

From Surviving to Thriving: Insights on Building VCSE organisational Capacity & Sustainability

A guide for VCSE organisations, based on learnings from the Dormant Assets NI Phase 1 Grant Programme evaluation



What is the aim of this guide?

This guide aims to showcase learning on how Voluntary, Community and Social Enterprise (VCSE) organisations can build their organisational capacity, resilience and sustainability.

Who is this guide for?

It is for professionals or stakeholders working in the VCSE sector, who are seeking guidance and good practice examples on how to build the resilience of their own organisations.

How can I use this guide?

This guide outlines a number of approaches that can support the resilience, sustainability and capacity of VCSE organisations - it also features practical real-life examples of how other VCSE organisations have used these approaches.

This guide is based on findings from SQW's evaluation of the Dormant Assets NI Phase Grant Programme, which was delivered by The National Lottery Community Fund. A total of 244 organisations received grant funding totalling £19.9m, to help them become more resilient.

This guide presents some key learning from the evaluation to answer the question – **what approaches can support the resilience, sustainability and capacity of organisations like yours?** It draws on examples from case studies carried out with eight grant holder organisations. For more detail read the full case studies: [Evaluation of the Dormant Assets NI Phase One Grant Programme - Case studies](#).

For more information and insights, you can read the full final evaluation report: [Evaluation of the Dormant Assets NI Phase One Grant Programme – Final evaluation report](#).

Approaches to supporting resilience, sustainability and capacity: six themes

We found six themes of effective practice from an external review we conducted as part of the Grant Programme evaluation. We have presented an overview of the evidence below and have expanded each theme individually with real life examples from the evaluation.

Organisational approaches to supporting improved Resilience, Sustainability and Capacity

Learning from the Dormant Assets NI Phase 1 Grant Programme evaluation



Delivering effective project planning processes

- Setting clear and achievable aims and outcomes
- Considering timelines for implementation and outcome realisation
- Building in sustainability planning at project outset
- Maintaining a flexible approach to delivery
- Aligning project activities to organisational strategic priorities



Developing leadership and management capabilities

- Implementing training and development plans for senior staff
- Ensuring the right conditions are created to allow for new knowledge and capabilities to be put into practice by leadership and management
- Embedding a continuous learning culture through clear training and development structures and processes



Relationship building and partnership working

- Delivering collaborative projects with other VCSE organisations or organisations from other sectors
- Increasing internal capacity (e.g. through recruitment or upskilling) to support partnership development



Investment in skills and training

- Bringing in required skills to support delivery (e.g. commissioning specialists, or recruiting staff with specialist skills)
- Involving existing staff in delivering project activities
- Increasing internal resource to deliver projects by building staff capacity



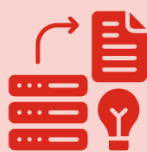
Building unrestricted funds

- Increasing income generation (e.g. through product sales), supported by improved capacity in related skills and bringing in specialist expertise
- Reducing costs and creating organisational efficiencies (e.g. identifying opportunities for savings, introducing accounting processes)



Demonstrating organisational impact and social value

- Using digital infrastructure to more efficiently and effectively measure and communicate impact and value generated
- Combining statistics and figures with qualitative insights or 'stories' of organisations' impact



Delivering effective project planning processes

Effective planning, from the beginning and throughout, can help you deliver projects more effectively and successfully. This includes:

- **Setting clear and achievable aims and outcomes.** The Crescent Arts Centre reported that the overall aim of their project was clearly defined, and project activities were designed to address a specific challenge being faced by the organisation. The focus on delivering a 'tangible' output (i.e. a new product range) was reported to have offered a stimulating change from the organisation's usual focus on behavioural change.
- **Considering timelines (for implementation and outcome realisation) and sustainability planning at the outset.** Learning from Developing Healthy Communities suggests that it takes time for new roles and postholders to get embedded into an organisation, and for the benefits of strategic activity to be realised. Developing a timeline with flex, and ensuring adequate time for activities to be sustained, is key.
- **Maintaining a flexible approach to delivery.** The Crescent Arts Centre listened to the advice from external consultants to 'learn by doing,' rather than using resource to develop a strategic plan.
- **Aligning project activities to organisational strategic priorities.** The Crescent Arts Centre aligned their activities to their wider priorities, notably ambitions to become more responsive to the local community and tourists. This included commissioning the designs of local artists only – including the artwork of some organisational staff – to be used on the products they sold through their retail display.
- **Embedding activities to support resilience, capacity and sustainability into organisational plans.** Bolster Community has made a commitment to develop a marketing plan and invest further in sales and marketing activities on a planned and sustained basis. They have also committed to building on this work by exploring ways to further diversify funding; this is outlined in the organisation's 2025-2030 Strategic Plan.



Developing leadership and management capabilities

Organisations that are well managed are more likely to be resilient, so investing in the development of leaders and managers is important.

For example, grant holders put in place training or development plans for their leaders, or identified skills or knowledge gaps across their organisation including at board level, and sought to address these, ensuring that the leaders were more aware of and bought into activities at all levels of the organisation.

For Developing Healthy Communities the grant funding supported them to develop leadership and management capabilities. They used the grant to fund an Operations Manager, who implemented new structures and processes, including training and development plans for staff, and leadership and management qualifications for senior management. One example included a senior staff member undertaking an ILM Level 5 Leadership & Management qualification, improving their leadership skills and developing their strategic thinking.

These new structures and processes were credited with:

- **Ensuring that the right conditions were created to allow for new knowledge and capabilities to be put into practice.** This included protecting staff time for implementing change, investing in new technologies to facilitate change, and collaborating with other organisations to share learning.
- **Embedding a continuous learning culture,** encouraging all members of staff within the organisation to take up training opportunities relevant to their role.



Relationship building and partnership working

Strong relationships with partners can prove useful. New collaborations, including **with stakeholders from other sectors**, can lead to improved organisational visibility, knowledge transfer and new opportunities. This can be enabled by increasing internal capacity, including through recruiting specialists, or through upskilling existing staff in stakeholder engagement skills. For example:

- Bolster Community has forged strong relationships with Southern Health and Social Care Trust to deliver programmes focused on diversifying income sources. This was supported by an increased focus on external facing business development and marketing activity. Their business development and marketing activity was supported by adopting a hybrid approach involving a mix of consultancy/bought in support and part-time in-house roles.
- The Centre for Cross Border Studies developed new relationships and partnerships, alongside strengthened existing partnerships, across both public and private sectors. Examples included contracting marketing agencies to run publicity campaigns for the annual conference, a digital agency responsible for website redesign, and audio visual expertise for running live events. The relationships led to increased knowledge building within the Centre itself, in areas such as social media campaigns and delivering live events, through knowledge transfer.

Partnership working can also involve other VCSE sector organisations, to share knowledge between organisations or collaborate on project delivery. This can bring mutual benefits, for example, shared income generation.

- Developing Healthy Communities funded an Operations Manager who supported their Chief Executive to secure funding and deliver activity for the Ideas Fund regional partnership in NI. The new regional partnership is a c.£90k collaboration between Developing Healthy Communities, Ulster University and the North West Community Network (a VCSE network), who are working together to foster partnerships between community groups and academia, in an effort to support more equitable practice across the VCSE sector.

Engaging with wider activities, like The National Lottery Community Fund's learning events, can help you generate new connections with other VCSE sector organisations.



Investment in skills and training

Investing in the right skills, knowledge and buy-in can support your organisation to function more effectively and deliver more successful projects. This can include:

- **Bringing in required skills to support delivery.** If internal skills are lacking, organisations can be supported through commissioning consultants to provide expert advice, support and training, or recruiting staff with specialist skills. The Developing Healthy Communities case study highlights how the Operations Manager brought broad ranging knowledge and skills across many functional areas, as well as an ability to learn quickly and think strategically, all of which were seen as critical for transformation.
- **Involving existing staff in delivering project activities.** While their capacity needs to be considered, this approach can help to support buy-in and engagement, alongside upskilling existing staff. The Crescent Arts Centre had adopted this approach, which invited full-time staff to participate in the product development process for its new retail display. This supported buy-in to the grant funded project, and post-grant is expected to support staff commitment to the new venture.
- **Increasing internal resource to deliver projects.** The case studies and wider evidence base indicate that in some cases, when seeking to increase internal capacity, training existing staff to deliver planned project activities could work better than recruiting new staff. The evidence indicates that this approach is more likely to be sustainable for organisations over the long term. If new staff are employed to increase internal resource, this needs to be done alongside a sustainability plan for the role(s). As part of the Developing Healthy Communities project, the Operations Manager worked with the organisation's existing staff to create learning and development plans and then supported staff to undertake relevant training, enhancing their longer-term organisational capacity.

However, **recruitment can often be a challenge** for VCSE organisations. There are a range of ways that your organisation can seek to address these challenges.

- For example, Bolster Community planned to recruit a Business Development Manager. However, following unexpected challenges in recruiting to this role, they adapted and took a hybrid approach – bringing in sales and enterprise expertise via a retail consultant, and strengthening their marketing offer via the recruitment of a part-time in-house Communications and Marketing Manager.
- Other examples from grant holders to address recruitment challenges included: hiring a corporate-sector professional to fill a leadership void, bring fresh expertise and strengthen the team; and addressing recruitment difficulties by developing an existing volunteer, transitioning the individual into a part-time role and eventually full-time employment.



Building unrestricted funds

Increasing income generation (for example through selling products or services, or monetising events) can help to generate a sustainable flow of unrestricted income.

For example, two case study organisations successfully generated income through product sales. They both used the grant funding to build relevant sales capacity (for example marketing and branding), and expect to grow their sales further going forward.

- Bolster Community brought in sales development expertise using a hybrid approach, commissioning a retail consultant and hiring a part-time Communications and Marketing Manager. These roles supported the development of the Bolster Buddies service, aimed at promoting independence and improving life skills for young people. The service now generates an income of £150,000 for Bolster Community. They also began to offer evidence-based training programmes for parents and children, which have raised £300,000 of additional income to date. They reported that their generated income now accounts for 68% of their overall income (an increase from around 30%).
- The Crescent Arts Centre developed a small retail display to provide another source of unrestricted income for the organisation. The display includes products developed by local artists, such as postcards, notebooks, tote bags and art materials for sale. Whilst modest to date, the shop is already generating an income for The Crescent which can be reinvested into the organisation. Looking forward, the ambition is to increase sales through an online shop with a broader product offer.

Reducing costs and creating a more efficient organisation can be another route to building financial resilience. For one grant holder, the Grant Programme funded a Business Development Manager post, who has reviewed the organisation's supplier base, identified opportunities for savings, and introduced accounting processes - providing greater financial transparency.

More broadly across grant holders, securing additional grant funding improved their short-term resilience, but it's not clear whether this would help to deliver longer-term financial resilience. Sustaining the delivery of activities associated with any new grant funding pots can be particularly difficult if staff employed to generate this type of income are no longer in post.



Demonstrating organisational impact and social value

It's important for VCSE organisations to market themselves to effectively attract supporters, donors and funders. **Demonstrating the impact of your organisation through monitoring, evaluation and reporting** is crucial.

Digital infrastructure can be used to better **measure and demonstrate your organisational impact and social value externally**. For example, grant holders often reported establishing new Customer Relationship Management systems or databases. These enabled more efficient and effective impact measurement, as well as streamlining delivery.

- For example, Ballycastle Credit Union used their funding to implement a new online system for their service. This new service enabled the Credit Union to more effectively report on its impact; it produces a yearly report to share with committees as part of its AGM, and the new system can easily and effectively generate graphs and analytics to show the impact of the Credit Union, which previously would have required significant staff time and resource to develop.
- Other grant holders measured their impact by taking approaches such as working with external consultants to develop a Social Return on Investment (SROI) measure for their organisation, or carried out staff and beneficiary surveys internally.

It is also important to ensure that organisations share qualitative insights or 'stories' of their impact, to bring the findings to life.

- For example, Samaritans in Northern Ireland, who had developed a Mental Health Awareness in the Workplace training programme, used testimonials to promote the value of the workforce training programme to potential participant organisations. This content was used as part of the programme's PR and digital engagement efforts, and felt to be essential in raising awareness and establishing credibility, particularly within a crowded market.
- Another example consisted of a grant holder organisation developing an internal Impact Working Group focused on how they collect, measure and report on their social impact, and communicate this more widely outside of their own organisation.



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