

PQASSO and ISO 9001

How to demonstrate high quality and value for money to funders and commissioners

'The aspiration of public sector commissioners is to achieve excellent services which are high quality and represent good value for money.'

Statement from a public sector commissioner, extract from National Audit Office presentation, 26 October 2010



In the current economic climate there is increased pressure for third sector organisations to do more for less while proving their worth to funders and commissioners. Organisations with a social purpose, be they a small community group or a social enterprise delivering government contracts, increasingly need evidence-based methods to demonstrate the value of their work.

Measuring performance: the role of quality standards

Third sector organisations must meet the needs of funders and commissioners who are looking for ways to ensure low risk, both legal and financial, while still maintaining a high standard of service delivery. It is commonly accepted that this can only be achieved if there is a clear, consistent and objective measure of performance, Quality standards provide that measure.

Quality standards support third sector organisations by setting out the important elements of an efficient and effective organisation – efficient use of resources and effective service delivery.

Quality standards are also important in ensuring that an organisation is legally sound, able to achieve planned outcomes and is fit for purpose. Two of the most well-known and well-used quality standards by the voluntary sector are PQASSO and ISO 9001; however, they have some important differences.

About PQASSO

Developed in 1997 by Charities Evaluation Services (CES), PQASSO is the leading quality standard in use in the voluntary and community sector. Developed for the sector, the standards encompass all aspects of an organisation's performance including having a clear mission and plans to support the needs of individuals and communities, sound financial management, effective governance and a focus on outcomes.

Over 14,000 third sector organisations across the UK are working towards, and many are achieving, the PQASSO standards. An increasing number are also achieving external certification and have been awarded the PQASSO Quality Mark. It is a proportionate tool that develops with an organisation over three levels. The PQASSO Quality Mark is endorsed by the Charity Commission at levels 2 and 3 as meeting the requirements for the Hallmarks of an Effective Charity.

PQASSO is a comprehensive set of standards which address everything a third sector organisation needs to attend to.

PQASSO is built on 12 topics (known as quality areas)

- | | |
|------------------------------|---------------------------------|
| 1. Planning | 7. Managing money |
| 2. Governance | 8. Managing resources |
| 3. Leadership and management | 9. Communications and promotion |
| 4. User-centred service | 10. Working with others |
| 5. Managing people | 11. Monitoring and evaluation |
| 6. Learning and development | 12. Results |

About ISO 9001

ISO 9001 is part of the International Organisation for Standardisation family of standards for quality management and has over a million certificated organisations worldwide. In the UK it is mainly used in the private sector, but is also being used in the voluntary sector. ISO 9001 focuses on the processes within an organisation and makes sure that they are effectively managed in order to meet the needs of customers. It aims to make sure these processes continually improve and that customers are satisfied.

There are five main clauses in ISO 9001 (see box). Each of these has a number of detailed requirements that have to be met.

ISO 9001 was designed for, and is only used for, external certification.

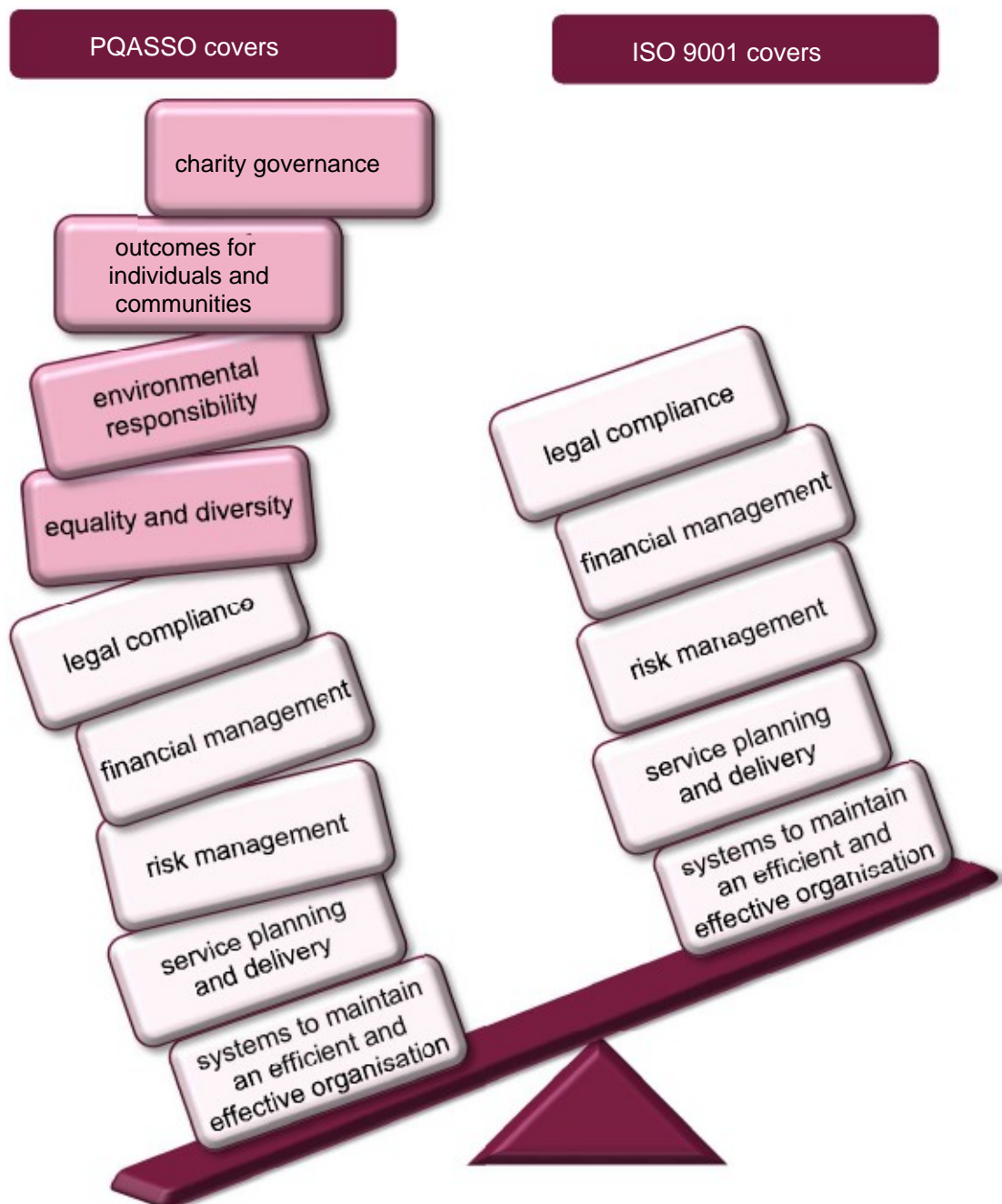
ISO 9001 standard contains 5 main clauses

1. Quality management system
2. Management responsibility
3. Resource management
4. Service planning and provision
5. Measurement, analysis and improvement

How do the two standards compare?

'Achievement of ISO 9001 is based on the adoption of regulated internal processes rather than a guarantee of the quality of services delivered or outcomes achieved.'
Do we need ISO? Rachel Rhodes, NAVCA, November 2009

There are a number of similarities between the PQASSO and ISO 9001 standards, both covering service planning and delivery (see below). However, ISO 9001 does not require organisations to address some areas essential to third sector organisations, particularly good governance, a focus on outcomes for users and the wider environment and charity related finance issues.



Quality standards will give all stakeholders, including commissioners and funders the confidence that third sector organisations are fit for purpose. The implementation and achievement of PQASSO will enable an organisation to operate effectively and meet the requirements of commissioners and funders, ensuring their sustainability.

To find out more

Charities Evaluation Services is an independent charity and the UK's leading provider of training and consultancy on evaluation and quality systems in the voluntary and community sector. For over 20 years we have supported third sector organisations to be clear about what they are trying to achieve, find ways to improve and demonstrate their effectiveness to others.

We provide information, publications and training to third sector organisations, funders and commissioners on PQASSO and measuring outcomes. We can support you by:

- Providing further information on PQASSO
- Providing consultancy to help you to measure effectiveness and get to grips with quality standards and implementing an outcomes focus
- Providing training and support to help you improve your performance, including courses on PQASSO and demonstrating outcomes
- Guiding you to our nationwide network of PQASSO mentors who are trained and licensed by CES to support you to implement PQASSO.

To find out more:

Visit our website www.ces-vol.org.uk

Email us pqasso@ces-vol.org.uk

Call us [020 7713 5722](tel:02077135722)

Charities Evaluation Services, 4 Coldbath Square, London EC1R 5HL

Registered charity number 803602 in England and Wales and SCO40937 in Scotland.

A company limited by guarantee registered in England & Wales. Company registration no: 2510318