Organisational Change and Reflective Practice

Building resilience in volunteering the merger process to create Volunteer Now

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The merger of 9 local Volunteer Centres and the Volunteer Development Agency to form Volunteer Now in 2010 was one of the most significant organisational changes in the third sector in Northern Ireland. It reflected the need to rescale and restructure service delivery in a sector that faced important challenges about funding, policy and the best way to increase participation and impact.
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In 2003/4 with funding from the Atlantic Philanthropies VSB commissioned work on the need for independent funders in Northern Ireland. One of the outworkings of this was the establishment by the VSB Board of The Foundation in 2005 with the following objects:

1. Change, facilitate and improve the active participation by groups and individuals who tend to be underrepresented in public decision making processes, particularly older people, young people and ethnic minorities.

2. Pilot innovative models that enable individuals to become involved in the community at local, regional and international level.

3. Support and enable the development of innovative active citizenship initiatives which promote a vibrant participatory community.

4. Support and enable the collaboration or merger of organisations of common or similar objectives working in the community, in order to increase efficiency and reduce duplication and create a stronger voice for their beneficiaries.

Merger is not the only or always the best option for organisations but the experience of volunteering highlights the need to work honestly and openly to help build a more resilient sector. Ultimately the restructuring of volunteering aimed to make services better, improve quality and put the needs of volunteers at the heart of organisational change.

On a personal note putting the needs of volunteers at the heart of organisational change was my constant companion on a challenging journey that was emotionally difficult, lengthy and quite often contentious and fractious. It was not an easy or joyous leadership role for me as Chairperson of VSB, nor indeed was it for the other Chairpersons, to call time on our respective organisations. I would like to acknowledge and pay tribute to my fellow Chairpersons and Board members who embarked on this unique merger journey. It is good, therefore, having allowed some time to pass and when the raw emotions have subdued for reflection.

It was in this context of reflection that we commissioned Dr. Brendan Murtagh from Queens University in May 2012 to undertake this independent review for the Foundation and emphasise the contribution that it can make to debates about the future of the community and voluntary sector in Northern Ireland. It is very much in that spirit that we have published this report and highlight the implications for all of us who value the third sector in general and volunteering in particular.

Brian Gibson
Chairman
VSB Foundation
Executive Summary

• This report tells the story of the establishment of Volunteer Now from the merger of the Volunteer Development Agency (VDA) and 9 local Volunteer Centres across Northern Ireland. Mergers, co-location and partnership working are becoming a stronger feature of the community and voluntary sector in Northern Ireland and this review sets out the implication for organisations interested in merger, for support agencies and for government.

• Volunteering became increasingly important to the New Labour administration as a way of strengthening civic society, social capital and community cohesion. Similarly, DSD established the Volunteer Bureaux Initiative in the 1990’s to support 15 Volunteer Centres across Northern Ireland as well as providing core costs. This was evaluated in 2008 and the report was critical of the number of Centres, cost inefficiencies, variable performance standards and policy impact. It concluded that current arrangements were not fit for purpose and needed to be reorganised and rationalised. The VDA had already developed an initiative to standardise the objectives, working methods and reporting systems of the Volunteer Centres and this, combined with the evaluation, to start the collaboration process.

• Ultimately, the need to change was due to a desire to produce more effective volunteering in Northern Ireland. The focus on better outcomes, reductions in public and Structural Fund expenditure and a stronger policy emphasis on rationalisation within the sector also drove the process. The Review of Public Administration and in particular the proposed establishment of 11 new local authorities, each one responsible for volunteering and community development, further highlighted the need to develop a strong interdependence between local and regional functions.

• The infrastructure to best strengthen volunteering was considered in a formal options appraisal which set out a number of alternatives but concluded that a central agency linked to Centres aligned with the new Council areas offered the most efficient and effective way forward. This, together with the evaluation, formed a strong evidence base on which to take forward a complex change management process.

• An Integrated Infrastructure Working Group (IIWG) with representatives from the Volunteer Development Agency and the Volunteer Centres interested in creating a new organisation was established to take forward the process. This group determined the planning framework, detailed the tasks, set out the timeline and moved the merger forward in an open and inclusive way. Meetings were held monthly and more frequently when required; minutes and action points circulated rapidly; and the basis for decisions made transparent to the wider group. This ensured that the establishment of Volunteer Now was genuinely co-produced rather than being imposed or developed by a management elite.

• The IIWG planned, procured and applied modules of work on legal services, human resources and corporate branding. Critical in this respect was financial and policy support from DSD. This was an especially complex legal task given the number and diverse governance structures involved and considerable effort was placed on developing an agreed culture and embedding staff in the new organisation.

The need to change was due to a desire to produce more effective volunteering in Northern Ireland. Ultimately, not all the Volunteer Centres agreed to merge and left both the process and the new organisation, with 5 of the organisations establishing an alternative Association of Independent Volunteer Centres (AIVC). These groups expressed multiple concerns about the pace of change, the dissolution of Centres and the loss of independence. Mergers are complex and uncertain. Dissensus is often unavoidable but should be embraced as a necessary part of change. However, it is also important that these concerns are based on: evidence that all the stakeholders can examine; clear arguments that can be challenged and debated; and most of all an ethic of responsibility to each other and the wider process.
The full impact of Volunteer Now will take time to emerge but a number of strategic benefits can already be identified. These include: the development of quality standards and consistency across participating organisations; the advantages of scale, especially to contribute meaningfully to iconic events such as the Derry/Londonderry City of Culture and the Irish Open; and significant policy traction on volunteering, older people, urban regeneration and community development, education and sports, arts and leisure. In addition, twenty local authorities have, so far, signed up to a value statement about volunteering and have been recognised for their work in using civic engagement to empower individuals and develop communities.

Scale has also enabled the organisation to innovate with new measurement systems, training techniques and forms of volunteering such as Time Banking. Volunteer Now has levered significant resources from philanthropists, the third sector and a range of public sector programmes. Volunteering is now more strongly connected to national and international networks, learning opportunities and resources. User satisfaction levels are exceptionally high, especially in the use of training, policy advocacy and accreditation.

The merged organisation has also developed more articulate arguments about the value of volunteering at a time when public spending and charitable giving are under pressure. The value of volunteering to Northern Ireland is estimated at £504m, of which £202m is generated by older people over 50. Moreover, the development and application of the Volunteer Investment and Value Audit (VIVA) has enabled a more sophisticated understanding of the rationale and effects of volunteering programmes, not least for the public purpose. Recent examples from community development and environmental improvement initiatives show that every £1 spent on volunteering schemes levered an additional £3.45 and £7.00 of economic value respectively.

Clearly a number of people and agencies were critical to the success of the merger. Time and a strategic focus enabled momentum to build, trust to be established and the necessary work to be completed. Resources, both financial and human, were critical but specialist support in law and governance, personnel and public relations enabled the detail of change to happen.

The integrity of the evidence, the quality of analysis and power of the better argument helped to form the new organisation on solid foundations and such practice needs to underpin merger processes in other sectors. The IIWG offered a governance arena for responsible debate and maintained its integrity throughout the process. Communications, keeping people involved, informing stakeholders in the policy community were also critical to the success of the process.

There are significant lessons for organisations considering merger, the wider sector and for government. For groups, timing, planning and inclusivity are obvious but having a clearly articulated and shared understanding about what merger is for is most important. Establishing structures that manage the process, identify and oversee key tasks and which meaningfully engage stakeholders are needed from the outset.

Leadership is a much overused term but the competence, drive and knowledge of a cadre of people, often working outside their normal workloads, was critical to the creation of Volunteer Now.

The wider sector has developed innovative responses to the challenges and opportunities for change. Building Change Trust, CollaborationNI and the VSB Foundation offer support, develop best practice and innovate, especially around merger. This type of approach needs to be extended, especially with a clearer analysis of the skills and knowledge needed to effect change.

The success of the merger also relied on support from people across the sector, who offered experience, expertise and time. This type of social learning is what this sector does best but it needs to be encouraged and facilitated if the ethic of community development is to be at the heart of change in Northern Ireland.

Government has provided policy direction, finance and staff support in significant and influential ways. In the new volunteering strategy for Northern Ireland (DSDa, 2012) the Department affirmed the need for volunteering infrastructure to improve quality standards, professionalise systems, strengthen policy impact and create better value for money. The decision to establish new funding arrangements runs contrary to the Department’s own evaluation, its publically held position on rationalisation and funding support. It is vital that decisions on mergers are fully supported and that clear direction is given to sectors and organisations considering cooperating in the future.
Section 1

Introduction

The merger of 9 local Volunteer Centres and the Volunteer Development Agency to form Volunteer Now in 2010 was one of the most significant organisational changes in the third sector in Northern Ireland. It reflected the need to rescale and restructure service delivery in a sector that faced important challenges about funding, policy and the best way to increase participation and impact. Volunteering has been a consistent feature of recent politics and policy, shared as an ideal by both the left and right, often for different reasons. Third Way politics under New Labour supported new forms of communitarianism and civic society whilst the Big Society places greater responsibility on the individual for self-help and even the delivery of local services.
Merger is not always the best option as it may reduce multiple voices, the prospect for effective alliances and because monopolies have their own dangers as a business model. However, it might also create stronger and more politically powerful organisations, especially in a sector where uncertainty and change is destabilising the capacity to offer a radical agenda, deliver quality services and support practitioners and volunteers. This report sets out an independent review of the merger process and its implications for the key stakeholders involved in developing more effective and efficient agencies. It is not an evaluation but rather attempts to draw out the lessons for responsible processes in a sector increasingly encouraged to merge, co-locate or partner.

As part of the restructuring, the Board of VSB transferred remaining activities, liabilities and assets to the VSB Foundation, which had a number of key objectives:

1. Change, facilitate and improve the active participation by groups and individuals who tend to be underrepresented in public decision making processes, particularly older people, young people and ethnic minorities;
2. Pilot innovative models that enable individuals to become involved in the community at local, regional and international level;
3. Support and enable the development of innovative active citizenship initiatives which promote a vibrant participatory community; and
4. Support and enable the collaboration or merger of organisations of common or similar objectives working in the community, in order to increase efficiency and reduce duplication and create a stronger voice for their beneficiaries.

As part of the Foundation’s commitment to social innovation this review aims to: describe the merger processes; identify the critical success factors; and set out the implications for policy and practice in the voluntary and community sector in Northern Ireland. The learning for government, new local authorities, politicians and practitioners are set out.

Mergers in the Sector

The Charity Commission’s third Economic Survey of Charities in the UK found that only 9% of charities have considered merging, collaborating or forming a consortium with another charity. However, this was an increase of 6% on the previous survey. Penn (2009) points out that one of the key benefits of voluntary sector organisations who have merged is that they have become more financially stable, especially by permitting them to consolidate reserves, diversify products and create efficiencies in service delivery. In a more recent review of the mergers IVAR (2011) identified the critical success factors as: a shared vision; organisational fit; clarity of expectations; early involvement of key people; due diligence; attention to governance issues; good communications; the involvement of external advisers; and the acceptance that integration takes time. It will be seen in this review that the creation of Volunteer Now worked because it achieved these ambitions and provided a vision for volunteering in Northern Ireland, not just the interest of the people, posts or the organisations involved.

Background to the Merger

Volunteering is a well established activity and often developed without policy encouragement or government finance. VSB had been operating for more than 40 years with a long history of civic success. However, in the 1990s governments across the developed world became more concerned with deteriorating social ties, individualism and the oppressive effects of poverty. Civic society, social capital and volunteering became central features of the types of communities that create more sustainable and cohesive places. The New Labour administration saw volunteering as vital in repairing societies affected by economic change and in Northern Ireland it became a critical component of peace building and social inclusion.

Formal policy support for volunteering is thus new compared with other sectors. The Volunteer Development Agency (VDA) was established (1993) at a regional level and administered core funding to 15 sub-regional Volunteer Centres. In 2007-08 the VDA received £83,000 to administer £1.1m of grant funding to the Centres as part of the Department for Social Development’s Volunteer Bureaux Initiative (VBI). This was formally evaluated in 2008 (McManus, 2008) and this set in train a change management process that resulted in the establishment of Volunteer Now in 2010. The process has not been a perfect one and a recent Department for Social Development call for applications to deliver one regional and five area based contracts has left a mixed and fragmented approach to volunteering in Northern Ireland. This review examines the formation of the new organisation and the legacy effects of the merger process.

Structure of the Review

The next section examines the drivers for the merger in more detail and makes the point that many of these processes are generic and affect the wider community and voluntary sector in Northern Ireland. This is followed by a brief description of the merger process and then, in section 4 by a description of the impact of the new organisation on performance and service delivery. Critical success factors and the implications for policy and practice are set out in section 5.
Section 2
Drivers for the Merger

It was noted earlier that the merger process can be traced back to 2005, not in response to funding crises or policy direction but to an agreed need to develop more appropriate support for volunteering in the region. The process is important because it anticipated change, the effects of an evolving policy and funding environment and implications of the RPA. Many of these processes are generic and impact on the wider sector but the story of the merger is the story of how leaders understood and responded to the changing environment to create a better structure.
An Outcome Focus

One of the key factors in the successful merger process is a clear focus on the desired outcome and the need for a more efficient set of arrangements to strengthen volunteering in Northern Ireland. Research into volunteering in Northern Ireland (VDA, 2007; Volunteer Now, 2012a) showed that despite political and policy support and for example investment via the Structural Funds, the rate of volunteering in Northern Ireland remained static. There was an overcrowded market place, with multiple agencies and messages and yet penetration was weak, especially compared to levels of growth in other parts of the UK, Europe and the United States. However, NICVA (2012) also showed that 46% of voluntary sector organisations planned to increase the number of volunteers but 70% of agencies across sectors, experienced difficulties recruiting volunteers.

Linked to this was an acknowledgment that quality, practice standards and the need for stronger regulatory compliance were essential to both the performance and the development of the sector. AccessNI checks, child protection, working with vulnerable groups, indemnity and insurance placed particular pressures, not easily addressed by a multitude of separate programmes and organisations. Moreover, the need to develop best practice, share learning and strengthen the quality as well as quantity of the volunteering experience highlighted the need to restructure service delivery.

Changing Policy Landscape

Even by the commencement of the Volunteer Bureaux Initiative the government signalled the need to rationalise and better coordinate the voluntary sector in order to deliver more effective and sustainable services. Positive Steps (DSD, 2005) for example, emphasised the need to rationalise infrastructure support and separate reviews by NICVA and Deloitte set out the realities facing the sector including downward pressure on public spending, the need to improve standards and the introduction of a Charity Commission for Northern Ireland. The need to develop and better regulate a sector that is more competency and outcome focused, is more efficient and that avoids duplication were clear priorities moving forward. The Deloitte review in particular described the need to achieve economies of scale to enable resources to be devoted to service delivery and to share back office functions to reduce waste. The Modernisation Fund was then established to invest £15m to improve partnership working, mergers and better governance. In 2011, NICVA launched CollaborationNI to deliver a partnerships, collaboration and mergers support programme on behalf of the Building Change Trust and supported by the Department for Social Development. CollaborationNI assists organisations that want to formally merge, helping them to carry out an audit, due diligence processes and engage with legal and financial services.

Economic and Spending Realities

The economic and public sector spending climate has also created distinctive pressures on the third sector and the role of volunteering in the delivery of services. PWC (2011) showed that the recession has hit Northern Ireland especially hard with GDP for 2011 just 0.8% and Oxford Economics (2010) suggesting that public spending cuts will be £1.2bn over the next three years.

Nationally, the government has responded by emphasising a shift to a Big Society where communities and specifically volunteers will take greater responsibility for running local services and facilities. The New Localism Act (2011) provided a legislative community right to challenge and buy local government facilities. The Coalition also aims to encourage new forms of social action by cutting through the barriers to volunteering, developing a ‘civic service’ involving more community volunteers and by strengthening infrastructure through the Office for Civil Society (OCS). The OCS has established a number of strategic volunteering priorities including strengthening good practice, supporting employer based volunteering and enabling ‘individuals to make a contribution within their communities and help solve social issues by volunteering’ (Leftwich, 2010, p.10).

The lessons of national and devolved restructuring in volunteering and the policy emphasis on rationalisation in Northern Ireland all highlight the need to rethink service delivery.
The Review of Public Administration envisaged 11 new local authorities with a wide range of functions, including community development and volunteering, being established by 2009 and then 2011. The Volunteer Development Agency led, in partnership with the Volunteer Centres, a structured analysis of the implications of the RPA for the future of service provision and the link between strategic and operational functions. This involved a range of experts, discussion papers and seminars to assess how the volunteering sector should face onto the local authorities, especially as programmes and support infrastructure would be based at the local level. The formation of a cross-cutting approach to Community Planning, a power of wellbeing and the need to clarify the relationship between regional and local services were identified as challenges but also opportunities for practitioners to re-plan the volunteering sector. Critically, this debate shifts the emphasises to what volunteering enables local authorities and Community Plans to do, rather than being overly concerned with the interests of the organisations themselves. Here, the debate identifies community development, area based regeneration and the social inclusion impacts of volunteering across Northern Ireland. Making the case for volunteering and justifying its role at a policy and programme level reflected a more sophisticated understanding of advocacy, service planning and how to organise a more effective and efficient enabling environment for volunteering across the new local authorities.

National Policy Context

It is also important to acknowledge that the creation of more streamlined and integrated structures was also a feature of the British volunteering landscape. In England, the National Centre for Volunteering and the National Association of Volunteer Bureaux merged to form Volunteering England as a single development agency providing support, quality standards and training for the sector. Volunteer Development Scotland also provides policy and coordination functions to a Volunteer Centre Network located in each local authority. In Wales, support for volunteering is based in the Wales Council for Voluntary Action (WCVA). Again, there is a Volunteering Centre in each local authority but they are integrated into voluntary support infrastructure and supported through a Partnership Agreement with the Welsh Assembly Government and WCVA. This national and devolved rationalisation of infrastructure support and delivery further highlighted the need to rethink the overloaded and inconsistent approach to volunteer support in Northern Ireland.

Conclusion

The policy, institutional, financial and even legal context for volunteering has changed significantly and rapidly. However, even this brief review has demonstrated that the merger was stimulated by a need to deliver better services. The reform of public administration may relocate support for volunteering to local authorities, which also offer an opportunity to better connect it to community development, regeneration and even economic renewal programmes. The lessons of national and devolved restructuring in volunteering and the policy emphasis on rationalisation in Northern Ireland all highlight the need to rethink service delivery. It will be seen that keeping the strategic focus on building better infrastructure for volunteering has been one of the critical success factors of the merger process.

The need to develop best practice, share learning and strengthen the quality as well as quantity of the volunteering experience highlighted the need to restructure service delivery.
Section 3

The Merger Process

The merger timeline is set out in the diagram opposite. At the outset, it highlights the extent of time taken to form the new organisation, the fact that the discussions began as early as 2005 and the sheer variety of actions required to create Volunteer Now. Mergers cannot be rushed but the timeline shows the need for a disciplined framework to identify the key tasks, how they are linked and the need to move in sequence to create a new organisation. It also shows at each stage that information set out in a structured fashion to the partners was a critical component in the change management process.
Framing the discussion

Discussions about the structure of volunteering support in Northern Ireland began in 2005 with a focus on the ‘strategic fit’ between the Volunteer Centres and the VDA. The following year the number of local Centres and their performance emphasised the need for standardised objectives, methods of working and an agreed reporting framework. The process, led by VDA, concentrated on establishing transparent governance structures, strategic planning, corporate marketing and integrated database management. This work highlighted, early on, the need to change and to place quality at the heart of change management.

The Core Business Framework developed in 2006 attempted to identify the strategic purpose of volunteering, the cross-cutting elements of work and to standardise the functions of the Volunteer Centres. Strategically it highlighted the need to promote and expand volunteering to make supply and demand operate more effectively and to develop a stronger link with the operational level.

RPA and planned realignment

It was noted that the fractured nature of volunteering sat at odds with the emerging landscape of central and local government in Northern Ireland. New agencies in health, social care and education were being established and each saw volunteering as critical to service delivery. However, it was the establishment of 11 new local authorities that stimulated most debate about how best to organise volunteering in the region. A programme of seminars involving officials, experts and practitioners helped to frame the issues but also established a quite sophisticated approach to scenario planning. Here, there was a need to better understand the changing context, to think through options and to plan early, rather than react late, to the emerging landscape. The programme of debate was assisted by working papers, and an analysis of local government reform in other regions, especially Scotland. The alignment of Volunteer Centres with the RPA areas was recommended in the Options Appraisal and informed organisational thinking about how best to deliver effective programmes. Ultimately, it made sense and enabled a more logical link between the new local authorities and a supportive regional body.
DSD evaluation of the VBI

The need for change was also recognised by the Department who undertook a formal evaluation of their investment in the Volunteer Bureaux Initiative. The McManus Report (2008) identified significant weaknesses in the approach including variations in standards and effectiveness, weak evidence of impact and poor management systems. In particular, it criticised the lack of leadership, strategic direction, policy traction and highlighted the need for a structure that focuses on better outcomes rather than the individual needs of organisations. Here, the review recommended that VDA should take responsibility for strategic planning and coordination, providing a clear policy lead and developing stronger skills. It specifically highlighted the need to rationalise management units and the number of Volunteer Centres to enable local points of contact to concentrate on service delivery supported by better back-up services, common standards and a stronger corporate image for volunteering in Northern Ireland. The evaluation concluded that the sector was not ‘fit for purpose’ with too many organisations following different aims, standards and performance metrics. Stronger leadership, rationalisation and a focus on recruitment was required and this initiated a more formal process of change management supported by the Department for Social Development.

Options and choices

In response to the evaluation the consortia of volunteering groups commissioned an economic appraisal, which was important because it was independent, authoritative, discussed feasible alternatives and helped to articulate the strengths and weaknesses of each potential future. The McDonagh report (2008) considered the challenges to the current environment and developed a long list of potential options to be debated, considered and filtered to the next stage. The diagram below shows that 3 options were short listed including; centrally managed centres; a central agency and local authority based centres; and the development of the existing regional body with a local presence.

<table>
<thead>
<tr>
<th>Long list of potential structures</th>
<th>Tested options</th>
<th>Preferred approach</th>
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</thead>
<tbody>
<tr>
<td>a. The status quo</td>
<td>A. Centrally Managed Centres</td>
<td>Regional Agency With RPA Aligned Volunteer Centres</td>
</tr>
<tr>
<td>b. Sub-regional centres</td>
<td>B. The Agency and RPA Based Centres</td>
<td>• Integrated regional services</td>
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<tr>
<td>• Based on existing Centres</td>
<td></td>
<td>• Support local practice</td>
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<td>• RPA based centres</td>
<td></td>
<td>• Leadership</td>
</tr>
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<td>• Centrally managed</td>
<td></td>
<td>• Local government relevance</td>
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<tr>
<td>c. Regional body with local physical presence</td>
<td>C. Existing Regional Body With Local Presence</td>
<td>• Flexible to change</td>
</tr>
<tr>
<td>• The Agency and existing Centres</td>
<td>Cii. Local Contract Model</td>
<td></td>
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<tr>
<td>• The agency and RPA based centres</td>
<td></td>
<td></td>
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<tr>
<td>• New regional body</td>
<td></td>
<td></td>
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<tr>
<td>d. Regional body without local physical presence</td>
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<tr>
<td>• The Agency on it’s own</td>
<td></td>
<td></td>
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<tr>
<td>• New regional body</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Existing regional body</td>
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</tbody>
</table>

The integrity of evidence

Each approach had merits but the one that had the best qualitative scores and offered value for money was the VDA and Volunteer Centres working as a single integrated agency but with services aligned with the new Council areas. This made the best use of existing structures, fitted well with Community Planning and clarified the relationship between local and regional functions. As the options appraisal noted, in order to develop the best way forward ‘it will require considerable generosity of spirit on all sides to move towards a new structure’ (p.47).

The development of a central agency with existing centres failed to address the needs of emerging local authority structures, the need for an effective distribution of resources and the inefficiencies created by a multitude of separate organisations, each duplicating back office functions. Existing arrangements failed to address the fundamental problems identified in the McManus report and also centrally managed Centres would still face the problems of weak leadership, lack of consistent standards, cost inefficiencies and the cumbersome approach required to gain agreement across groups at a local and regional level. The identified benefits of the proposed option were described as:
It integrated the regional and local services to provide quality, consistency and accessibility of services;

- It responded to the local needs of volunteering and volunteering organisations;
- It provided clear and accountable leadership;
- It responded to the restructuring of local government delivery proposed by the RPA; and
- It was flexible to accommodate change, especially as local government structures emerge.

The review of the working arrangements, formal evaluation and the economic appraisal helped to establish the rationale for the merger and the information basis on which informed choices could be made. The Integrated Infrastructure Working Group (IIWG) was a structure, a process and an arena for engaged debate to work through the best future for volunteering in Northern Ireland. The formation, planning and the delivery of the Group, key tasks and the outcome from its deliberations are set out in the table below.

### The IIWG

The IIWG was constituted to include two representatives from each organisation (including a Management Committee member/Trustee), it had a clear agenda and met monthly or bi-weekly at particularly intense periods. The minutes were meticulously prepared and shared, actions were determined and timelines established. The detail is important as the mechanics of merger also required a professional bureaucratic work, combined with strong leadership and a transparent agenda that participants could shape as it progressed. The key features of the process were:

- A clear articulation of why merger is being considered and what value it adds to volunteering in Northern Ireland;
- A detailed, engaged and interactive process to consider the evidence base, options and specialist advice;
- Bringing in experts in legal support, human resources, marketing and finance to assist in critical tasks in the merger process;
- Debating the key issues, identifying and moving on areas of agreement and addressing difficulties and disagreement;

<table>
<thead>
<tr>
<th>No.</th>
<th>Critical processes</th>
<th>Key tasks and activities</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Forming the Group and scoping the change management tasks</td>
<td>Agreement in principle to develop a merger process</td>
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<td></td>
<td></td>
<td>Set out the terms of reference for the IIWG</td>
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<td>2</td>
<td>Planning and developing framework for merger discussion</td>
<td>Agree a corporate rationale for merger document</td>
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<td></td>
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<td>Visions, Mission and functions of the Newco</td>
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<td>Appointment of solicitor and agree a Letter of Intent</td>
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<td>Agree preliminary communications statement</td>
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<td>Inform and establish systematic dialogue with staff</td>
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<td>Inform members via AGM and EGM</td>
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<td>3</td>
<td>Reviewing and forming the new governance structures</td>
<td>Consider structure in the context of the RPA</td>
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<td></td>
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<td>Agree locations to support functions</td>
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<td>Define new governance structures, roles and accountability</td>
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<td>Consider the establishment of the new Board, staff structures and procedures</td>
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<td>4</td>
<td>Funding the merger process and support activities</td>
<td>Determine costs of the merger process</td>
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<td></td>
<td>merger proposal</td>
<td>Agree and secure funding from DSD to support the merger process</td>
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<td>5</td>
<td>Planning, communication and delivery</td>
<td>Determine and agree the finance for implementation</td>
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<td></td>
<td>Develop and deliver the Communications Plan</td>
</tr>
<tr>
<td>6</td>
<td>Determine and assess liabilities and financial matters</td>
<td>Complete the due diligence process</td>
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<tr>
<td></td>
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<td>Gather information about the legal status, liabilities and assets</td>
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<td>7</td>
<td>Establish the appropriate governance structures and operating systems</td>
<td>Agree charitable objectives, Memorandum and Articles for the Newco</td>
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<td></td>
<td></td>
<td>Submit charity and company registration</td>
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<td></td>
<td></td>
<td>Appoint new Board of Directors</td>
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<td>Wind up individual organisations and complete legal formalities</td>
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<td></td>
<td></td>
<td>Prepare to transfer in accordance with TUPE regulations</td>
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<tr>
<td>8</td>
<td>Complete merger</td>
<td>Appoint PR consultants and develop corporate image</td>
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<td></td>
<td>Develop new name, logo and corporate branding</td>
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<td>Embed new culture of the organisations</td>
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<tr>
<td></td>
<td></td>
<td>Develop internal and external communications plans</td>
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</tbody>
</table>
• Identifying necessary next steps, gaps in knowledge and the need for specialist support in the merger process;
• Undertaking the practical tasks to make the merger work, identify obstacles and prepare the legal frameworks to form the new organisation; and
• Developing professional and robust systems that partners and external stakeholders could sign up to as the basis of the new organisations.

The integrity of the evidence
The entire merger process was underpinned by a commitment to objective evidence, expert advice and debate. Discourse within and between stakeholders helped to democratisethe process but as the table above shows the evidence base provided an objective basis for the formation of the new organisation. Two sets of solicitors were required; one to form the Newco; and one to work on behalf of existing organisations to prepare them for merger. This detail, its professionalism and authority gave the process validity among stakeholders that ultimately created a firm foundation for the new organisation. Due diligence and legal compliance were vital but the analysis also shows the effort to create a new entity through an interactive process, over time, across the range of functions and most importantly with people involved at each level.

Cultures and communications
Specialist sub-groups examined the critical areas to facilitate an effective merger process. This included a clear Communications Plan that identified internal and external stakeholders, the need for consistent messages and to address the concerns of staff, board members and partner organisations. The merger brought together groups with very different histories, cultures and ambitions. Some groups were establishedby committed individuals interested in extending volunteering in their area and had a deeply personal and emotional investment in their group; others were more policy focused and had a concern for developing stronger policies and political support; and some for managing and funding specific schemes. Bringing people to the heart of the merger process, addressing different cultures and how they fit, deepening mutual understanding and trust and helping staff in particular to share an agenda for the new organisation was a critical success factor in the merger process.

Objections and rejection
This was clearly a complex and at times difficult process with discontent and rejection of the proposal reflected in the establishment of an alternative network. Mergers are personally, professionally and organisationally challenging, they are far from simple and take courage to deliver effectively. The establishment of Volunteer Now in 2010 was the product of a process that placed the needs of volunteers at the heart of the reform agenda. Clearly bringing together such a complex range of organisations and cultures into a single body was always going to be difficult and it should be emphasised that there is nothing wrong with questioning, disagreement and objection. Mergers are rarely smooth and it is important not to devalue or ignore discordant voices.

In this case, objections were based on a number of concerns: that the process was moving too quickly; that it was a takeover not a merger; that the approach was Belfast-centric; groups would lose their identity and independence; or that Centres would be closed. In August 2009 non-merging organisations formed the Association of Independent Volunteer Centres (AIVC) and lobbied politically and among the policy community for recognition. As noted, there is nothing wrong with this approach but the substance of such claims does need to be more carefully evidenced. In its statement (of the 24th August 2009) the AIVC criticised the ‘unseemly haste’, ‘total and absolute dissolution of the local centres’, that it was ‘beyond belief that some people cannot see a role for the Centres’ and that AIVC are ‘100% committed to the retention of the Centres’. Some of these claims are simply inaccurate. The merger timeline was exceptionally long, certainly compared with similar processes in the private or public sector; there were no proposals for absolute dissolution at any stage; there was a clearly expressed role for the Centres; and there is no guarantee that any structure should not change, particularly when independent reviews state that they must.

In March 2012 the Department for Social Development publicly advertised 1 regional and 5 local contracts to provide the volunteering infrastructure that would deliver support for the implementation of the new volunteering strategy in Northern Ireland. This indicated their intention to support separate localised methods of delivery; the very issue that the Evaluation and Options Appraisal aimed to change. As the Option Appraisal made clear, ‘generosity of spirit’, a capacity to see the wider picture and courage to drive change are integral in complex merger processes. One of the most significant lessons for practice is that claims and counterclaims about its effects must be supported with hard evidence that all those involved can examine and validate as a basis for debate, assessing options and making final decisions. Those involved need to commit to an ethic of participation and cannot remain simultaneously inside and outside the process, otherwise it will never have coherence or validity.
Section 4

The Impact of Merger

It is clearly too early in the process to fully understand the impact of the merger, especially in terms of cost efficiencies. Volunteer Now has developed strong social reporting systems that are leading within the third sector in accounting for impact and these provide an important platform for objective evaluation. However, it is possible to identify, in the formation of the new organisation, significant effects which validate the need for change. The development of better standards, policy effects, innovation and service delivery have been the prize for the merged organisation.
Quality standards

One of the main criticisms of the previous administration of volunteering was inconsistent standards and lack of a corporate framework for the development of effective practice. Here, Investing in Volunteers, the UK National Organisational Standard for Volunteering sets out a framework with 9 components to strengthen training, skills development and benchmarks for good practice. Investing in Volunteers is based on 46 practices and includes providing organisations with development plans and access to practice health checks that allow them to work towards achievement of the standard and the award; linking the development work through to training and skills development. This kite-mark award is being taken forward as an agreed nationally accredited standard across organisations and sectors in Northern Ireland. The development of a new Volunteer Management Toolkit has been supported by the Building Change Trust as an on-line resource for organisations and individuals. Again, these systems link to training and support for agencies, thus providing integrated and comprehensive support for volunteering in the region. Moreover, twenty local authorities have, so far, signed up to a value statement about volunteering and have been recognised for their work in using civic engagement to empower individuals and develop communities.

In an arena where the risks are high, especially in child protection and working with vulnerable groups, the adoption and evaluation of clear performance standards are an essential component of volunteering in Northern Ireland. Volunteer Now is working with the Health and Social Care Board to strengthen volunteer practice across the Health & Social Care Trusts and in partnership with other organisations including local authorities and the Public Health Agency, to apply best practice in volunteering to the delivery of civic pride initiatives. Developing good practice and delivering/strengthening standards that agencies can trust, underscores the importance of quality in the future of volunteering.

Scale and policy impact

The organisation of volunteering at a regional level, with the appropriate support, legitimacy and contacts has also enabled the sector to respond to significant opportunities. In this respect, Volunteer Now is making an important contribution to major events including the London Olympics, Police and Fire Games, Derry/Londonderry City of Culture 2013 and the Irish Open 2012. Building on the organisation’s volunteering knowledge and expertise, engagement with these initiatives, the strategic approach to recruitment, training and supply of volunteers demonstrates the capacity of the sector to scale its impact and link volunteering to internationally significant projects.

Volunteer Now has been able to create a more strategic approach to vulnerable and hard to reach groups. This involved working in a lifecycle framework and seeing volunteering, not as an event or activity but as integral to the way in which people and communities change. Programmes now focus on young people and older people and strengthening the intergenerational solidarity created by everyday actions. The Youth Volunteer programme targets Not in Education, Employment or Training (NEETS) and builds on the Millennium Volunteer programme. It enables volunteers to gain a certificate backed by the Department of Education and offers a route into employment for young people for whom formal training has not worked. Similarly, the expansion of programmes to support older people (see below) both as participants and receivers of services has been completed by a strong intergenerational approach to volunteering practice.

This link to the labour market and social inclusion underscores the policy relevance of volunteering and its ability, at scale, to contribute to both the delivery and development of government programmes. The limited nature of policy traction was identified as a key criticism in the initial DSD evaluation of the Volunteer Bureaux Initiative. Now, volunteering has been placed at the heart of programmes on the environment, community relations, culture, sports and the arts. Volunteering is a central theme in Priority 4, Building a Strong and Shared Community of the Programme for Government and more recently, DSD’s (2012b, p.9) draft Urban Regeneration and Community Development framework highlights the link between volunteering and the capacities of communities to sustain their own renewal.

The best policy effects, advocacy and lobbying are based on experience, practice and an ability to draw on delivery to make the case for volunteering. By integrating the local with regional, the infrastructure is in a better place to attract resources and create more progressive policies to help expand volunteering in Northern Ireland.

A fitter structure

The reorganisation of Volunteer Now has established a structure that aims to fit with the new local authorities in Northern Ireland. The 11 Councils will be responsible for programme delivery, policy at a local level and supporting specific projects. The development of a strong regional body to influence the Assembly and strategic policy, coupled with a network of aligned local offices offered an ‘ideal’ not just for volunteering but for the re-formation of relevant parts of the third sector in Northern Ireland. Volunteer Now created the Volunteer Policy Forum in late 2010 with the support of NICVA and shares practice across the sector in the region and opens volunteering to a wider set of interests. Proposed new contract arrangements for the delivery of Volunteer Centres have not helped to make the most of opportunities afforded by this emerging infrastructure.
**An outward facing region**

The development of a strategic region wide approach has also enabled stronger national and international networks to develop. These facilitate learning, the transfer of best practice and strengthen Northern Ireland as a place of volunteering excellence. The British-Irish Council highlighted the importance of an inter-jurisdictional approach to the development of volunteering and for increasing bilateral links to up-scale the sector. The Council suggested a more strategic approach to understanding the motivations, expanding the range of activities to attract different demographic groups and breaking down the barriers, especially to the most vulnerable.

Volunteer Now is currently in a position to undertake contract training for Volunteer Ireland, especially around volunteer management standards and developing best practice. It has also extended this focus via the European Vital Links Programme and as an affiliate of the European Volunteer Centre (CEV) by sharing knowledge, holding Master Classes, developing networks and drawing on (as well as contributing to) the creation of innovative models. It is increasingly clear that scale, professionalism, national and even international networks will be important to the long term development of sustainable models of volunteering.

**The development of a strategic region wide approach has also enabled stronger national and international networks to develop.**

**Cost savings**

The rationalisation of volunteering structures has also enabled savings for the government, organisations across sectors and volunteering programmes. DSD has reduced the combined Volunteer Bureaux Initiative (VBI) and Regional Infrastructure Programme (RIP) to Volunteer Now from £976,000 in 2010/11 to £816,000 in 2012/13, giving an overall reduction of £161,000. The VBI grant reduced from £727,000 in 2010/11 to £593,000 for 2012/13 (a decrease of £134,000); and the RIP grant declined from £249,000 in 2010/11 to £223,000 in 2012/13 (or £26,000).

**The DSD Grants Database also shows that between 2010/11 and 2012/13, Volunteer Now’s funding reduced by 18.5% compared with an 8.6% reduction in Volunteer Centre funding for the same period. Following the merger a number of efficiency savings in back office expenditure were realised, particularly in revenue costs and human resources. Administration, finance and staffing expenditure decreased by £110,000.**

**The efficiency of volunteering**

Volunteer Now (2012a) also shows that volunteering has important macro-economic effects so that its value to Northern Ireland was £504m (at 2007 prices) of which £202m was generated by older people over 50. More importantly, this type of approach has enabled the value of time to be re-articulated and volunteering to be understood by politicians, policy makers and programme managers in more pragmatic and impactful ways.

One illustration of this approach has been the development of the Volunteer Investment and Value Audit (VIVA) which is recognised as one of the most reliable and viable ways of measuring the economic impact of volunteering. VIVA has been applied to a number of volunteering programmes such as community and play centres in Belfast. For every £1 that the Belfast City Council invested in volunteering they levered an additional £3.45, which equates to a 3+ fold return on investment. A supporting families volunteering programme generated a ratio of £1:£2.36 and an environmental initiative £1:£7.00. These are robust and validated systems that indicate both the value of civic action but also a deeper understanding of the need to present the case for volunteering in more sophisticated ways.

**Building a more resilient organisation**

The change management process was successful because of the emphasis on learning, reflective practice and decisions based on evidence, argumentation and evaluation. The initial McManus review, economic appraisal and Integrated Infrastructure Working Group emphasised the centrality of knowledge and learning as a basis for moving forward. That culture has enabled the new Volunteer Now to strengthen innovation, transfer practice and up-scale activity.

The Volunteer Impact Assessment Toolkit (VIAT) is a methodology for defining the value added of programmes to stakeholders including government, funders and the volunteers. This emphasise on evidence based practice has helped to legitimise volunteering, strengthened the credibility of Volunteer Now and attracted new interest and investment in the sector. The Bridging Generations Interns for instance, offers the scope to draw in expertise and skill up a new cadre of practitioners with an interest in progressive volunteering.
Similarly, Volunteer Now has pioneered longitudinal research by tracking the physical and mental effects of participants in the over-50s Unlocking Potential programme. This work has shown an improvement in participants self-reported health and in particular a reduction in loneliness, which increasingly affects the exclusion of older people. Such innovation in the development of research has strengthened the case for volunteering, especially compared with practices that simply assert the value of the third sector without compelling evidence.

This approach to learning based innovation is best reflected in the recent development of the Time Banking initiative in which participants deposit a unit of time to be traded for the services they need. The idea began in the US in the early 1980s and has been shown to offer a creative way to supply and receive services, especially among hard to reach groups. Volunteer Now is establishing new Time Banks on an area basis, inter-organisationally and among older people. They are building Time Bank networks to support practice and are delivering a Small Grants Programme to provide seed finance for organisations interested in forming a scheme. The project is funded by Building Change Trust and the Atlantic Philanthropies and again demonstrates the capacity to develop sophisticated approaches and to lever in significant resources.

**Are services better?**

Ultimately, the merger process created a clearer relationship between strategic and operational functions and provided a new vision for volunteering in Northern Ireland. The organisation employs around 72 people and has been able to deliver a successful change management agenda that has included responding to appropriate development/growth opportunities and this has enabled it to absorb the changes associated with merger without compulsory redundancies. The improvement in service provision can be demonstrated with the support of statistical performance data:

- **Clear and accountable policy leadership:** Volunteer Now supported the development of the *Volunteering Strategy and Action Plan* launched in March 2012; reflecting member’s views and inputting ideas and actions. In 2011/12, Volunteer Now responded to 34 consultations to ensure volunteers and volunteering is highlighted positively in public policy and programme delivery. Two policy forums were held on volunteering and welfare benefits and all six Health and Social Care Trusts took part in Volunteer Now research to measure the impact of volunteering within their areas.

- **Sustaining the local experience:** Twenty local authorities have signed up to endorse volunteering as part of the legacy for the *European Year of Volunteering 2011* and Volunteer Now provided 15 Councils with a mapping report of volunteering in their area.

- **Increased volunteering opportunities and good practice:** There has been an annual increase in volunteer registrations, year on year, since the merger with 5,000 new volunteers registered in 2011/12. During that year, Volunteer Now provided one to one support for over 1,000 volunteer-involving organisations; dealt with 4,000 queries on volunteer management; and trained over 3,200 individuals.

- **Enhanced capacity to meet the needs of volunteers and organisations:** In 2011/12, over 2,000 potential volunteers received one to one support from the *Outreach and Community Engagement* team. A total of 27 group volunteering action days took place supporting individuals, teams and families in one-off volunteering; 405 older people participated in ‘turn up and try’ events across 11 towns; and 590 young people received their 200 hours *Millennium Volunteers Awards*.

- **Providing equality of access to volunteering opportunities:** During 2011/12, 253 information/promotional sessions were held across Northern Ireland and 55 information points were established in a variety of community locations, such as, doctor’s surgeries, leisure centres, council offices and charity shops. 20,000 *Volunteering and being unemployed* leaflets were also distributed; 533 organisations took part in Volunteer Week; and 5,000 *Volunteering at the Heart of Our Community* supplements were distributed through the *Daily Mirror* featuring over 50 opportunities and profiles of volunteers from every county.

- **Strengthening user oriented services:** Survey data shows that 92% of users find the service effective, 96% thought that the information produced was good or very good and 90% that consultations and policy briefings were effective. A total of 86% of users stated that they had changed or enhanced their practices as a result of the services they received from Volunteer Now (Volunteer Now, 2012b). The key areas included: training, especially around volunteer management, child protection, child protection and safeguarding adults; 57% received Investors in Volunteers (IV) accreditation; and 67% promotional campaigns such as Volunteers Week.
The VSB Foundation

One especially innovative aspect of the merger process has been the creation of the VSB Foundation based on the transfer of liabilities and assets of VSB. This has enabled the Foundation to pilot new initiatives, widen participation and help strengthen practice on mergers and reducing waste in service delivery. One aspect of innovation is the small grants programme. The amounts are not that significant but the approach to revolving finance, the identification of need and leverage of other resources will be an important aspect of learning. As the text box below demonstrates this is an important legacy effect of the merger and illustrates the type of practice that is critical to the long term sustainability of the sector.

The Pilgrim Trust-VSB Foundation Small Grants Programme supports organisations and local groups involved in Community Interventions with Woman Offenders. Its aim is to encourage local community interventions to address some of the underlying causes that contribute to women’s offending and/or offer practical support to those women caught in the criminal justice system to prevent re-offending. Under this aim the fund supports interventions that seek to support women with extreme vulnerabilities which are likely to lead to offending; that assist women leaving custody and offer support to reintegrate into local community; that offer support to women on non-custodial sentences to prevent reoffending; and which offer assistance to the families of female offenders and ex-offenders particularly support for children; and which focus on building the individual’s self-esteem and improve their social integration.

Whilst it is still early in the development of new organisational structures there are definable improvements in the services delivered and quality of volunteering in Northern Ireland. A key component of this is a reduction in duplication, for example, regional and local organisations can now choose to access and use one database and web site instead of 15 and there is one comprehensive web site access point for individuals interested in finding out about volunteering opportunities. Scale matters in these new arrangements; to create and deliver better services; draw on and contribute to national and international practice; build quality and trust; enable learning to be transferred from the local to the regional, especially to strengthen policy and think creatively about how to improve services. All of these changes emphasise the value of merger processes, not a response to crises or government pressure but because it enables more effective services to be delivered.
This final section sets out the critical success factors in the merger process, the implications for current arrangements and lessons for stakeholders across volunteering and the third sector. One of the objectives of the VSB Foundation is to stimulate learning and transfer experience especially around the value, limits and potential for further mergers. The need to build a more resilient and adaptable sector to meet the challenges as well as the opportunities for the future highlights the need to think about duplication, the reduction of waste and the impact of the sector.
**Critical success factors**

There are a number of underlying factors that explain why the merger process itself produced more effective and successful arrangements for the voluntary sector. Six themes were identified as set out in the diagram below that may have wider relevance for long term planning and in particular, the creation of a more resilient and adaptable community and voluntary sector in Northern Ireland.

<table>
<thead>
<tr>
<th>Themes</th>
<th>Implications</th>
<th>Messages</th>
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<tbody>
<tr>
<td>a. <strong>Time and strategic focus</strong></td>
<td>Organisations considering merger</td>
<td>Plan early, produce a clear timeline based on a convincing rationale, be transparent and establish open and accountable structures.</td>
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<tr>
<td>b. <strong>Leadership and skills</strong></td>
<td>The voluntary sector</td>
<td>Strengthen skills and technical support, support organisational ethics and encourage co-production and a culture of sharing.</td>
</tr>
<tr>
<td>c. <strong>Resources and a culture of sharing</strong></td>
<td>Government and public agencies</td>
<td>Set clear priorities for merger and follow through on commitments in funding; help resource change management and develop the enabling environment to strengthen practice.</td>
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<tr>
<td>d. <strong>The integrity of information</strong></td>
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<tr>
<td>e. <strong>Communication and inclusivity</strong></td>
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<tr>
<td>f. <strong>The right structure</strong></td>
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**Time and strategic focus**

- The timeline for the merger allowed for information to be generated, for the necessary stages to be completed and for people to feel included from the start to the end of the process.
- Right from the outset, the process was open, information was shared and the assumptions, on which choices were based, were always made explicit.
- A strong focus on what is important for volunteering and the needs of volunteers, a concentration on outcomes and a clear agenda about the strategic needs of the sector gave the process substantive strategic direction.
- Ultimately however, the process worked to a framework that necessitated decisions, commitments and agreement and the discipline of the timeline ensured the merger progressed. This also helped to sharpen the debate and agreement including the views of those who decided not to progress with the merger.

**Leadership and skills**

- Leadership based on competency traits, a capacity to drive complex change and to bring together tasks, people and specialists was vital to the creation of the new organisation.
- Linked to this, expertise and knowledge need to be bought together to ensure the comprehensive tasks necessary for effective merger could be completed. This included financial, legal, human resources and marketing.

**The integrity of the information**

- It was also noted that information was vital to the discursive nature of the merger process. More importantly, the quality of information, its validity and professional production strengthened the integrity of the process.
- The information was also presented and circulated in ways that the stakeholders could readily understand and evaluate. Minutes of meetings, reports from working groups and special papers were presented and distributed in order to encourage debate about the best future for volunteering in Northern Ireland.
Communications and inclusivity

- All of this highlights the importance of a clear map of the internal and external stakeholders, how to engage them and bring them along in the merger process. Even those who disagreed were engaged directly, their concerns were debated and resolution offered.
- Considerable emphasis was placed on developing a distinctive and shared culture for the new organisation with regular updates, a continual focus on the strategic purpose and a two-way engagement in which staff concerns were routinely addressed.

The right structures

- Right from the start of the process there was an open but well organised structure, with clear aims and operating procedures. The IWWG in particular offered continuity as a governance arena to enable the merger to be planned, debated and ultimately implemented.
- This also introduced a measure of flexibility and responsiveness to the process. Risk and uncertainty will always be a feature of significant organisational change but these were made explicit and debated rather than avoided or hidden.
- One of the strengths of the process and indeed the new organisation is the relationship between the local and the regional – the operational and the strategic. The needs and experiences of practitioners were fed upward to the strategic level to ensure that support functions around standards, training, research and advocacy could be developed in a way to further strengthen practice.
- This two way process ensured that the structures are relevant to the emerging governmental and governance landscape and helped to produce a robust, forward looking organisation.

Ten lessons for the stakeholders

The journey to create Volunteer Now was a complex one and despite its core success has raised a number of issues for all those with an interest in the future of the voluntary sector to consider.

For organisations interested in merger

1. Plan early. Mergers cannot be rushed but require patience, planning and a clear route map to carry the process forward responsibly and effectively.
2. Buy-in is clearly crucial but this is best developed by having a clear rationale for the merger, why the partners should be involved and what the desired outcome is. How will things be better and how can this be assessed, need to be clearly expressed at the outset.
3. Develop the right structures through the life of the process, plan out the need for specialist support and put in place systems for distributing information and listening carefully to parties.
4. Make sure the information on which decisions, options and arguments are based is valid and reliable; that people can believe in it; that it can be analysed and tested by others; and that it can provide clear strategic direction to participants.
5. Pay particular attention to merging cultures and values so that a shared understanding of the new organisation is developed as early as practicable.

For the sector

6. One of the distinguishing features of this case has been the degree of cooperation across the sector with a number of people and organisations offering their expertise and experiences on a voluntary or pro-bono basis. This commitment to sharing, co-learning and debate helped to strengthen practice, not just within volunteering, but across the wider sector. The Building Change Trust recently supported Charity Bank lending, CollaborationNI and the University of Ulster’s Investment Readiness Programme to strengthen the enabling environment and help create a more resilient and adaptable sector.
7. This infrastructure needs to be coordinated and consolidated with the development of a skills and learning framework to more clearly map out the support needs created by a merger culture. The VSB Foundation recently placed an emphasis on sharing practice on mergers and encouraging learning by doing. These practices place competence at the heart of the change process and include: project management; financial planning; law and governance; communications; and human resources.
The merger process is filled with uncertainty and even fear but this is not necessarily negative as it draws out the critical issues around which change happens. Many, for good or poor reasons, will resist and mergers often fail because of self-interest, protectionism or lack of vision. It is perfectly acceptable for organisations, not convinced about change, to resist but they must present hard evidence to back up their case. Making spurious, generalised and un-evidenced claims; personalised and aggressive tactics; and operating simultaneously inside and outside the process are unacceptable and ultimately unethical. Clearly, as the sector changes ethical practice, honesty and transparency will need to become more formalised if restructuring is not to descend into unregulated resource competition.

For government

The financial resources provided by the Department in the case of the merger were crucial. This was an especially complex legal, financial and human resource case and required professional input to help make change happen. However, the participants also identified the support and advice of key staff within the Department as critical to the process, reflecting a strong and effective partnership approach to this merger. Government will need to protect resources to enable mergers in other sectors but also to put in place social accounting systems to determine the return on this investment over time. The elimination of (some) duplication, the rationalisation of back office services and a clearer management structure should produce financial as well as performance returns that will inevitably take time to determine.

As the sector changes, ethical practice, honesty and transparency will need to become more formalised if restructuring is not to descend into unregulated resource competition.

Footnote

On the 7th September 2012, the Minister issued the following statement about the contracts issued in the volunteering sector: "In the areas of support for volunteering and women in disadvantaged and rural areas I have decided that further analysis and research is required to determine how best to provide such support. I have serious concerns regarding the level of collaboration and partnership working in these areas and reservations as to whether the proposed arrangements would adequately deliver. For this reason I have decided that the current level of support will continue until the end of this financial year as we continue to review how we deliver support to these key sectors."

Source: McCausland gives update on support package for voluntary and community sector Friday, 7th September 2012
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This review is designed to tell the story of the merger process in volunteering, its strengths and its limitations. However, its main purpose is to share the experience and to highlight the implications for the community and voluntary sector in Northern Ireland. The pressures for change are enormous but merger will not be for every organisation, area or sector. Where it is appropriate it will need government commitment, ethical practice and a culture of mutual support. It is this type of learning that needs to be developed and sustained moving forward.