



University of Western Australia
Centre for Public Value



Open University Centre for Voluntary
Sector Leadership Conference 2024

Myths and Misunderstandings Derailing Nonprofit Effectiveness

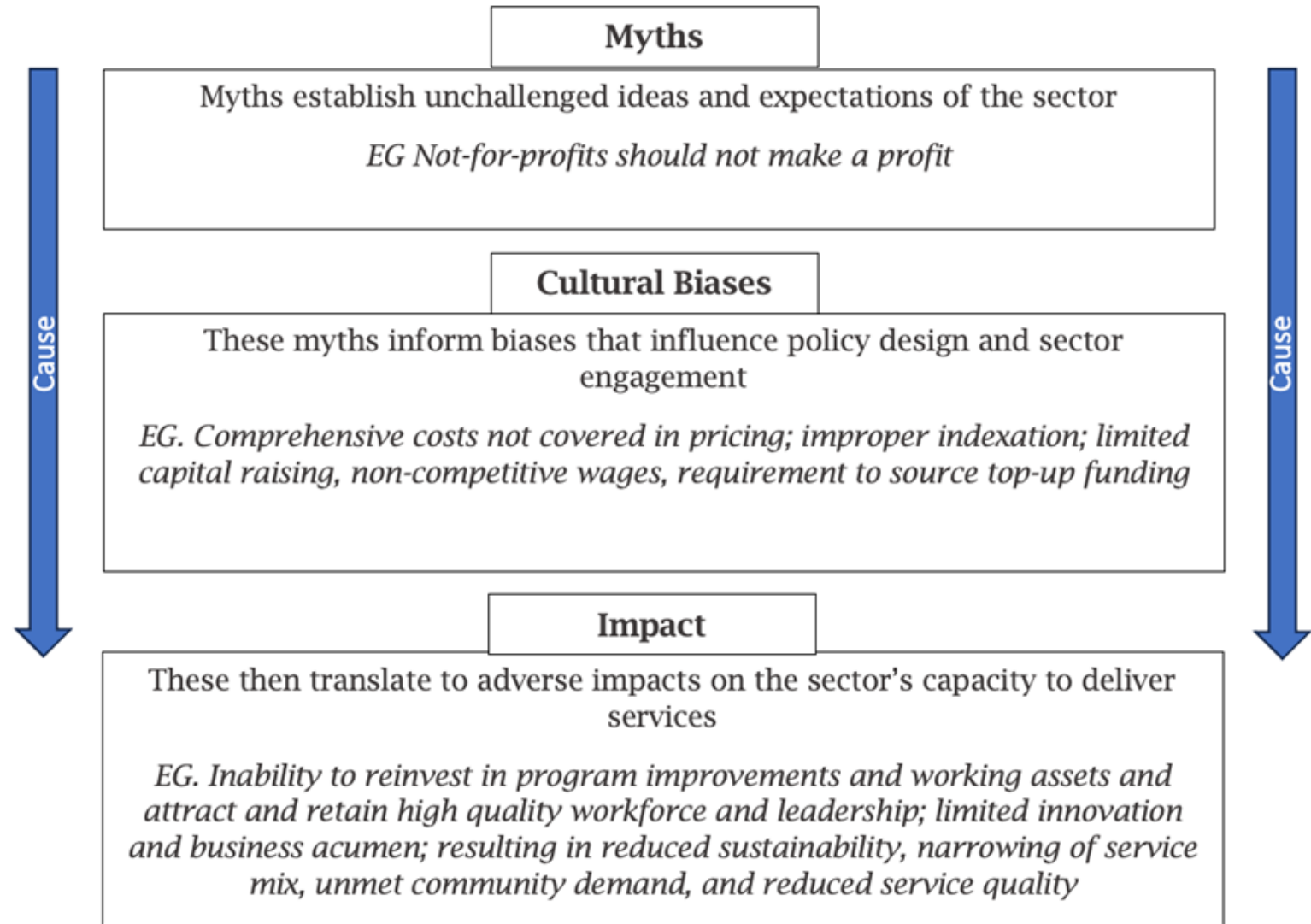
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A few prefatory points...

- Australasian perspective
- Macro perspective: service mix
- What is sustainability? Quantity, Quality, Timing
- Focus on sustainability in the service mix: macro v micro
- Proposition 1: we don't really know the sector
- Proposition 2: service users are the shock absorbers for system failure
- Proposition 3: data assets, deep analysis and transparency in targets & outcomes are critical for policy & practice



**Myths and biases
translate into policy
that constrains
Nonprofits
reducing sustainability**



- Nonprofits should not make a profit
- Nonprofits are inefficient and non-innovative
- The nonprofit sector is a fiscal sink
- Competition in 'markets' creates efficiency and effectiveness
- Nonprofits should not pay competitive salaries
- Nonprofits must learn from commerce
- The government does not have enough money to resource the sector properly
- All funds must be spent on programs

Sacrifice and selflessness must be the defining characteristic of the sector



Unintended consequences...

Under-resourcing → Inability to invest, innovate and analyse performance

Quasi markets → Service failure and increased public cost

Sustainability Reduction → Defensive decision making

Lack of transparency → Derailing of service mix

'Cheap' and 'Efficient' are not synonyms



What does this mean...?

1. Demand v need: real analysis and evidence-based policy
2. Service mix targets (Industry Plan)
3. Transparency in outcomes reporting
4. Genuine collaboration between government and the sector



Thank you!

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UWA Centre for Public Value Website: <https://www.uwa.edu.au/schools/Research/Centre-for-Public-Value>

