reduce your costs including through making use of bulk purchasing schemes and more effective use of technology. Renegotiate with your suppliers, including finance providers, and search out the best deals.
- Ensuring you are maximising tax incentives, including Gift Aid, wherever possible.
- Considering all the resources at your disposal to support your fundraising – patrons, trustees, key donors and supporters.
- Considering whether your missions could be better fulfilled by merging with other organisations.
- Considering whether working more in collaboration will make you more efficient.

- Considering any opportunities that you can responsibly take advantage of for example increased demand for services, low property prices, new people entering the labour market and, inexpensive loan finance.
- Planning for the long term and for the upturn that follows a recession.
- Being aware of the increased risk that partners and suppliers may face difficulties, and consider the implications of this for your organisations.
- Investing in your staff and volunteers. It is important that you continue to nurture this key asset, and what is more, the costs of recruiting staff that leave can often outweigh the cost of training that makes staff feel empowered, valued and, encourages them to stay.
- Keep talking to your funders. Should issues arise, talk to them early to explain the situation. Be honest and look to develop mutually acceptable solutions. If you leave things too late there will be no opportunity to find positive ways forward.
- Communicating with your staff, trustees and stakeholders. It is possible to be upbeat at the same time as being honest - but honesty is the key.
- Planning at the earliest stage. By starting early you are better able to develop workable ways to meet any challenges.

**Umbrella bodies can better support voluntary and community organisations by:**

- Looking at how you can adapt existing capacity building programmes to meet new and pressing needs for advice and support, including help with strategic planning, financial management, leadership, governance, advice on collaboration including merger and, on employment issues for organisations that are downsizing.
- Better signposting of each others' services.
- Collaborating on any new resources made available to support the sector and encourage larger organisations to consider sharing their expertise with smaller organisations
- Continuing to gather evidence of the impact of the recession on your members and make recommendations for action.
- Continuing to co-operate on working with the government on the implementation of and adaptation of the action plan in light of evolving circumstances.
- Committing to being involved in 6 monthly summits.