

Impetus and Speaking Up Review

Many thanks to Impetus volunteer expert Sophie Castell, who kindly researched and wrote this summary of our work with Speaking Up.

Executive summary

Speaking Up was founded in the mid 1990s with a mission to enable people with learning disabilities to take control of their lives, becoming more self-directing and independent. By 2004 it was well established as a local, Cambridge-based charity and had developed operations in three other locations. It had also started to attract national interest, winning the Guardian Charity Award in 2002.

Founder and Chief Executive Craig Dearden-Phillips believed that there was huge potential for Speaking Up to grow further, as the government increasingly encouraged a move away from institutional care and invested in the type of services that Speaking Up had pioneered. However, he could see that to realise his future aspirations, the organisation needed to be put on a more sustainable footing. Speaking Up was organisationally threadbare, driven by a powerful vision and great ideas but without the basic infrastructure to flourish. It needed to develop the internal capabilities to make the leap from what it was to what it could be.

Faced with this challenge, Craig turned to Impetus. Over the four-year partnership, Impetus invested £400k in unrestricted funding and provided pro bono input valued at £216k, giving intensive support to the CEO and organisation in areas identified as mission-critical.

The Impetus model of support and its style of engagement were a perfect match to the aspirations of Speaking Up. The unrestricted core funding was instrumental in enabling the organisation to grow its revenue from £644k in 2004 to £3,280k in 2008, and in expanding its service locations from four to seventeen. However, this pace of growth could not have been sustained without the programme of capability and capacity building provided by the Impetus network of pro bono associates, whose advice and expertise underpinned the financial support.

“Working with Impetus is like putting a turbo-charger on your organisation. There are high expectations but also a massive sense of shared endeavour and risk. You never feel alone or lacking essential back-up. Impetus is everything you look for in an investment partner: trusting, committed and consistent.” *Craig Dearden-Phillips – Founder and Chief Executive, Speaking Up*

Over the tenure of the relationship, a genuine partnership was established. Impetus took time to understand Speaking Up and Speaking Up was open to new ways of working, with each listening and learning from one another. As the founding charity in the Impetus portfolio, Speaking Up provided a tangible validation of the Impetus model and a powerful demonstration of how some of the techniques of modern business management can benefit the voluntary sector. By enabling Speaking Up to become more efficient, whilst retaining its mission and culture, Impetus facilitated a step change in its social impact, with more than five times the number of lives now being touched.

Speaking Up has been transformed as an organisation. Impetus has been a crucial partner in this transformation, providing critical resources to support an accelerated growth agenda and put

the organisation on more sustainable footing. Speaking Up is now financially robust, with the ratio of earned income to grant income rising from 30% to 70%; its systems and processes have been upgraded, creating the infrastructure for more effective management; and it has attracted new, high calibre talent throughout the organisation. Its growing national reputation is a testament to this change, with the organisation winning number of major sector awards including the Queen's Award, the Charity Award and the Third Sector Excellence Award for Overall Strategy.

Getting started

In 2003, Speaking Up was still relatively small, with an annual income of £644k; it had, however, started to attract some national attention, having won the Guardian Charity Award in 2002. All of its activities were funded by small grants that didn't cover their costs and the whole organisation was running on very tight budgets.

There were other challenges to Speaking Up realising its aspirations. Structurally, there was no real management team, just the CEO and his deputy. All staff, even the Chief Executive, were involved in delivery, so there was little management capacity to manage future growth effectively. Systems and processes were weak or non-existent. For example, it had no process to capture and codify intellectual property. On the IT and finance side, Speaking Up had outmoded systems, none of which was fit for material growth and there were few formal performance indicators beyond basic financial data and some interesting anecdotal stories. There were gaps in key skill areas, in particular, finance and sales & marketing. In terms of strategy, Speaking Up lacked a strong brand and struggled to define to new audiences its exact offering. It had also not yet developed models for pricing to ensure that all costs of delivery were recovered.

However, Speaking Up had a clear set of shared values. It represented one of a new breed of small, "edgy" organisations championing the idea that disabled people could and should be in the driving seat when it came to decisions about their own lives. Although not necessarily uniform across the organisation, Speaking Up's culture was essentially 'can do' and entrepreneurial. Staff valued the lack of hierarchy and bureaucracy and the opportunities to learn. From early on there was a desire to innovate, be creative and a pride in working differently from the rest of the charity sector.

Despite some of the immediate challenges, Impetus Trust believed that Speaking Up had huge potential. There was an increasing need for its core offering and a desire to grow that could be fostered.

Following a period of due diligence, Impetus and Speaking Up entered into a four-year partnership. A number of goals were jointly agreed: boosting the number of lives touched from 500 to five times that number; turning Speaking Up into a national organisation leading in its sector; taking earned income from approximately 30% of total income to two-thirds of the total by 2008/09. A target income level of £3m by 2008/09 was also agreed. Over that time Impetus would invest £400k in cash, provide intensive input to the CEO, and mobilise a range of expert advisers in those areas that had been identified as mission-critical for Speaking Up's step-change.

Scaling up

The first year of the partnership was about getting some of the fundamentals sorted out. The first-year funding enabled Speaking Up to hire a Sales & Marketing Director and Financial Director, both of whom came from the private sector. It also provided the financial wherewithal for a move to a new building. Impetus pro bono associates supported a re-branding exercise and a brand re-launch took place in 2005, giving Speaking Up a much fresher identity and

clearer message: Voice|Action|Change for disabled people. The re-branding project was much more than simply a new logo and strap line. For Speaking Up staff it represented a clear articulation of the new direction and the collaborative process used for refining who they were and what they stood for helped to consolidate the 'can do', entrepreneurial culture and foster a sense of genuinely collective endeavour. It galvanised the whole organisation and was a clear signal, both internally and externally, that things were changing.

The first year of the partnership also saw the start of deeper understanding between the two organisations: Impetus challenged Speaking Up's assumptions both about who it was and what it stood for and also what parts of its operation brought in income. As a result Speaking Up developed a much clearer sales strategy particularly to grow its advocacy services business into sectors such as mental health, which were poorly served. Alongside this rapid growth of advocacy services, Speaking Up planned to continue to innovate at local level and grow its consultancy and training business which, at that time, focused on disability equality training.

2005/06 was a crucial transition year as Speaking Up focused significant business development effort to penetrate the advocacy services market more extensively. While it grew by 30% to reach income of £1.3 million, much of the income growth would occur in subsequent years as new contracts came on stream. Most of the growth was from advocacy services in new parts of the UK, with Speaking Up expanding into new regions, setting up operations in South Yorkshire and London, and winning important new contracts in Lincolnshire and Nottinghamshire.

Impetus input focused on achieving operational improvements to absorb the impact of all the additional growth. The management team was restructured, and Impetus assisted with the introduction of a Balanced Scorecard reporting system and with an overhaul of Speaking Up's IT system.

The roll out of advocacy contracts won in the prior year plus new work resulted in dramatic growth in which turnover touched £2.3 million in 2006/07. Speaking Up needed to re-structure to support its growing geographic footprint. Following a review supported by Impetus, a regional structure was introduced with two new Regional Directors (one for South and East, one for North and Central) appointed in June 2006. By the end of the year, Speaking Up was delivering in seventeen UK locations and beginning the process of regionalisation to four UK hubs by 2011.

Impetus has enabled us to take bold steps and grow at a much faster pace than we would have otherwise. Our income has more than trebled since the start of our relationship and we've been able to help many more disabled people take control of their lives." *Craig-Dearden-Phillips – Founder and Chief Executive, Speaking Up*

Impetus also supported Speaking Up in successfully integrating new contracts and improving the quality of delivery across the organisation, providing associate support to develop a system for integrating and managing new projects as they came on stream and helping Speaking Up to develop a system of performance rating across 12 performance indicators to monitor and manage projects more proactively. A new programme was started, supported by Impetus and led by the Chief Executive, to measure social impact in a more compelling way than in the past.

The consultancy and training operations continued to show slower growth. Impetus conducted a review of this area with Speaking Up, and calculated that these operations weren't going to get beyond a particular scale or profitability. In response, Speaking Up downscaled them and refocused them on publications to bring them to break even.

One of the key benefits that Impetus brought to Speaking Up was the systematic and methodical rigour that the partnership demanded. Speaking Up became more disciplined in

terms of its strategic and operational focus, in the processes that it used and in setting stretching but achievable goals. This fed through into a quality of service delivery that started to differentiate it from other providers.

The changes at Speaking Up began to be recognised externally and the organisation was starting to be recognised nationally for its quality and innovation, winning a number of major sector awards including the Queen's Award, the Charity Award and the Third Sector Excellence Award for Overall Strategy.

By mid 2007 Speaking Up was an organisation transformed. It was now financially robust, with the ratio of earned income to grant income rising from 30% to 70%; its systems and processes had been upgraded, creating the infrastructure for more effective management; and it had attracted new, high calibre talent throughout the organisation.

Speaking Up had re-engineered its long term sustainability and, while its infrastructure was still improving, projected income for 2007/8 exceeded £3 million and the organisation had ambitious plans to triple its beneficiary numbers and double its income by 2010-11. In addition, Speaking Up had plans to innovate in the area of independent living, purchase a new property and publish a number of new resources about their most successful recent innovations.

In the last year of their partnership, Impetus worked closely with Speaking Up to develop a five-year business plan, complete a social impact exercise and to assist with its fundraising programme and pitch for the next three years. Impetus introduced OC&C Strategy Consultants to Speaking Up, to facilitate this work. The net result was that Speaking Up raised over £600k in core funding for the future and won a £3.2m contract with DCSF to roll out its Active Voices services in various locations beyond Cambridgeshire.

Adding pro bono expertise to strategic funding

Undoubtedly, the initial appeal of Impetus for Speaking Up lay in the financial support. This level and type of investment over a relatively long time frame gave Speaking Up the resources and confidence to upgrade its management team and provided it with the ability to bring on stream new processes and infrastructure to support its rapid growth.

The advice and expertise provided by the network of pro bono associates, was also crucial. This support initially filled some key gaps in Speaking Up's core organisational capabilities, particularly in the areas finance, sales & marketing and IT. Over the period of the partnership, the associates have also provided support to specific project, for example coaching on the successful bid to the DCFS. Perhaps, more intangibly, the associates helped enable a cultural change within Speaking Up as they modelled the greater discipline and more methodical approaches demanded by Impetus.

Strategic support

At a strategic level, Impetus has provided Speaking Up with focus and acted as a catalyst for change by challenging assumptions and encouraging clarity of thinking.

The Impetus challenge to Speaking Up to understand what parts of its operation generated income and what parts were loss making was crucial in getting Speaking Up to focus on its core business. Impetus facilitated a shift of emphasis and highlighted the role of 'Advocacy' as the strategic focus of the organization. Subsequently, Speaking Up developed a much clearer sales strategy to expand its advocacy services business into sectors such as mental health, which were poorly served.

Impetus' encouragement of Speaking Up to measure its social impact in a more compelling way has also resulted in a clearer perception of what the organisation does – both internally and externally.

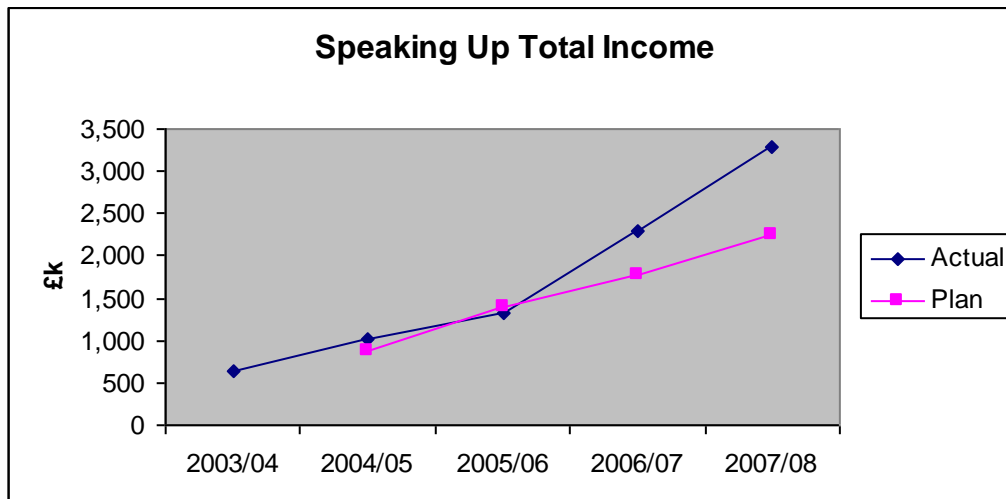
Operational support

Operationally, Impetus has provided support in a number of areas. Firstly, in the early years Impetus funding enabled Speaking Up to put some fundamentals in place, moving to new premises and hiring key members of the Senior Management Team in the form of a Finance Director and a Sales & Marketing Director. Once these were in place, Impetus provided Speaking Up with support in a number of areas through its network of pro bono expert advisors.

The ongoing input provided by the Impetus Investment Directors and by pro bono associates introduced a discipline and rigour to Speaking Up that not only transformed its operations but also demonstrated how some of the techniques of modern business management can benefit the voluntary sector more generally. The greater discipline was not introduced at the expense of organisational values. Importantly, Impetus enabled Speaking Up to become more efficient, whilst retaining its mission and culture. This was seen and acknowledged by staff and in fact contributed to high levels of morale and loyalty. Many staff felt that they were being able to become more 'professional' in what they did and felt strongly that the greater efficiency that Impetus had facilitated enabled them to touch more lives and increase their social impact.

Metrics achieved by year

Year	2003/04	2004/ 05	2005/ 06	2006/ 07	2007/ 08
Total income	£644k	£1018k	£1324k	£2301k	£3280k
Disabled people participating in an SU service	c. 500	942	1070	2606	2500
People receiving 1-1 advocacy support	c. 50	423	681	1386	1500
Advocacy contracts	1	4	6	18	25
Service locations	4	5	9	15	17



The Impetus Impact

The impact of Impetus on Speaking Up cannot be overstated. Today Speaking Up is unrecognisable as an organisation. Impetus has been a crucial partner in this transformation, providing critical resources to support an accelerated growth agenda and put the organisation on more sustainable footing:

- Revenue growth over a four year period from £644k to £3,280k
- Financially more robust, with the ratio of earned income to grant income rising from 30% to 70%
- Expanded service locations from four to seventeen
- Systems and processes have been upgraded, creating the infrastructure for more effective management
- Attracted new, high calibre talent throughout the organisation
- Growing national reputation

One aspect of the Impetus impact that has emerged during the partnership with Speaking Up has been the growing 'seal of approval' that Impetus represents and the way in which this can open doors for charities in their portfolio.

"Impetus has played a very influential role in our income generation efforts over the last four years. This has taken several forms, for example providing help with writing complex bids and tenders and acting as door openers to influential networks, trusts and givers. Perhaps more subtly they have also acted as recognised quality assurance mark or stamp of approval, encouraging others not familiar with our work to have greater confidence in what we do."
Gemma Platt – Head of Income, Speaking Up

Conclusion

The relationship between Speaking Up and Impetus has been a close two-way partnership that has enabled both organisations to grow. Impetus developed its investment model, gaining a deeper understanding of the support that high potential charities need. Speaking Up has re-engineered its long term sustainability and, while its infrastructure is still developing, with income for 2007/8 exceeding £4 million, the organisation has ambitious plans to triple its beneficiary numbers and double in income terms by 2010-11. In addition, Speaking Up plans to innovate in

the area of individualised budgets to enhance independent living, purchase a new property and publish a number of new resources about its most successful recent innovations.

“Impetus was a catalyst – we might have got there in the end but it would have been a slower, longer road without them.” *Linda Astee - Regional Director (S & E), Speaking Up*

Making the most of Impetus

The Speaking Up case history illustrates a number of critical success factors for the Impetus venture philanthropy model.

Relationships	The relationship between the Craig and the Impetus Directors was a critically important. The initial impression of Craig was of a committed, passionate and dynamic individual who would have succeeded in whatever his chosen area. His openness to feedback and new ways of working meant that the initial positive impressions were translated into a close working relationship that benefited for Speaking Up and Impetus.
Transparency	Communications between Impetus and Speaking Up were open and transparent. Speaking Up embraced Impetus rather than keeping them at arm’s length. This enabled Impetus to develop a deep understanding of their business and Speaking Up was able to benefit from informed advice and access focused support in areas of key need.
Expectation setting	Impetus and Speaking Up agreed clear targets and monitored progress against them. Setting clear expectations meant that it was easier to address business performance issues when these occurred.
Pro bono associates	The advice provided by the pro bono associates was acknowledged by Speaking Up as a major unexpected benefit. The initial appeal of the relation with Impetus was the unrestricted core funding and there was some scepticism about how useful the associate input would be. However, the quality of the Impetus associates and their ability to ‘roll up their sleeves’ and deliver real, practical help meant that they demonstrated tangible benefits and created a real impact over a very short time frame.
Key projects	The pro bono associates delivered value across a variety of projects and their range and diversity, tailored to the needs of Speaking Up at different times, was critical. In the initial stages pro-bono associates supported the development of systems, processes and infrastructure. Other projects were more externally facing, supporting sales and marketing activity. Where projects involved staff across and range of functions, for example the branding project, then there was they had the added impact of accelerating the cultural change as the project team reached out into the organisation.