

Case Study – Charity X



Charity X has been operating for over 40 years during which time they have established a national reputation for development of innovative devices and technologies for people with disabilities. They have been involved in over 300 projects and delivered their service to over 120,000 people. The staff are made up of a dedicated team of 18 highly qualified technicians, engineers and health professionals. They appointed a new Director, who was tasked with developing a new vision and strategy for the organisation.

Unfortunately their costs were exceeding their income and had been doing so for three years. Turnover was £662,000 with an 11% loss, anticipated to be £680,000 with a 14% loss the following year. Clearly this needed to change, and quickly. Charity X were in a very fortunate position in being able to call on reserve funds but these were limited.

The Charity's Trustees recognised the seriousness of the situation and called in a business expert to advise them on what to do to turn the situation around.

The Charity's new Director said "*We recognised that we had a number of serious problems with our operating strategy and asked Graham Hodges to come in and carry out a business review to help us sort them out*".

Graham Hodges worked with Charity X over a two month period, carrying out a detailed Business Review of every aspect of their business. The output of the review had to meet the following objectives:

- Improve the cost/income ratio, preferably such that income exceeds costs;
- Ensure that the Charity's aims & objectives are not compromised;

- Improve the efficiency and effectiveness of the organisation;
- Position the organisation to continue to meet its objectives in the future.

Graham spent time with key members of staff and the Directors. Information was pulled together from a variety of material including sales and financial returns to determine what the issues were and what could be done about them. Crucially Graham pro-actively sought the views of the staff team to gain an in depth understanding of key activities within the organisation.

The final report highlighted 4 key recommendations and underlined urgent actions that needed to be taken. The report also included more detailed suggestions that would help address each of the key issues. A further 13 additional actions that would help the organisation function more effectively were also included, with detail of what the problem was and how best to deal with it.

The new Director has used the report as the basis for a new Business Development Strategy to take the organisation forward.

The new Director said:

“Graham is clearly very experienced and was quickly able to find his way around the organisation and start to ask some challenging questions. He has produced a comprehensive and very detailed examination of how we are working and what we need to do. His comments and recommendations were very perceptive and he has identified a clear direction for us to follow. His help has been invaluable and I know he cares just as much as we do about our success. I am confident that with the changes we will now make, we will be able to turn our business around, ready for the next 40 years, so that we can direct our efforts to improving the quality of life of people with disabilities.”

If you would like to know more about this project, contact Graham Hodges & Associates:

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