**Uplifting The Charity Sector**

**THE FUTURE OF CHARITIES**

**By Dr Ang Hak Seng**

IT HAS BEEN MORE THAN A DECADE since the establishment of the Commissioner of Charities (COC). This article looks at the journey that COC has taken over the years, painting the picture of the past, present as well as the future of charities.

**REGULATION: MOVING FROM DETERRENCE TO PROBLEM-SOLVING**

COC has a reputation for being the watchdog. It ensures compliance of charities through a range of penalties from issuance of a letter of advice to suspension and prohibition orders and, where necessary, COC will take the person responsible to court. However, the above approach is only a deterrence.

Since 2017, COC has shifted beyond compliance to problem-solving. This is a proactive approach which requires connecting with the people through engagements.

From past years’ experience, an estimated 90% of the charities that did not comply with the regulations fall under the category “do not know”. This group of charities tends to be unaware of how to meet the regulatory requirements. Another 9% are charities that “know but are unable” to achieve compliance due to a lack of resources or capabilities. Only a small minority of 1% acted in bad faith and a heavier penalty had to be imposed on them. COC recognises that there is no one-size-fits-all solution and usually there is a trade-off. Hence, a risk management framework based on factors like materiality, impact and intent, is used to solve the problem at its root cause (Figure 1).

Should COC only take the deterrence approach, the passion of the charity sector will be dampened. People who wish to volunteer will be discouraged and the sector will lose its share of talent. Thus, the focus of COC is to enable the 99% to improve through regular engagements and education. This will encourage greater responsibility, transparency and accountability.

**Responsibility – through professionalism**

Many of the charities have the best intent for the community. However, more can be done to uplift compliance and governance capabilities. COC has worked with the Singapore University of Social Sciences (SUSS) on a structured curriculum based on the seven disciplines of high performing charities (published in the October issue of *Chartered Accountant Journal*). The first run of the course saw 55 participants who promised to continue learning through their organically formed learning circles.

**Accountability – through co-regulation**

Accountability is a cornerstone for all organisations, and is even more pertinent in the charity sector. This is why COC has formed the suite of Shared Services, with the tagline “Charity for Charities”, to provide a range of services at a low or pro bono rate. An agreement has been signed with each of the shared services partners that requires them to provide efficiency and quality in their respective services. It is a shift beyond efficiency to better overall governance for the sector.

**Transparency – through visibility**

It is recognised that documented policies and procedures are foundational pieces. As the saying goes, “What gets measured gets done; what gets measured wrongly, gets done wrongly”. Many charities may have routine practices but these are not documented. Others may have the policy, however, they are unsure of how to implement or are unaware of the existence of the policy. Hence, using the Visibility Guide’s PARENT framework (published in the May issue of this Journal), charities could turn their “invisible” policies “visible”, and ensure proper communication to all stakeholders.
CO-REGULATION: QUALITY ASSURANCE THROUGH PARTNERSHIP EFFORT

The vision of COC is to achieve a thriving and trusted charity sector. However, to ensure that the charity sector thrives and is sustainable for the future years to come, regulation only is not enough. Since 2018, COC’s approach has shifted from regulation to co-regulation (Figure 3).

THE WAY FORWARD: “ONE COMMUNITY”

COC is looking forward to shift from regulation to co-regulation, and now to one community (Figure 4). One community is the charity sector working as an ecosystem, and shifting from a charity-centric mindset to a beneficiary-centric mindset (Figure 5). However, the current sector leader is that each organisation works mostly on its own and hence, a beneficiary may have to seek assistance from across various charity organisations. This way of servicing the beneficiaries and the community is only solving the symptoms of the problem and not the problem itself.

Using the analogy of building blocks, the future of charities operating as one community can be broken down into three stages, namely, collecting the blocks, connecting the blocks to form shapes, and combining the shapes through collaboration to build an ecosystem.

Input: Collect

Drawing similarity between a charity’s resources – such as money and people – to individual building blocks, each charity has a limited collection which confines the amount of impact it can bring to the community. Hence, one push towards a future-ready charity would be the sharing of own collection through the idea of shared resources by geolocation. For example, different charities may target different festive seasons for their food distribution drives. This means that the group of volunteers from each individual charity may not be engaged throughout the year. Therefore, with a sharing of volunteers, it enables other charities to tap on this resource when required. From the volunteers’ perspective, they can engage and serve the beneficiaries in a more regular and continuous manner.

Charities: Empower charities to practise self-discipline through the Code of Governance for IPCs and Charities. There will be plans for the Code to be simplified with the focus on ethics-based principles through a balance of mandatory guidelines that must be complied with and best practices that should be implemented.

Intermediaries: For the suite of seven shared services that COC provides, COC also recognises that the issues faced by charities are getting more complex. Hence, a partner that will provide the one-stop solution will also streamline and coordinate the process when charities approach shared services for advice.

Beneficiaries: Under the Singapore Cares (SG Cares) movement, charities will be trained to restructure some of the work that could be handled by beneficiaries with sufficient support and training. This allows beneficiaries to be a giver in their own ways, thus providing them a sense of achievement and dignity.

In the same vein, with the advancement of technology as well as the nation’s push for cashless payment, charities should adapt and embrace the use of online crowdfunding platforms as a less labour-intensive alternative to raising funds. This is the reason why COC has worked with four crowdfunding platforms - Give.sg, Give.Asia, SimplyGiving and Ray of Hope Initiative – as subscribers to the Code of Practice for Online Charitable Fund-Raising Appeals.

Process: Connect

Like building blocks, shapes are formed when the blocks are connected to each other. Similarly, each charity may have its own expertise but the real power is unleashed when each charity comes forward to share knowledge, capabilities and best practices with the rest of the charities.

Another opportunity to connect is the sharing of resources. There is little further that can be done to increase the capacity of organisations to connect. COC has plans to professionalise the charity sector. COC believes that for people to work together, they must first come to learn together. A more advanced course for key officers of charities will be developed soon. The advanced course is a platform to impart the overarching strategic vision of one community. Through the learning process, trust will be built and collaboration among the people will be organically formed.

Our nation’s elderly population is increasing. There is a more urgent need for charities that provide elderly services to come together to provide holistic care for them to age in place. Taking the example of a hospital pathway, after an elderly patient is discharged, sometimes, home rehabilitation is required till full recovery. During this stage, a charity that provides services such as medical escorts and home visits will be engaged. However, one must not neglect the other important aspects of recovery such as eating right, keeping an active lifestyle, and having continued social interaction to prevent isolation. These tasks may be undertaken by different charities. Although each charity may have a different focus on the elderly patient, they work together towards the common goal of ensuring that the elderly patient recovers fast and well. Pushing this idea a little further, perhaps this elderly could even be engaged as a potential volunteer to teach other senior citizens in the community light exercises for a healthier lifestyle. The pathway depicts required a collaborative effort between multiple charity organisations.

To achieve this, the idea of a shared key performance indicator that focuses on an ecosystemic outlook for the charity sector could be mooted. With this structural shift, it will be slowly ingrained in organisations and their key management team to go beyond leading the charity organisation, to being strategic stewards for the charity sector.

This vision of one community is championed by the Volunteer Centres which enable the collaboration between the charities, corporations and the government. The model of the Volunteer Centres is under the SG Cares movement’s strategic vision and will be expanded to all 24 towns nationwide in time soon to come.

CONCLUSION

The future of charities cannot be realised without the support and efforts of all stakeholders’ collaboration with the corporates and support from the government.

The future of charities is One Community and the future is “better, better-er, better-est”.

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