

Interview with GuideStar Data Services (GDS) CEO David Brocklebank

What is your vision?

The GDS vision is to drive a more effective non-profit market-place through the routine use of objective, authoritative and comparable information. We seek to become the definitive source of Third Sector data used by professionals in the public and private sectors.

GDS holds a unique resource – data that was previously only available for very large charities is now available across the entire Third Sector. Our core thesis is that this focus on the high end of the sector distorts understanding of the breadth and variety of civil society in the UK; and that using data which covers the entire sector can facilitate greater understanding and improved relationships whether as a donor, supplier or policy maker.

Further, in the delivery of sector data, GDS is plugging a gap in the understanding of economic activity in the UK. The private sector has for years had multiple channels through which it can locate, analyse, understand, develop informed opinion and take planned action. Similarly the government has long been a supporter of driving greater understanding of public sector spending and transparency. For the first time GDS provides equivalent insight for the Third Sector.

1. Why was GDS set up as a separate organisation?

There were two reasons for this. First, in the UK, charitable law means that if income greater than a certain amount is generated by activity outside the charity's core purpose, a subsidiary company needs to be created. It could have been argued that this income was part of the charity's core purpose but it was felt that a new organisation dedicated to this activity would mean there was no room for interpretation in law. Second, income generation requires a slightly different mind-set and focus and this, together with the need to budget appropriately, made the set up of the CIC an easy decision.

2. What was the first thing GDS did to attract clients?

One of the issues with data is the difficulty most people find in interpreting what they see and applying this interpretation to their own needs. GDS knew that the data was of value to people making decisions about the Third Sector and had a small number of existing clients from which to learn. Rather than embark on a long research project, GDS launched its first web application aimed at local government needs. This effectively provided an enhanced search facility and a more useful presentation of the data.

Unfortunately local government wasn't ready for this (although this area is starting to pick up in 2009) but the ability to show how the data could be searched and presented provided the information needed to develop the Financial Intelligence Service and GDS's first two banking clients.

3. What products have GDS developed to analyse the charitable sector?

So far GDS have developed three applications: Local Government, Professional Advisors and Financial Intelligence. There are many more opportunities for applications but the focus for now is on existing markets. GDS has also developed over 20 other products based on the past twelve month's experience. These are mostly engagement lists and reports relevant to today's market.

4. What institutions have used GDS data so far and for what purpose?

GDS has two main client areas: government and banking. Given the current market turmoil, it might be thought that the latter would not continue to grow as a business area. The opposite seems to be the reality; the need to understand the market and get in contact with prospective

clients has yielded a high level of interest in the data GDS holds. Similarly, in the UK government spending comprises about 50% of the sector's income and the need to ensure this money is allocated wisely has sparked a big interest in surveying, contacting and aiding charities and others.

5. How does GuideStar data help increase understanding of the charitable sector?

UK government is using GuideStar data at national, regional and local level to understand the location and activity of charitable activity and to effectively allocate resources. It is doing this via analysis of the core GuideStar data, surveys aimed at adding qualitative understanding, and spend analysis.

6. What type of social impact does GDS seek through its work?

GDS aims to inform allocation of resources by government through better understanding of what is happening on the ground. For example, prior to GuideStar's creation, the first step in any research involved costly and time-consuming surveys which only ever provided a sample from which to extrapolate. GuideStar provides a complete picture for the first time and, as time passes, multiple year data allows sophisticated trend analysis. Now government at all levels can use resources previously spent on surveys to enhance further understanding.

GDS is also strongly motivated by the desire to sustain a level playing field for all charities – whether they are large or small, they should be visible to government and their needs and concerns taken into account.

In the commercial sector, the availability of GuideStar data has resulted in offerings by banks and others that are more appropriate to the needs of charities across an income spectrum and completely changed the way they see the sector.