

Restoring Public Trust in Charities – Detailed Tables and Regressions from a Survey of Australian Charity Leaders

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Introduction

As outlined further below, two surveys of charity leaders were completed in 2021, the first in Australia (419 responses) and the second in England and Wales (369 responses).¹ Results are thoroughly explored in five papers, which are (or will be) available on the project website.²

This Working Paper presents extensive tables, some key regressions (along with summaries of exhaustive regressions) from the Australian survey. The UK survey is not explored here, except as an overall comparison with the whole Australian sample ('Australia ALL'). The Aust v UK results are available in the first (top) register of each of the major multi-register tables.

The Survey

An interactive survey was created using SurveyMonkey following ethics approval and pilot-testing directed at responsible persons (Australia) and charity trustees (England & Wales). The survey was kept as short as possible (with an estimated completion time of 14 minutes for the Australian survey and 16 minutes for the UK survey) to encourage maximum responses. The survey collected quantitative and qualitative data beginning with a series of demographic questions, followed by questions assessing respondents' understanding of their duties, barriers and motivations in relation to compliance, how conflicts are managed and understanding of conflicts of interest.

Participants were recruited as follows. First, survey links were distributed by peak sector bodies and charity law practitioners and contacts either via newsletter or email. Second, the research team researched the details of individual charities using the charities register in each jurisdiction and sent emails with survey links to them.

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¹ Note that the term 'UK' is used throughout this paper to refer to England and Wales for the purposes of abbreviation.

² <https://law.unimelb.edu.au/centres/mccl/research/research-programs/corporate-law-and-financial-regulation>. The papers are: Rosemary Teele Langford and Malcolm Anderson, 'Charity Trustees: Governance Duties and Conflicts of Interest' (2022) 28(7) *Trusts and Trustees* 673; Rosemary Teele Langford and Malcolm Anderson, 'Governance Duties and Conflicts of Interest in the Charities Sector: Australia and England & Wales Compared' (2022) 28(1) *Third Sector Review* 18; Rosemary Teele Langford and Malcolm Anderson, 'Restoring Public Trust in Charities: Empirical Findings and Recommendations' (2023) 46 *University of New South Wales Law Journal* (forthcoming); Rosemary Teele Langford and Malcolm Anderson, 'Passing the Baton: Emerging Leadership Values, Governance and Responsibility in Australian Charities' (forthcoming, under review); Rosemary Teele Langford and Malcolm Anderson, 'Religious Charities in Australia: Implications for Governance under Traditional Values and Outlooks' (published on website).

In probing governance and enforcement frameworks and testing reform proposals, the surveys focused on two aspects. The first aspect tested respondents' level of understanding of their governance duties. This aspect was chosen because the Australian Charities and Not-for-profits Commission ('ACNC') governance framework has been criticised as resulting in increased complexity and reduced accountability for individuals working for registered charities. The second aspect probed how charities deal with conflicts in a practical sense—in terms of what protocols are in place, how often the issue of conflicts of interest arises and when conflicts do arise, how they are dealt with. This aspect was included because conflicts of interest are a key governance issue and one that is highlighted by the ACNC in its compliance reports. Conflicts were also chosen due to their centrality in governance and their presence in general law, statutory and regulatory requirements. Moreover, the extent to which non-pecuniary and third-party conflicts are encompassed within general law is unclear—ascertaining respondents' views on this is therefore instructive. Management of conflicts is also indicative of broader understanding and compliance. The surveys help to develop a clearer picture of compliance motivations and perceived barriers to enhanced governance and compliance.

The total number of useable responses totalled 419 from Australia and 369 from England and Wales. As the method of contact was by way of notice to the respective peak bodies as well as word-of-mouth and personal solicitation, it is not possible to formally calculate a response rate. Of the Australian responses, the number answering individual items ranged from 397 to 418 for the demographic items (347 to 366 for England and Wales). Slightly less completed the survey to the end, so those answering the hypothetical examples (the last three questions on the surveys) was a minimum of 310 (Australia) and 270 (England and Wales).

As a rough guide, the standard error for 328 responses (for determining, for example, an estimate in the *population* returning a particular response) is plus or minus 2.8 percentage points; the 95 percent confidence error is plus or minus 5.4 percentage points (for the Australian responses for relevant likert items). The corresponding standard error for 298 responses (England and Wales) is plus or minus 2.9 percentage points with a 95 percent confidence error of plus or minus 5.7 percentage points.

A number of statistical techniques were employed to see if the differences in the respective samples would hold for (the Australian and UK) populations including *chi square tests of independence* and *t-tests*. Other multivariate analyses were employed where relevant including *principal components analysis*, *correlation*, and *reliability analysis* with *Cronbach alpha* statistic, together with *multiple regression* and *logistic regression*.

Statistical Tests

There was considerable (and interesting) variation *within* the Australian sample according to demographic and other characteristics, and the purpose of this paper is to summarily present these differences through tables together with basic statistical tests to establish rigour about the certainty (or otherwise) of those differences in the *population*. It should be

emphasised that our interest is never whether there are 'differences' (for example, in average age of respondent) between the *samples*. Rather we use the samples to infer differences between the *populations*. Hence the need for statistical inference.

For the most part, tests are between percentages in two samples (for example, the percentage of the Australian sample aged 55 and over *and* the percentage of the UK sample also aged 55 or over). The appropriate test for comparing proportions of this nature is the Chi-square test of independence. The test is framed as a hypothesis, termed the Null Hypothesis, in which it is hypothesised that the actual percentages (for example, the percentage of charity leaders who are aged 55 or over in *all* Australian and UK charities) are *exactly the same*. The Chi-square test will return one of two results. The first is termed the 'Fail to Reject' result. This basically says the hypothesis (that the percentages are exactly the same) could well be correct, but we just cannot tell. Obviously if this were the case, we could never conclude, for example, that the percentage in one population group is greater or less than that in another population group.

The second possibility is to 'Reject the Hypothesis', a result which can be interpreted as 'it is highly unlikely that the two percentages are the same'. Unfortunately – and this is the nature of data gathering – we can generally never be sure that the sample is a precise microcosm of the population. Samples vary according to chance, to the vagaries of data collection, and to systematic errors in the data collecting methodologies. Our estimate is based on a theoretical (or speculative) reconstruction of the population – based on some of the *information* we get from the sample itself (usually the size of the sample, or in other tests, the standard deviation of the sample as well).

The third kind of result is that the 'Hypothesis is confirmed' (that is, it is true), but this kind of result, however desirable, is impossible and does not exist in inferential statistics. Inferential statistics, where only samples are available, is quite different from a tabulation of *the entire population* (such as one finds in a census for example). Inferential statistics tells us either to 'Fail to Reject' the Null Hypothesis – or else 'Reject' the Null Hypothesis.

In some cases we are comparing not *percentage differences* between two samples (and so inferring if there might be a difference in their respective populations) – but rather the comparing of *means*. If averages of one sample are thus compared with an average from another sample we use another test termed the 't-test.' This test is used below when we compare scales (averages of highly correlated variables) for example.

In the case of both types of tests, if there is no statistically significant difference between the two figures (in the tables below) there will be *blank space*. If there is a chance that there is a difference between the populations, a statistically significant difference, there will be a *single asterisk*. This is termed statistically significant difference at the 0.05 level of significance. However, we can be more certain of some 'rejections' of the Null Hypothesis, than others. Where there is a greater confidence that the hypothesis is false, there will be *double asterisks*. This is termed statistically significant difference at the 0.01 level of significance. Statistical tests will not be apparent for *all* items; sometimes the sample sizes are just too low; and generally we do not test the 'middle'. In other words – and as an

example – we test the percentage of organisations that have revenues greater than or equal to a million dollars; we would not test the proportion between \$50,000 and \$250,000.

It is normally the case that interpretations of data ought only to proceed on the basis of statistically significant results (usually the minimal 0.05 level). However, for many statisticians interpretation takes place on the basis of p-values alone: these are cited, the researcher makes an interpretation, and readers can make up their own minds on the strength of the p-values. In some cases a p-value of 0.10 (or possibly even higher) might be entertained, especially in situations where multiple lines of evidence all tend to point in the same direction. In the interpretation below, differences are commented on only if there is a statistically significant difference.

In some cases there exists the possibility of *confounding among the variables* (or characteristics) in the data. This exists when the characteristics are similar or overlap to an unusual degree. An example is respondent's *age* with *length of time in the position*. Generally it is more likely that those who are older will have been in the job a lot longer than the younger; conversely it will be virtually impossible that younger respondents will be able to claim that they have been in the job for decades. To account for confounding of variables, it is necessary to turn to multivariate methods such as Ordinary Least Squares (OLS) Regression. These occur when we start comparing 'scales' (*scales* are averages of two or more highly correlated variables) between two samples. Altogether, 86 different regressions were analysed (including 32 logistic regressions for items that offered binary – usually agree/disagree – options).

Not all of the major scales have been explored using regression analysis: in many cases the regression returns insufficient statistical strength (known as the 'F-stat'). Therefore, only the reliable regressions are reported.

Reoccurring Characteristics

To begin with, it is helpful to identify those characteristics (usually demographic characteristics) which most frequently reoccur in the tables below. We have also added some other sorts of characteristics. Table 1 indicates that of all the 129 different items that we tested (these 129 can be identified in the 26 major, multi-register, tables that follow), the greatest number that showed statistically significant differences were between the Australian and UK surveys – some 29.6 percent of all those items. All the rest of the characteristics tested pertain only within the Australian survey: interestingly the most pronounced characteristic was whether the entity actually had a conflict of interest policy. The existence of a conflict of interest policy made a difference in 26.4 percent of all those 129 items tested. But we observe that age, size of entity, whether a religious entity or not, head the list of how answers differed for all the items probed in the survey.

Table 1 Main statistical differences in Chi-Square tests between two sub-groups

Pair of groups tested	Percent stat sig
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Australia v UK	29.6
Policy on COI v No Policy	26.4
Age 18-54 v Age 55 and Over	23.8
Large v Small Entities	20.0
Religious Entity v Other	17.1
Position Held Over 5 Years v Position Held Up to 5 Years	16.0
Volunteer v Paid Staff	14.2
Incorporated Association v Other	11.5
Company Structure v Other	10.1

Another purpose of undertaking (exhaustive) regression analyses was to identify those characteristics that were more likely and more frequently to report statistical significance even after all other important characteristics were factored out of the equation. We tested the six most likely explanatory items (below) for each of the 86 regressions, and it showed the following variables displaying statistical significance in descending order of importance (Table 2). Where useful, we have used these six explanatory variables in regressions on the scales in this paper.

Table 2 Explanatory variables that were consistently high on a battery of OLS Regressions

Explanatory variable	Percent returning significant t-stat
Age	27.9
Revenue of Entity	26.7
How Long Position Held	23.3
Religious Entity	19.8
Incorporated Association (Legal Structure)	7.0
Paid Full-time	5.8

Note: the maximum possible is 100 percent for *each* of the six explanatory variables.

This assisted our decision to include these characteristics as tested subgroups. Thus all tables below test:

- Australia v UK
- Small entities (those with revenues under one million dollars) v large entities
- Those aged 18 to 54 v those aged 55 and over
- Unpaid (volunteer) respondents v paid respondents (either full-time or part-time)
- Religious entities (ie. respondents representing same) v all other entities
- Entities structured as a company v all others
- Respondents with a conservative attitude to conflict of interest v those with a more relaxed view (calculated on responses to items in Table 37 below)

The last-named variable basically compares those respondents who have a 'conservative' view of the dangers of conflict of interest; the rest varied but generally displayed a more 'relaxed' view of the importance of being cautious about conflict of interest.

We have kept the format of one large table with seven separate registers within the table, each reporting responses and statistical tests.

Legal Structure

In Table 3 below, we only tested the first two items on each register of the table – the proportion of entities legally structured as a *company*, and those structured as *incorporated associations*. The *company* structure was far more frequently found to be that of Australian charities (28.7 percent of the Australian charities) than it was in the UK (just 12.0 percent reporting their structure as company). Larger entities were more likely structured as companies than smaller: of all those entities with revenues of one million dollars or more, one third took a company structure (37.1 percent), whereas only 11.5 percent of small entities were structured as companies. Smaller entities, however, were highly likely to be structured as incorporated associations (68.0 percent of all smaller charities) than larger ones (45.9 percent structured as incorporated associations). Interestingly, religious charities favoured a broad range of legal structure; only one fifth were incorporated associations (22.2 percent) while of all other kinds of charities ('secular' for want of a better term) well over half favoured the incorporated association structure (56.0 percent).

Table 3 Legal structure of the organisation.
(Q1 Which of the following describes the legal structure of your organisation?)

Legal structure	Aust ALL		UK ALL
Company	28.7	**	12.0
Incorporated Association	51.7		
CIO			46.7
Trust	3.6		24.0
Trustee Company	0.5		1.6
Cooperative	0.5		
Community Benefit Society			0.8
Unincorporated Association	2.9		4.9
ATSI	0.0		
Friendly Society			0.3
Statutory Corporation	3.3		0.0
Do not know	3.8		2.7
Other	5.0		6.8
	Small Entities		Large Entities
Company	11.5	**	37.1
Incorporated Association	68.0	**	45.9
Trust	2.5		3.9
Trustee Company	0.8		0.0

Cooperative	0.8		0.4
Unincorporated Association	6.6		1.1
ATSI Corporation	0.0		0.0
Statutory Corporation	0.0		4.6
Do not know	5.7		1.8
Other	4.1		5.3
	Aged 18 to 54		Aged 55 and Over
Company	30.9		27.8
Incorporated Association	47.5		55.3
Trust	3.6		3.4
Trustee Company	0.0		0.4
Cooperative	1.4		0.0
Unincorporated Association	3.6		2.6
ATSI Corporation	0.0		0.0
Statutory Corporation	2.9		3.8
Do not know	4.3		1.9
Other	5.8		4.9
	Unpaid		PaidFTPT
Company	26.7		34.4
Incorporated Association	54.4		47.7
Trust	4.1		2.3
Trustee Company	0.5		0.0
Cooperative	0.0		0.8
Unincorporated Association	4.1		2.3
ATSI Corporation	0.0		0.0
Statutory Corporation	2.8		3.1
Do not know	2.3		3.9
Other	5.1		5.5
	Religious		Other Than Religious
Company	25.9		29.1
Incorporated Association	22.2	**	56.0
Trust	5.6		3.3
Trustee Company	0.0		0.5
Cooperative	0.0		0.5
Unincorporated Association	7.4		2.2
ATSI Corporation	0.0		0.0
Statutory Corporation	3.7		3.3
Do not know	16.7		1.9
Other	18.5		3.0
	Conservative COI		Relaxed COI
Company	31.7		25.0
Incorporated Association	50.4		58.3
Trust	4.1		1.7
Trustee Company	0.4		0.0

Cooperative	0.4		0.0
Unincorporated Association	2.2		3.3
ATSI Corporation	0.0		0.0
Statutory Corporation	4.1		1.7
Do not know	3.0		0.0
Other	3.7		10.0

Notes: One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level (Chi-Square test of independence).

In Table 4 we simply tested the 'yes' option for the question of whether their company had the word 'Limited' in the title. We can be very sure that a greater proportion of Australian charitable companies, in fact 65 percent of all the Australian companies in the survey, had the word 'Limited' in their name. For the UK sample, far fewer were likely to be styled 'Limited' (just 34.1 percent). In the companies that include 'Limited' in their name it is far more likely that the responding charity leader was a paid officer (either full-time or part-time – 83.7 percent) than those without the word 'Limited' (55.4 percent).

Table 4 Limited in company name

(Q2 Does your company have the word 'Limited' in its name?)

Whether 'Limited' in company name	Aust ALL		UK ALL
Yes	65.0	**	34.1
No	31.6		65.9
Unsure	3.4		0.0
	Small Entities		Large Entities
Yes	61.5		65.0
No	30.8		32.0
Unsure	7.7		2.9
	Aged 18 to 54		Aged 55 and Over
Yes	62.8		66.2
No	32.6		31.0
Unsure	4.7		2.8
	Unpaid		PaidFTPT
Yes	55.4	**	83.7
No	41.1		14.0
Unsure	3.6		2.3
	Religious		Other Than Religious
Yes	64.3		65.0
No	35.7		31.1

Unsure	0.0		3.9
	Company		Non-Company
Yes	65.0		
No	31.6		
Unsure	3.4		
	Conservative COI		Relaxed COI
Yes	66.3		57.1
No	30.1		42.9
Unsure	3.6		0.0

Notes: Stat test for 'yes' option only. One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level (Chi-Square test of independence).

Annual Revenue

It was not possible to meaningfully compare Australian with UK entities in regard to the *size of the charity* – the UK options presented were in pounds sterling (and altogether different monetary brackets) – so no tests were possible (Top Register, Table 5). As might be expected, respondents who were paid officers were twice as likely than volunteer respondents to be found in larger organisations that responded to the survey. Of the volunteer respondents, just one-third (31.6 percent) answered for organisations with revenues of one million dollars or more, whereas nearly two-thirds of paid respondents were from large organisations.

As might be expected, respondents from entities legally structured as a company were far more likely to be large organisations (71.4 percent) than all other (non-company) entities (34.3 percent).

Table 5 Annual revenue of organisation (Australia)

(Q3 Which of the following describes the annual revenue of your organisation?)

Annual revenue	Aust ALL		UK ALL
Less than \$50,000	12.6		
\$50,000 to < \$250,000	17.7		
\$250,000 to < \$1 million	24.6		
\$1million to < \$10 million	26.4		
\$10 million to <\$100 million	14.5		
\$100 million or more	4.2		
Big Organis (\$1mil or more)	45.1		
	Aged 18 to 54		Aged 55 and Over
Less than \$50,000	10.2		13.0
\$50,000 to < \$250,000	16.1		18.7
\$250,000 to < \$1 million	22.6		26.0

\$1million to < \$10 million	29.2		25.2
\$10 million to <\$100 million	16.8		13.4
\$100 million or more	5.1		3.8
Big Organisations (\$1mil or more)	51.1		42.4
	Unpaid		PaidFTPT
Less than \$50,000	19.1		1.6
\$50,000 to < \$250,000	24.2		9.5
\$250,000 to < \$1 million	25.1		25.4
\$1million to < \$10 million	19.5		37.3
\$10 million to <\$100 million	9.8		21.4
\$100 million or more	2.3		4.8
Big Organisations (\$1mil or more)	31.6	**	63.5
	Religious		Other Than Religious
Less than \$50,000	5.6		13.6
\$50,000 to < \$250,000	18.5		17.6
\$250,000 to < \$1 million	35.2		23.0
\$1million to < \$10 million	14.8		28.1
\$10 million to <\$100 million	18.5		13.9
\$100 million or more	7.4		3.7
Big Organisations (\$1mil or more)	40.7		45.7
	Company		Non-Company
Less than \$50,000	3.4		16.1
\$50,000 to < \$250,000	8.4		21.7
\$250,000 to < \$1 million	16.8		28.0
\$1million to < \$10 million	35.3		22.7
\$10 million to <\$100 million	27.7		9.1
\$100 million or more	8.4		2.4
Big Organisations (\$1mil or more)	71.4	**	34.3
	Conservative COI		Relaxed COI
Less than \$50,000	10.2		13.6
\$50,000 to < \$250,000	17.0		22.0
\$250,000 to < \$1 million	24.6		25.4
\$1million to < \$10 million	28.0		20.3
\$10 million to <\$100 million	17.0		8.5
\$100 million or more	3.0		10.2
Big Organisations (\$1mil or more)	48.1		39.0

Notes: Only the bottom row in each register tested (ie. whether the entity had revenues of \$1 million or more). One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level (Chi-Square test of independence).

Board Size

While the average board size in the Australian charities (8.1 persons) was just slightly less than that of their UK counterpart (8.6) – though not statistically significant – far more of the latter had ten or more persons on their boards (26.2 percent). Australian charity boards tended to be a little smaller, with only 16.1 percent reporting large boards (Table 6). As might be expected, many more of the larger entities (revenues of one million dollars or more) had ten or more on their boards (18.2 percent) than smaller entities (just 8.5 percent). Also statistically significant was the disclosure that nearly one third of small entities (31.6 percent) had five or less board members (as against just 13.1 percent of larger entities). When those boards with excessive sizes (above 20 members) are excluded, the average board size was 7.1 for small entities; 8.3 for larger. As might be expected, far fewer of those entities structured as a company reported small boards (just 12.1 percent) – for all others it was over one in five (21.4 percent).

Table 6 Board size

(Q7 How many members are there on the board of your organisation?)

Size of board	Aust ALL		UK ALL
Between 1 and 5	18.6		23.6
Between 6 and 10	65.2		50.1
Ten or more	16.1	**	26.2
Median	8.0		8.0
Mean	8.1		8.6
Mean (excl Boards above 20)	8.0		8.4
	Small Entities		Large Entities
Between 1 and 5	31.6	**	13.1
Between 6 and 10	59.8		68.6
Ten or more	8.5	*	18.2
Median	7.0		8.0
Mean	7.1		8.5
Mean (excl Boards above 20)	7.1	**	8.3
	Aged 18 to 54		Aged 55 and Over
Between 1 and 5	16.2		20.0
Between 6 and 10	69.9		62.7
Ten or more	14.0		17.3
Median	8.0		8.0
Mean	7.9		8.2
Mean (excl Boards above 20)	7.9		8.0

	Unpaid		PaidFTPT
Between 1 and 5	19.2		19.4
Between 6 and 10	62.4		67.7
Ten or more	18.3		12.9
Median	8.0		8.0
Mean	7.9		8.3
Mean (excl Boards above 20)	7.9		7.8
	Religious		Other Than Religious
Between 1 and 5	22.6		18.0
Between 6 and 10	54.7		66.9
Ten or more	22.6		15.1
Median	8.0		8.0
Mean	8.2		8.1
Mean (excl Boards above 20)	8.2		7.9
	Company		Non-Company
Between 1 and 5	12.1	*	21.4
Between 6 and 10	74.1		61.6
Ten or more	13.8		17.1
Median	8.0		8.0
Mean	8.1		8.1
Mean (excl Boards above 20)	8.1		7.9
	Conservative COI		Relaxed COI
Between 1 and 5	20.4		15.0
Between 6 and 10	63.4		68.3
Ten or more	16.2		16.7
Median	8.0		8.0
Mean	8.1		8.0
Mean (excl Boards above 20)	7.9		8.0

Notes: One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level. Only the first row (Between 1 and 5 for the two respective demographics) and the third row (ten or more) of each register were tested (Chi-Square test of independence). However, the two mean scores (fourth and fifth rows of each register) were also tested but using the t-test.

Age Structure

There were some interesting patterns when the age structure of different sub-groups was investigated – and this is the main reason that age was included in regressions. In Table 7 below, we just tested the proportion of respondents under the age of 45 and the proportion

of respondents aged 55 and over. UK respondents tended to be older with three-quarters aged 55 or more (75.4 percent), while only 65.7 percent of the Australian respondents were in this older age bracket.

Among the volunteer respondents, far more were likely to be in the older age bracket (74.1 percent) than those who were remunerated by their charities (48.8 percent). Almost twice of those paid charity leaders (19.7 percent) were in the younger (under 45) age group, while the younger made up just one in ten of the volunteer respondents (10.6 percent).

Table 7 Age group of respondents
(Q4 What is your age?)

Age group	Aust ALL		UK ALL
Aged 18 to 24	0.7		0.3
Aged 25 to 34	3.2		2.8
Aged 35 to 44	9.6		7.6
Aged 45 to 54	20.7		13.8
Aged 55 to 64	34.1		29.7
Aged 65 and over	31.6		45.8
Age Under 45	13.6		10.7
Aged 55 and Over	65.7	**	75.4
	Small Entities		Large Entities
Aged 18 to 24	2.5		0.0
Aged 25 to 34	5.9		2.1
Aged 35 to 44	3.4		12.1
Aged 45 to 54	18.5		21.8
Aged 55 to 64	32.8		35.0
Aged 65 and over	37.0		28.9
Age Under 45	11.8		14.3
Aged 55 and Over	69.7		63.9
	Unpaid		PaidFTPT
Aged 18 to 24	1.4		0.0
Aged 25 to 34	4.1		2.4
Aged 35 to 44	5.1		17.3
Aged 45 to 54	15.2		31.5
Aged 55 to 64	32.3		33.9
Aged 65 and over	41.9		15.0
Age Under 45	10.6	*	19.7
Aged 55 and Over	74.2	**	48.8

	Religious		Other Than Religious
Aged 18 to 24	0.0		0.9
Aged 25 to 34	3.7		3.1
Aged 35 to 44	9.3		9.7
Aged 45 to 54	18.5		21.1
Aged 55 to 64	40.7		33.0
Aged 65 and over	27.8		32.2
Age Under 45	13.0		13.7
Aged 55 and Over	68.5		65.2
	Company		Non-Company
Aged 18 to 24	0.0		1.0
Aged 25 to 34	2.6		3.5
Aged 35 to 44	11.1		9.0
Aged 45 to 54	23.1		19.8
Aged 55 to 64	35.9		33.3
Aged 65 and over	27.4		33.3
Age Under 45	13.7		13.5
Aged 55 and Over	63.2		66.7
	Conservative COI		Relaxed COI
Aged 18 to 24	0.7		0.0
Aged 25 to 34	3.7		1.7
Aged 35 to 44	7.1		6.7
Aged 45 to 54	20.6		25.0
Aged 55 to 64	39.3		26.7
Aged 65 and over	28.5		40.0
Age Under 45	11.6		8.3
Aged 55 and Over	67.8		66.7

Notes: Only the Age under 45 and the Age 55 and over were tested. One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level; (Chi-Square test of independence).

Position within Organisation

Looking more closely at the position of respondents within their respective organisations (Table 8), we see that those in Australian entities were far more likely to be employed full-time (21.4 percent), almost four times that of their UK counterparts (just 5.9 percent); volunteerism seems to be norm in the UK (77.2 percent of respondents), as opposed to just over one half in Australia (53.4 percent). Managerial, or other senior positions were also more common in Australia (21.7 percent; just 12.4 percent in the UK). As might be expected (second register of Table 8), those answering the questionnaire for large entities were far more likely to be in full-time employed positions within their organisation (28.1 percent)

than that of small entities (just 5.9 percent). Much the reverse is true when it comes to unpaid charity leaders (78.2 percent of smaller entities; 43.4 percent of large).

Relatively younger respondents (aged under 55) were more likely to be in paid full-time employment (34.3 percent) and also senior managers (28.8 percent) and less likely to be in a volunteer capacity (40.3 percent, compared to 60.5 percent of those in the older age category). Interestingly, one third of those working for religious charities were in full-time employment with their organisations (33.3 percent) – for all other charity types it was 19.6 percent. It is somewhat curious that so few of those answering in organisations with a company structure were in a senior or managerial position (13.7 percent). For all other legal structures, nearly a quarter of those answering were in senior positions (24.9 percent).

Table 8 Position of respondents within the organisation

(Q5 Which of the following best describes your position within your organisation? (Note that you may choose more than one of these options.))

Position	Aust ALL		UK ALL
Paid full-time	21.4	**	5.9
Paid part-time	8.6		5.6
Unpaid/volunteer	53.4	**	77.2
Senior/Manager	21.7	**	12.4
Other position	17.5		19.4
	Small Entities		Large Entities
Paid full-time	5.9	**	28.1
Paid part-time	5.9		9.6
Unpaid/volunteer	78.2	**	43.4
Senior/Manager	19.3		22.4
Other position	9.2		21.0
	Aged 18 to 54		Aged 55 and Over
Paid full-time	35.3	**	13.9
Paid part-time	10.8		7.5
Unpaid/volunteer	40.3	**	60.5
Senior/Manager	28.8	**	17.7
Other position	13.0		19.9
	Religious		Other Than Religious
Paid full-time	33.3	*	19.6
Paid part-time	7.4		8.8
Unpaid/volunteer	46.3		54.5
Senior/Manager	16.7		22.4
Other position	16.7		17.6

	Company		Non-Company
Paid full-time	25.6		19.7
Paid part-time	9.4		8.3
Unpaid/volunteer	49.6		55.0
Senior/Manager	13.7	*	24.9
Other position	22.2		15.6
	Conservative COI		Relaxed COI
Paid full-time	19.0		28.3
Paid part-time	9.0		10.0
Unpaid/volunteer	54.9		46.7
Senior/Manager	19.8		23.3
Other position	19.4		20.0

Notes: All rows tested with the exception of 'Other position'. One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level; (Chi-Square test of independence).

Experience

Table 9 outlines a measure of experience of those answering the questionnaire, namely, *length of time they had held their positions*. Two tests were performed here: those who have held their position less than five years; and those who had been in the job ten years or more. It would be fully expected that younger respondents were unlikely to have had the experience of older charity leaders, so these statistics are more or less meaningless. But two other demographics stand out.

First, religious charities: there is clearly more *experience* in these kinds of charities, with well over one third having been in the job more than ten years (38.9 percent), well in excess of the same level of experience for secular charities (22.2 percent). Again, those found in the job five years or less was 57.1 percent for the secular charities, 40.7 percent for the religious.

Secondly, those who had had long experience in their positions tended to have a much more *relaxed* outlook in respect of conflict of interest. In our calculation for this (see Table 37) we summed up how many items were ticked (out of 12) – namely different sorts of relationships which involve a potential conflict of interest. Those who ticked nine or less (out of 12) we labeled as 'relaxed'; those who ticked 10 or more, were labeled 'conservative' (in their attitude to conflict of interest). It is interesting that of those with a more cautious (or conservative) outlook on conflicts of interest, the greater majority (59.0 percent) had been in the job five years or less, while a much smaller proportion, just one in five (20.1 percent) were long-term, experienced leaders. Conversely, only one third of those (33.3 percent) who were more relaxed or unexacting on conflict of interest issues had been in the job more than a decade.

Table 9 Length of time respondents have held their position
(Q6 How long have you held this position?)

Length of time	Aust ALL		UK ALL
One year or less	10.8		9.3
Between one and three years	26.4		22.5
Between three and five years	17.7		19.7
Over five years	20.7		21.1
Over ten years	19.0		21.1
Over twenty years	5.4		6.2
Five Years or Less	54.9		51.5
Over Ten Years	24.4		27.3
	Small Entities		Large Entities
One year or less	16.0		8.9
Between one and three years	25.2		26.7
Between three and five years	20.2		16.4
Over five years	15.1		23.1
Over ten years	20.2		18.5
Over twenty years	3.4		6.4
Five Years or Less	61.3		52.0
Over Ten Years	23.5		24.9
	Aged 18 to 54		Aged 55 and Over
One year or less	18.0		6.8
Between one and three years	30.9		24.1
Between three and five years	18.0		17.7
Over five years	18.0		22.2
Over ten years	14.4		21.4
Over twenty years	0.7		7.9
Five Years or Less	66.9	**	48.5
Over Ten Years	15.1	**	29.3
	Unpaid		PaidFTPT
One year or less	13.8		7.0
Between one and three years	25.3		24.2
Between three and five years	17.1		17.2
Over five years	19.8		21.9
Over ten years	17.5		27.3
Over twenty years	6.5		2.3
Five Years or Less	56.2		48.4
Over Ten Years	24.0		29.7
	Religious		Other Than Religious
One year or less	7.4		11.4
Between one and three years	16.7		27.8
Between three and five years	16.7		17.9

Over five years	20.4		20.7
Over ten years	24.1		18.2
Over twenty years	14.8		4.0
Five Years or Less	40.7	*	57.1
Over Ten Years	38.9	**	22.2
	Company		Non-Company
One year or less	8.5		11.8
Between one and three years	24.8		27.0
Between three and five years	17.9		17.6
Over five years	20.5		20.8
Over ten years	23.1		17.3
Over twenty years	5.1		5.5
Five Years or Less	51.3		56.4
Over Ten Years	28.2		22.8
	Conservative COI		Relaxed COI
One year or less	11.9		10.0
Between one and three years	27.6		16.7
Between three and five years	19.4		11.7
Over five years	20.9		28.3
Over ten years	16.0		26.7
Over twenty years	4.1		6.7
Five Years or Less	59.0	**	38.3
Over Ten Years	20.1	*	33.3

Notes: Only the rows with Five years or less and Over ten years were tested; One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level; (Chi-Square test of independence).

Consulting Arrangements

The existence of related party transactions involving board members or their associates being engaged in paid consultancy (usually legal or accounting) work has exercised regulators for some time. Table 10 reports the demographic breakdowns. The only result of statistical interest here concerns age group differences. Nearly a quarter (23.2 percent) of younger respondents reported this was true of their boards; just 11.4 percent of older respondents had witnessed the same.

To test this result further it was possible to run a logistic regression (Table 11). The effect of age was confirmed in this regression; the sign is negative (in the first, 'Coefficient' column) indicating that the *younger* the respondent the more likely they were to answer 'yes' to the question concerning having witnessed paid consultancy. Interestingly, the status of the respondent being in either full-time or part-time employment also negatively impacted the

dependent variable: in other words, paid consultancy was more likely to be a feature of the organisation where there is high volunteerism.

Table 10 Consulting

(Q8 Are any of the board members of your organisation or their associates (such as a family member or an entity the board member works for or has an ownership interest in), paid by your organisation for other work (for example, for legal, accounting or consultancy services?))

Response	Aust ALL		UK ALL
Yes	15.4		11.1
No	83.3		87.2
Unsure	1.2		1.7
	Small Entities		Large Entities
Yes	14.5		15.8
No	83.8		83.5
Unsure	1.7		0.7
	Aged 18 to 54		Aged 55 and Over
Yes	23.2	**	11.4
No	75.4		87.5
Unsure	1.4		1.1
	Unpaid		PaidFTPT
Yes	15.3		15.7
No	82.8		83.5
Unsure	1.9		0.8
	Religious		Other Than Religious
Yes	22.2		14.4
No	75.9		84.5
Unsure	1.9		1.1
	Company		Non-Company
Yes	15.4		15.4
No	84.6		82.8
Unsure	0.0		1.8
	Conservative COI		Relaxed COI
Yes	14.9		11.7
No	84.3		88.3
Unsure	0.7		0.0

Notes: Only the 'Yes' proportions tested; One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level; (Chi-Square test of independence).

Table 11 (Logistic Regression) Are any of the board members of your organisation or their associates paid for consultancy?

Variable	Coef	St Error	Wald	df	Signif	R	Exp(B)
Revenue of Entity	0.0527	0.1141	0.2134	1	0.6441	0.0000	1.054
Religious Charity	0.5885	0.3911	2.2643	1	0.1324	0.0279	1.801
Age	-0.0431	0.0128	11.3736	1	0.0007	-0.1661	0.957
How Long Position Held	0.0245	0.0230	1.1372	1	0.2863	0.0000	1.024
Incorporated Association	0.0044	0.3129	0.0002	1	0.9889	0.0000	1.004
Paid full-time	-0.9179	0.4119	4.9661	1	0.0258	-0.0934	0.399
(Constant)	0.4371	0.7892	0.3068	1	0.5797		

Notes: Logistic Regression returned -2 Log Likelihood=323.965; Goodness of Fit=389.8; Model Chi-square statistic=15.986 with df=6 Significance=0.0138; 395 cases included in analysis; Classification Table=84.56 percent correct.

Table 12 reports the type of paid consultancy most likely to be encountered. The first row in each register simply gives the percentage who ventured to answer this question in the affirmative, while the next four rows indicate the sort of consultancy performed. The only real difference concerned that between the Australian and UK samples: in Australia it was more likely to be administrative (4.3 percent); legal consultancy was more prevalent in the UK (1.6 percent) than in Australia (just 0.2 percent). However, the small percentages imply quite small sample sizes so these results should only be seen as 'indicative' of the true (population) figures.

Table 12 Consulting item (not previously included)
(Q9 General Nature of Consulting Work)

Nature of paid work	Aust ALL		UK ALL
% Answered	14.3		10.3
Administration	4.3	*	1.6
Accounting and Finance	1.7		0.8
Legal	0.2	*	1.6
Consulting	2.6		1.1
	Small Entities		Large Entities
% Answered	13.8		14.8
Administration	6.5		3.5
Accounting and Finance	0.0		2.5
Legal	0.0		0.4
Consulting	2.4		2.8

	Aged 18 to 54		Aged 55 and Over
% Answered	22.3	**	10.9
Administration	6.5		3.4
Accounting and Finance	2.2		1.5
Legal	0.0		0.4
Consulting	2.9		2.6
	Unpaid		PaidFTPT
% Answered	14.3		15.6
Administration	4.1		5.5
Accounting and Finance	1.8		1.6
Legal	0.5		0.0
Consulting	3.2		1.6
	Religious		Other Than Religious
% Answered	22.2		13.2
Administration	1.9		4.7
Accounting and Finance	3.7		1.4
Legal	0.0		0.3
Consulting	1.9		2.7
	Company		Non-Company
% Answered	14.2		14.4
Administration	5.0		4.0
Accounting and Finance	3.3		1.0
Legal	0.8		0.0
Consulting	4.2		2.0
	Conservative COI		Relaxed COI
% Answered	15.3		11.7
Administration	4.5		5.0
Accounting and Finance	2.6		0.0
Legal	0.4		0.0
Consulting	2.2		3.3

Notes: The first row of each register tests the proportions of the subgroup that answered the question; the next four rows (Administration, Accounting and Finance, Legal, and Consulting) present the proportions who gave an open-ended description which could accurately classify the sort of work done. One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level; (Chi-Square test of independence).

Purpose

Table 13 was constructed out of an open-ended question that invited respondents to describe the purposes of their charity. The three main categories were Religious (n=54); Health, Aged Care and Disability (n=78); and Education (n=37). As can be seen, the distribution of these three types of charities was spread proportionately: there was negligible difference across demographic groups.

Table 13 Purpose of entity

(Q10 Can you state your organisation's purpose or purposes)

Purpose of entity	Aust ALL		UK ALL
% Answered	87.4		89.7
Religious	12.9		13.8
Health and Aged Care, Disability	18.6		17.6
Educational (Formal)	8.8		10.8
	Small Entities		Large Entities
% Answered	86.2		90.5
Religious	10.6		14.5
Health and Aged Care, Disability	15.4		20.1
Educational (Formal)	7.3		9.9
	Aged 18 to 54		Aged 55 and Over
% Answered	85.6	*	92.5
Religious	12.2		13.9
Health and Aged Care, Disability	18.0		19.9
Educational (Formal)	11.5		7.9
	Unpaid		PaidFTPT
% Answered	90.3		88.3
Religious	11.5		17.2
Health and Aged Care, Disability	18.0		21.9
Educational (Formal)	10.1		10.9
	Company		Non-Company
% Answered	90.8		86.2
Religious	11.7		13.4
Health and Aged Care, Disability	22.5		17.1
Educational (Formal)	12.5		7.4

	Conservative COI		Relaxed COI
% Answered	98.5		98.3
Religious	13.4		16.7
Health and Aged Care, Disability	21.3		25.0
Educational (Formal)	10.1		10.0

Notes: The first row of each register tests the proportions of the subgroup that answered the question; the next three rows (Religious; Health and Aged Care, Disability; and Educational) present the proportions who gave an open-ended description which could accurately classify the purpose of the charity. One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level; (Chi-Square test of independence).

It was of great interest to know whether charity boards take into consideration their purpose when making decisions. As can be seen in Table 14, there were no statistically significant differences between selected demographic groups in this respect.

Table 14 How often the organisation's purpose is considered in decision-making

(Q11 How often is (or are) your organisation's purpose (or purposes) considered in decision-making?)

Response	Aust ALL	UK ALL
Always	71.1	74.9
Usually	23.9	18.3
Sometimes	2.9	4.8
Rarely	2.1	1.8
Never	0.0	0.3
Always+Usually	95.0	93.1
	Small Entities	Large Entities
Always	74.1	69.7
Usually	22.2	25.0
Sometimes	2.8	3.0
Rarely	0.9	2.3
Never	0.0	0.0
Always+Usually	96.3	94.7
	Aged 18 to 54	Aged 55 and Over
Always	67.5	72.8
Usually	24.6	23.6
Sometimes	3.2	2.8
Rarely	4.8	0.8
Never	0.0	0.0
Always+Usually	92.1	96.4

	Unpaid	PaidFTPT
Always	70.2	71.7
Usually	25.8	21.7
Sometimes	2.5	5.0
Rarely	1.5	1.7
Never	0.0	0.0
Always+Usually	96.0	93.3
	Religious	Other Than Religious
Always	74.1	70.6
Usually	20.4	24.5
Sometimes	5.6	2.5
Rarely	0.0	2.5
Never	0.0	0.0
Always+Usually	94.4	95.0
	Company	Non-Company
Always	63.4	74.3
Usually	32.1	20.4
Sometimes	4.5	2.3
Rarely	0.0	3.0
Never	0.0	0.0
Always+Usually	95.5	94.7
	Conservative COI	Relaxed COI
Always	72.8	63.3
Usually	21.3	35.0
Sometimes	3.7	0.0
Rarely	2.2	1.7
Never	0.0	0.0
Always+Usually	94.0	98.3

Notes: Stat tests only compare the sum of 'Always' and 'Usually' between respective demographic subgroups. One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level; (Chi-Square test of independence).

Governance Duties

Table 15 indicates the sum of the agree options ('strongly agree' plus 'agree') for a suite of items concerned with governance. Each of the six items – across these seven demographic pairs – necessitates careful interpretation. The most obvious point of contrast is between the Australian and UK sample. Some of this interpretation will be found discussed in more detail in one or other of the five papers cited at the start of this paper. However, it is

worthwhile presenting a broad overview of the general pattern of results across the demographic pairs.

It becomes apparent that these six items are highly correlated with one another, and so we turned to Principal Components Analysis to show that the items did indeed load comfortably on the one factor. In Table 16 we report the six items that made up this scale and also the measure of *item inter-correlation* (as measured by a statistic called the Cronbach's alpha). Note that the item in the third row ('I rely on someone else to take responsibility for the organisation's financial position') is, while highly correlated with the other five items, actually highly *negatively* correlated. In the calculation of the scale (which we have termed the 'Clear Governance and Responsibilities Scale') the items are averaged.

This scale is then regressed on the selected demographics in Table 17 in which four demographics were found to be statistically significant (final column). Three demographics show a *positive sign* (eg in the first Column): the interpretation of this is that each of revenue size, age, and those in full-time paid employment with the charity positively impact the 'Clear Governance and Responsibilities' Scale. So, the six propositions in Table 16 will tend to be more highly agreed in circumstances where the entity is larger, the respondent is older, or the respondent is in a full-time paid position. Note, however, that the same is true for the (reversed) item in the third row, except that each of these three demographics will cause a tendency to *disagree* with that proposition.

The fourth demographic that is statistically significant in the regression is that of 'religious charity': it has a *negative* sign in the 'coefficient' column. The interpretation here is that if the respondent represents a religious charity, this characteristic negatively impacts the trend to agreement – rather it tends to disagreement.

Table 15 Governance duties

(Q12 Please indicate the extent to which you agree with the following statements)

	Aust ALL		UK ALL
I have a clear understanding of the governance duties to which I am subject.	95.6		96.1
I understand the organisation's financial accounts (profit and loss/balance sheet).	95.1		95.1
I rely on someone else to take responsibility for the organisation's financial position.	25.9	*	34.5
The board is provided with regular updated financial information.	96.2		95.1
I have received training and guidance in relation to my governance duties.	72.4	**	59.5
I have read ACNC/CCEW guidance on governance duties.	78.0	**	91.8

	Small Entities		Large Entities
I have a clear understanding of the governance duties to which I am subject.	95.3		95.7
I understand the organisation's financial accounts (profit and loss/balance sheet).	93.5		96.1
I rely on someone else to take responsibility for the organisation's financial position.	29.9		23.5
The board is provided with regular updated financial information.	94.4		96.9
I have received training and guidance in relation to my governance duties.	55.7	**	79.2
I have read ACNC guidance on governance duties.	73.8		79.8
	Aged 18 to 54		Aged 55 and Over
I have a clear understanding of the governance duties to which I am subject.	95.8		95.5
I understand the organisation's financial accounts (profit and loss/balance sheet).	91.6	*	96.8
I rely on someone else to take responsibility for the organisation's financial position.	29.4		24.3
The board is provided with regular updated financial information.	97.5		95.5
I have received training and guidance in relation to my governance duties.	68.1		74.4
I have read ACNC guidance on governance duties.	72.0	*	81.2
	Unpaid		PaidFTPT
I have a clear understanding of the governance duties to which I am subject.	95.9		96.5
I understand the organisation's financial accounts (profit and loss/balance sheet).	95.4		94.7
I rely on someone else to take responsibility for the organisation's financial position.	28.6		19.3
The board is provided with regular updated financial information.	95.9		95.6
I have received training and guidance in relation to my governance duties.	66.2	*	78.9
I have read ACNC guidance on governance duties.	78.4		79.6
	Religious		Other Than Religious
I have a clear understanding of the governance duties to which I am subject.	92.6		96.2
I understand the organisation's financial accounts (profit and loss/balance sheet).	92.6		95.5
I rely on someone else to take responsibility for the organisation's financial position.	29.6		25.2
The board is provided with regular updated financial information.	94.4		96.5

I have received training and guidance in relation to my governance duties.	60.4	*	74.4
I have read ACNC guidance on governance duties.	64.8	*	80.3
	Company		Non-Company
I have a clear understanding of the governance duties to which I am subject.	98.1		94.6
I understand the organisation's financial accounts (profit and loss/balance sheet).	96.2		94.6
I rely on someone else to take responsibility for the organisation's financial position.	19.8		28.4
The board is provided with regular updated financial information.	99.1		95.0
I have received training and guidance in relation to my governance duties.	79.2		69.6
I have read ACNC guidance on governance duties.	87.7	**	74.0
	Conservative COI		Relaxed COI
I have a clear understanding of the governance duties to which I am subject.	95.9		95.0
I understand the organisation's financial accounts (profit and loss/balance sheet).	94.8		96.7
I rely on someone else to take responsibility for the organisation's financial position.	23.9		28.3
The board is provided with regular updated financial information.	96.6		98.3
I have received training and guidance in relation to my governance duties.	74.6		66.7
I have read ACNC guidance on governance duties.	80.2		72.9

Notes: Tests the 'Sum of Agrees'; One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level; (Chi-Square test of independence).

Table 16 Clear governance and responsibilities scale (Q12)

I have a clear understanding of the governance duties to which I am subject.
I understand the organisation's financial accounts (profit and loss/balance sheet).
I rely on someone else to take responsibility for the organisation's financial position. [REVERSED]
The board is provided with regular updated financial information.
I have received training and guidance in relation to my governance duties.
I have read ACNC guidance on governance duties.

Notes: Standardised Cronbach Alpha=0.7320

Table 17 (Regression Table) Clear governance and responsibilities scale (Q12)

Variable	Coef	St Error	Beta	t-stat	p-value	Sig
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Revenue of Entity	0.1046	0.0263	0.2190	3.976	0.0001	**
Religious Charity	-0.3240	0.0963	-0.1780	-3.363	0.0009	**
Age	0.0118	0.0033	0.1977	3.617	0.0003	**
How Long Position Held	-0.0069	0.0054	-0.0691	-1.279	0.2016	
Incorporated Association	-0.0131	0.0718	-0.0101	-0.182	0.8557	
Paid full-time	0.2008	0.0863	0.1249	2.326	0.0206	*
(Constant)	3.2838	0.2094		15.684	0.0000	

Notes: Regression returned an Adjusted R-Square statistic of 0.10474 with an F-stat=8.01933 (Signif F=0); df (regression)=6; df (residual)=354

Table 18 reports another suite of propositions concerned with identifying issues that cause difficulties in understanding governance duties. On the Chi-square tests, it appears that age of respondents and whether or not the charity was of a religious type provided some contrast. These six items also correlate highly and so were averaged to create a useable scale (Table 19). The regression details in Table 20 give a broad overview of how these 'lack of awareness' items were influenced by the demographics. Here we find two explanatory variables (religious charity and job experience) with positive, statistically significant signs. To interpret: the more likely the entity is a religious one, or the longer the respondent has been in the position (counter-intuitively), the more likely they are to score highly on the *lack* of awareness scale. This counterintuitive result (in regard to experience) is discussed in one or more of the published papers (at the start of this paper).

Conversely, the negative sign for the two significant explanatory demographics means that the *larger* the entity, the *less likely* they are to be expressing difficulties with understanding governance duties, while the older the respondent means the less issues with understanding of governance duties.

Table 18 Reasons that make it difficult to understand governance duties

(Q13 There may be a number of reasons that make it difficult for you to understand your governance duties. Please indicate the extent to which you agree or disagree with the following statements.)

Likert Item	Aust ALL		UK ALL
I do not understand where to find an outline of my governance duties.	7.5	*	3.7
I was unaware that I had governance duties.	3.9		2.4
I feel that the governance duties are complex and difficult to keep up with.	16.0		18.0
I do not understand what the duties mean.	2.8		2.1
I have insufficient time to understand my governance duties.	8.1		7.0
I have insufficient guidance as to how my governance duties apply in practice.	13.4	*	8.3
	Small Entities		Large Entities

I do not understand where to find an outline of my governance duties.	10.6		6.4
I was unaware that I had governance duties.	2.9		4.4
I feel that the governance duties are complex and difficult to keep up with.	15.2		15.4
I do not understand what the duties mean.	4.8		1.6
I have insufficient time to understand my governance duties.	9.5		7.3
I have insufficient guidance as to how my governance duties apply in practice.	21.0	**	10.0
	Aged 18 to 54		Aged 55 and Over
I do not understand where to find an outline of my governance duties.	7.0		7.8
I was unaware that I had governance duties.	2.6		4.5
I feel that the governance duties are complex and difficult to keep up with.	19.3		14.5
I do not understand what the duties mean.	1.8		3.3
I have insufficient time to understand my governance duties.	12.4	*	6.1
I have insufficient guidance as to how my governance duties apply in practice.	21.2	**	9.8
	Unpaid		PaidFTPT
I do not understand where to find an outline of my governance duties.	8.3		4.5
I was unaware that I had governance duties.	3.6		4.5
I feel that the governance duties are complex and difficult to keep up with.	11.5	**	22.7
I do not understand what the duties mean.	4.1		0.9
I have insufficient time to understand my governance duties.	6.7		11.0
I have insufficient guidance as to how my governance duties apply in practice.	10.9		15.5
	Religious		Other Than Religious
I do not understand where to find an outline of my governance duties.	13.5		6.5
I was unaware that I had governance duties.	13.5	**	2.3
I feel that the governance duties are complex and difficult to keep up with.	28.8	**	13.8
I do not understand what the duties mean.	5.8		2.3
I have insufficient time to understand my governance duties.	7.7		8.2
I have insufficient guidance as to how my governance duties apply in practice.	17.3		12.7
	Company		Non-Company

I do not understand where to find an outline of my governance duties.	2.9	*	9.4
I was unaware that I had governance duties.	2.9		4.3
I feel that the governance duties are complex and difficult to keep up with.	15.5		16.1
I do not understand what the duties mean.	1.0		3.5
I have insufficient time to understand my governance duties.	6.7		8.7
I have insufficient guidance as to how my governance duties apply in practice.	8.6		15.4
	Conservative COI		Relaxed COI
I do not understand where to find an outline of my governance duties.	4.5	**	15.3
I was unaware that I had governance duties.	4.1		1.7
I feel that the governance duties are complex and difficult to keep up with.	14.7		20.0
I do not understand what the duties mean.	2.2		3.3
I have insufficient time to understand my governance duties.	7.5		8.5
I have insufficient guidance as to how my governance duties apply in practice.	12.7		18.3

Notes: Tests the 'Sum of Agrees'; One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level; (Chi-Square test of independence).

Table 19 Lack of awareness of understanding scale (Q13)

I do not understand where to find an outline of my governance duties.
I was unaware that I had governance duties.
I feel that the governance duties are complex and difficult to keep up with.
I do not understand what the duties mean.
I have insufficient time to understand my governance duties.
I have insufficient guidance as to how my governance duties apply in practice.

Notes: Standardised Cronbach Alpha=0.8501

Table 20 (Regression Table) Lack of awareness of understanding scale (Q13)

Variable	Coef	St Error	Beta	t-stat	p-value	Sig
Revenue of Entity	-0.1258	0.0282	-0.2474	-4.466	0.0000	**
Religious Charity	0.2813	0.1039	0.1441	2.708	0.0071	**
Age	-0.0142	0.0035	-0.2214	-4.050	0.0001	**
How Long Position Held	0.0151	0.0057	0.1433	2.642	0.0086	**
Incorporated Association	0.0157	0.0768	0.0113	0.204	0.8384	
Paid full-time	0.0874	0.0931	0.0507	0.939	0.3484	
(Constant)	2.8847	0.2247		12.840	0.0000	

Notes: Regression returned an Adjusted R-Square statistic of 0.11011 with an F-stat=8.27969 (Signif F=0); df (regression)=6; df (residual)=347

Table 21 simply queried if there might be other issues in regard to such difficulties (not covered in Table 18) but no statistically significant differences were detected.

Table 21 Other reasons that make it difficult to understand governance duties

(Q14 Is there another reason that makes it hard for you to understand your governance duties?)

Response	Aust ALL	UK ALL
Yes	7.9	5.6
No	92.1	94.4
	Small Entities	Large Entities
Yes	7.6	8.1
No	92.4	91.9
	Aged 18 to 54	Aged 55 and Over
Yes	9.7	7.0
No	90.3	93.0
	Unpaid	PaidFTPT
Yes	8.9	8.3
No	91.1	91.7
	Religious	Other Than Religious
Yes	10.2	7.5
No	89.8	92.5
	Company	Non-Company
Yes	9.7	7.1
No	90.3	92.9
	Conservative COI	Relaxed COI
Yes	9.0	5.1
No	91.0	94.9

Notes: Tests only for the 'Yes' figure for each register; No tests statistically significant; (Chi-Square test of independence).

Assistance with Governance Duties

When asked what assistance would be most welcome by respondents in the process of being better able to understand and comply, the differences between the Australian and UK sample stood out quite starkly (in fact, every item was statistically significant). Within the Australian sample, the biggest differences (Table 22) were between the two age groups and between those who held different views of conflict of interest (bottom register).

The eight items in this table did not load on the same factor when we conducted a Principal Components Analysis. But three items lined up well (Table 23) approximating a 'Tools and Assistance Would be Helpful' Scale. This scale was then regressed on the six demographic items (Table 24). Only the age variable returned a statistically significant t-stat; the sign being *negative*. This indicates that the older the respondent, the *less* likely they are to call for assistance such as a Charity Governance Code or online guides (Table 24).

Table 22 What would help respondent understand and comply with governance duties

Likert item	Aust ALL		UK ALL
Training on the governance duties	71.8	**	62.1
A Charity Governance Code that sets out general principles for accepted modern practice of good governance	76.2		73.1
A Charity Governance Code combined with a diagnostic (i.e. self-evaluation) tool for board members to fill in concerning their organisation's performance	77.0	*	68.2
A detailed online guide that sets out all the governance duties of board members, with an optional self-evaluation tool	79.5	*	71.3
More guidance from the ACNC/CCEW on the governance duties	45.2	**	31.7
Access to professional advice	63.4	**	48.2
Practical examples and scenarios showing how the duties are applied	76.0	**	66.3
Mentoring	53.3	**	37.9
	Small Entities		Large Entities
Training on the governance duties	68.0		73.7
A Charity Governance Code that sets out general principles for accepted modern practice of good governance	79.8		75.5
A Charity Governance Code combined with a diagnostic (i.e. self-evaluation) tool for board members to fill in concerning their organisation's performance	78.2		76.9
A detailed online guide that sets out all the governance duties of board members, with an optional self-evaluation tool	80.0		79.8
More guidance from the ACNC on the governance duties	42.0		46.7

Access to professional advice	64.6		62.9
Practical examples and scenarios showing how the duties are applied	76.8		76.0
Mentoring	50.0		55.0
	Aged 18 to 54		Aged 55 and Over
Training on the governance duties	82.6	**	66.5
A Charity Governance Code that sets out general principles for accepted modern practice of good governance	80.2		74.2
A Charity Governance Code combined with a diagnostic (i.e. self-evaluation) tool for board members to fill in concerning their organisation's performance	80.4		75.3
A detailed online guide that sets out all the governance duties of board members, with an optional self-evaluation tool	83.9		77.4
More guidance from the ACNC on the governance duties	53.6	*	41.4
Access to professional advice	72.3	*	58.9
Practical examples and scenarios showing how the duties are applied	79.5		74.7
Mentoring	67.0	**	47.0
	Unpaid		PaidFTPT
Training on the governance duties	70.2		74.0
A Charity Governance Code that sets out general principles for accepted modern practice of good governance	74.7		75.7
A Charity Governance Code combined with a diagnostic (i.e. self-evaluation) tool for board members to fill in concerning their organisation's performance	76.5		75.2
A detailed online guide that sets out all the governance duties of board members, with an optional self-evaluation tool	76.3		80.0
More guidance from the ACNC on the governance duties	40.3		49.0
Access to professional advice	63.8		64.8
Practical examples and scenarios showing how the duties are applied	75.8		74.0
Mentoring	51.1		57.7
	Religious		Other Than Religious
Training on the governance duties	73.9		71.5
A Charity Governance Code that sets out general principles for accepted modern practice of good governance	68.1		77.5
A Charity Governance Code combined with a diagnostic (i.e. self-evaluation) tool for board	77.1		77.0

members to fill in concerning their organisation's performance			
A detailed online guide that sets out all the governance duties of board members, with an optional self-evaluation tool	75.0		80.3
More guidance from the ACNC on the governance duties	41.7		45.8
Access to professional advice	51.1		65.3
Practical examples and scenarios showing how the duties are applied	75.0		76.2
Mentoring	51.1		53.7
	Company		Non-Company
Training on the governance duties	74.3		70.7
A Charity Governance Code that sets out general principles for accepted modern practice of good governance	69.6		79.0
A Charity Governance Code combined with a diagnostic (i.e. self-evaluation) tool for board members to fill in concerning their organisation's performance	76.7		77.1
A detailed online guide that sets out all the governance duties of board members, with an optional self-evaluation tool	81.6		78.7
More guidance from the ACNC on the governance duties	46.5		44.7
Access to professional advice	64.1		63.1
Practical examples and scenarios showing how the duties are applied	77.7		75.3
Mentoring	49.0		55.1
	Conservative COI		Relaxed COI
Training on the governance duties	71.8		71.2
A Charity Governance Code that sets out general principles for accepted modern practice of good governance	77.7		66.7
A Charity Governance Code combined with a diagnostic (i.e. self-evaluation) tool for board members to fill in concerning their organisation's performance	76.5		78.3
A detailed online guide that sets out all the governance duties of board members, with an optional self-evaluation tool	82.1	*	68.3
More guidance from the ACNC on the governance duties	47.0	*	31.7
Access to professional advice	66.4	*	50.0
Practical examples and scenarios showing how the duties are applied	78.4	*	66.1
Mentoring	55.6		43.3

Notes: Tests the 'Sum of Agrees'; One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level; (Chi-Square test of independence).

Table 23 Tools and assistance would be helpful scale (Q15)

A Charity Governance Code that sets out general principles for accepted modern practice of good governance
A Charity Governance Code combined with a diagnostic (i.e. self-evaluation) tool for board members to fill in concerning their organisation's performance
A detailed online guide that sets out all the governance duties of board members, with an optional self-evaluation tool

Notes: Standardised Cronbach Alpha=0.8300

Table 24 (Regression Table) Tools and assistance would be helpful scale (Q15)

Variable	Coef	St Error	Beta	t-stat	p-value	Sig
Revenue of Entity	-0.0433	0.0342	-0.0743	-1.265	0.2066	
Religious Charity	-0.0535	0.1272	-0.0236	-0.421	0.6741	
Age	-0.0104	0.0043	-0.1418	-2.441	0.0151	*
How Long Position Held	-0.0027	0.0071	-0.0221	-0.385	0.7005	
Incorporated Association	0.1503	0.0926	0.0952	1.624	0.1054	
Paid full-time	0.0952	0.1130	0.0482	0.842	0.4002	
(Constant)	4.6785	0.2709		17.268	0.0000	

Notes: Regression returned an Adjusted R-Square statistic of 0.02492 with an F-stat=2.4523 (Signif F=0.0247); df (regression)=6; df (residual)=335

Motivations

A clue to the take-up of governance duties assistance may be inferred from the *motivations* respondents reveal. Table 25 lists seven possible motivations that were tested. It is interesting that there was an appreciable contrast in responses between the Australian and UK samples. The difference between religious and secular charities is also striking.

In the Principal Components Analysis on these items, two orthogonal (uncorrelated) factors were produced. Subsequently we created two scales. The first we termed the 'Concern for Personal Liability and Reputation' Scale (Table 26), and this regressed on the demographic explanatories (shown in Table 27). This indicated that respondents answering for religious charities returned a negative and statistically significant t-stat: in other words, concern for personal liability and reputation was less of a concern for those in religious charities relative to the ('secular') non-religious entities. And furthermore, the *experience* variable (length of years position held) also returned a negative and statistically significant result. In other words, the *longer* a charity leader had been in the job, the *less* concerned were they with reputational issues.

The second factor in the Principal Components Analysis we termed the 'Law and Optimisation' Scale (Table 28). The regression result for this scale (Table 29) was positive

with a statistically significant t-stat for both size of entity and age: the *bigger* the charity, the *more* likely the concern with law and optimisation; the *older* the respondent, the *more* concerned were they with these issues as well.

Table 25 Factors that may motivate respondents to want to comply with governance duties

(Q16 What factors motivate you to want to comply with your governance duties? Please indicate how important the following motivations might be.)

Likert item	Aust ALL		UK ALL
Concern for my personal liability	84.2	*	76.2
Concern for my personal reputation	85.3		80.5
Concern about liability or sanction for the organisation	97.1	*	93.0
Concern about the organisation's reputation and public perception of the organisation	98.3		97.0
My personal ethical or social values	96.5		95.1
To enable optimal decision-making within the organisation	96.8	*	92.4
Respect for the law	96.3		95.1
	Small Entities		Large Entities
Concern for my personal liability	81.2		85.1
Concern for my personal reputation	81.2		86.7
Concern about liability or sanction for the organisation	97.0		97.1
Concern about the organisation's reputation and public perception of the organisation	96.0	*	99.2
My personal ethical or social values	95.1		97.1
To enable optimal decision-making within the organisation	94.1		97.9
Respect for the law	92.1	**	97.9
	Aged 18 to 54		Aged 55 and Over
Concern for my personal liability	88.4		82.1
Concern for my personal reputation	89.3		83.3
Concern about liability or sanction for the organisation	97.3		97.0
Concern about the organisation's reputation and public perception of the organisation	98.2		98.3
My personal ethical or social values	92.9	**	98.3
To enable optimal decision-making within the organisation	94.6		97.9
Respect for the law	96.4		96.2
	Unpaid		PaidFTPT
Concern for my personal liability	82.9		84.0
Concern for my personal reputation	84.0		87.7
Concern about liability or sanction for the organisation	98.9	*	95.2
Concern about the organisation's reputation and public perception of the organisation	99.5		97.2

My personal ethical or social values	96.8		96.2
To enable optimal decision-making within the organisation	96.8		97.2
Respect for the law	95.2		98.1
	Religious		Other Than Religious
Concern for my personal liability	70.2	**	86.3
Concern for my personal reputation	63.8	**	88.6
Concern about liability or sanction for the organisation	89.4	**	98.3
Concern about the organisation's reputation and public perception of the organisation	95.7		98.7
My personal ethical or social values	100.0		96.0
To enable optimal decision-making within the organisation	97.9		96.7
Respect for the law	97.9		96.0
	Company		Non-Company
Concern for my personal liability	83.5		84.4
Concern for my personal reputation	86.3		84.8
Concern about liability or sanction for the organisation	95.1		97.9
Concern about the organisation's reputation and public perception of the organisation	99.0		98.0
My personal ethical or social values	98.1		95.9
To enable optimal decision-making within the organisation	96.1		97.1
Respect for the law	97.1		95.9
	Conservative COI		Relaxed COI
Concern for my personal liability	86.2	*	75.0
Concern for my personal reputation	88.0	**	71.7
Concern about liability or sanction for the organisation	97.4		94.9
Concern about the organisation's reputation and public perception of the organisation	98.5		96.7
My personal ethical or social values	97.8		93.3
To enable optimal decision-making within the organisation	97.4		93.2
Respect for the law	97.0		91.7

Notes: Tests the sum of 'Very Important' and 'Fairly Important'; One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level; (Chi-Square test of independence).

Table 26 Concern for personal liability and reputation scale (Q16)

Concern for my personal liability
Concern for my personal reputation
Concern about liability or sanction for the organisation

Notes: Standardised Cronbach Alpha=0.7478

Table 27 (Regression Table) Concern for personal liability and reputation scale (Q16)

Variable	Coef	St Error	Beta	t-stat	p-value	Sig
Revenue of Entity	0.0362	0.0273	0.0761	1.323	0.1866	
Religious Charity	-0.4242	0.1020	-0.2285	-4.158	0.0000	**
Age	-0.0013	0.0034	-0.0214	-0.377	0.7063	
How Long Position Held	-0.0138	0.0057	-0.1357	-2.420	0.0161	*
Incorporated Association	0.0535	0.0737	0.0417	0.726	0.4685	
Paid full-time	-0.0506	0.0898	-0.0316	-0.563	0.5737	
(Constant)	4.5495	0.2148		21.181	0.0000	

Notes: Regression returned an Adjusted R-Square statistic of 0.07362 with an F-stat=5.5035 (Signif F=0); df (regression)=6; df (residual)=334

Table 28 Law and optimisation scale (Q16)

My personal ethical or social values
To enable optimal decision-making within the organisation
Respect for the law

Notes: Standardised Cronbach Alpha=0.7346

Table 29 (Regression Table) Law and optimisation scale (Q16)

Variable	Coef	St Error	Beta	t-stat	p-value	Sig
Revenue of Entity	0.0571	0.0196	0.1697	2.915	0.0038	**
Religious Charity	0.0250	0.0731	0.0190	0.342	0.7325	
Age	0.0093	0.0024	0.2223	3.874	0.0001	**
How Long Position Held	-0.0067	0.0041	-0.0937	-1.649	0.1001	
Incorporated Association	0.0423	0.0529	0.0466	0.801	0.4238	
Paid full-time	0.0319	0.0644	0.0282	0.496	0.6200	
(Constant)	4.0095	0.1540		26.039	0.0000	

Notes: Regression returned an Adjusted R-Square statistic of 0.05039 with an F-stat=4.00701 (Signif F=0.0007); df (regression)=6; df (residual)=334

Conflict of Interest Policy

An important characteristic was, of course, whether the organisation actually has a conflict of interest policy (Table 30): around four in five did (80.5 percent). Large entities, overwhelmingly were far more likely to possess such a policy (90.3 percent) than smaller entities (57.4 percent). Those paid either full-time or part-time were more likely to be in an organisation with a conflict of interest policy in place (90.3 percent). Of volunteer respondents, 74.3 percent had such a policy. The same applied if the entity was structured as a company (91.1 percent with a conflict of interest policy) than a non-company (76.1 percent). As might be expected, there was a strong correlation with those who held to a

conservative conflict of interest position (83.5 percent) as compared to those who viewed conflicts of interest with a more relaxed outlook (just 70.0 percent). Note also that conflicts procedures may be contained in an entity's governing document and that this may explain some of the differences.

Table 30 Whether organisation has a policy in relation to conflict of interest

Response	Aust ALL		UK ALL
Yes	80.5		81.6
No	12.8		13.5
Do not know	6.7		4.9
	Small Entities		Large Entities
Yes	57.4	**	90.3
No	32.7		4.2
Do not know	9.9		5.5
	Aged 18 to 54		Aged 55 and Over
Yes	78.4		81.5
No	11.7		13.4
Do not know	9.9		5.2
	Unpaid		PaidFTPT
Yes	74.3	**	90.3
No	16.0		8.7
Do not know	9.6		1.0
	Religious		Other Than Religious
Yes	70.2		82.2
No	14.9		12.5
Do not know	14.9		5.4
	Company		Non-Company
Yes	91.1	**	76.1
No	4.0		16.5
Do not know	5.0		7.4
	Conservative COI		Relaxed COI
Yes	83.5	*	70.0
No	10.9		20.0
Do not know	5.6		10.0

Notes: Tests the 'Yes' proportion only; One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level; (Chi-Square test of independence).

Declaration of Conflicts of Interest

Related to the above is, of course, the question of just how often a board member may have declared a conflict of interest – or whether an issue (in relation to which a board member had a conflict) was discussed in board meetings. In Table 31 we tested, firstly, the proportions who reported they had *never* declared or discussed a conflict of interest in the past three years; and secondly where it had come up five times or more over the past three years. It was somewhat surprising that one third of the UK sample had never declared or discussed a conflict of interest in the past three years (compared to just 17.9 percent of the Australian sample).

More than one in three respondents from *small* Australian charities had never declared or discussed it (37.6 percent), while this was a feature of only one in ten of the larger entities. As might be expected, it did appear on board agendas five or more times in 40.8 percent of large entities (just 15.8 percent of the smaller ones). Paid respondents were more likely to have seen it five or more times (38.1 percent) than volunteer respondents (27.3 percent). Very few entities structured as companies reported 'never' (7.8 percent – 22.1 percent of all others). The more common reporting of conflicts of interest was also characteristic of respondents who held more cautious views of conflict of interest (39.2 percent), while it was rarer among those with more relaxed views (15.0 percent).

Testing this with regression analysis (Table 32), it was clear that the *larger* the entity, the *more likely* conflicts of interest had been declared or discussed in the past three years; while – perhaps surprisingly – among the *more experienced* respondents, it was *less likely* to have been discussed.

Table 31 Number of occasions in past three years a board member has declared or discussed conflict of interest (Stat tests for 'Never' and 'Five or More Time' only)

Response	Aust ALL		UK ALL
Never	17.9	**	33.9
Less than five times	44.2		45.7
Five to 10 times	21.1		8.9
More than 10 times	12.4		6.6
Do not know	4.3		4.9
Five or More Times	33.5		15.5
	Small Entities		Large Entities
Never	37.6	**	10.0
Less than five times	42.6		45.4
Five to 10 times	10.9		25.8
More than 10 times	5.0		15.0
Do not know	4.0		3.8
Five or More Times	15.8	*	40.8

	Aged 18 to 54		Aged 55 and Over
Never	15.2		18.9
Less than five times	43.8		44.6
Five to 10 times	20.5		21.5
More than 10 times	13.4		12.0
Do not know	7.1		3.0
Five or More Times	33.9		33.5
	Unpaid		PaidFTPT
Never	21.4		16.2
Less than five times	48.1		40.0
Five to 10 times	18.7		22.9
More than 10 times	8.6		15.2
Do not know	3.2		5.7
Five or More Times	27.3	*	38.1
	Religious		Other Than Religious
Never	19.1		17.7
Less than five times	44.7		44.1
Five to 10 times	21.3		21.1
More than 10 times	12.8		12.4
Do not know	2.1		4.7
Five or More Times	34.0		33.4
	Company		Non-Company
Never	7.8	**	22.1
Less than five times	45.1		43.9
Five to 10 times	28.4		18.0
More than 10 times	15.7		11.1
Do not know	2.9		4.9
Five or More Times	44.1		29.1
	Conservative COI		Relaxed COI
Never	16.0		21.7
Less than five times	40.3		60.0
Five to 10 times	23.9		11.7
More than 10 times	15.3		3.3
Do not know	4.5		3.3
Five or More Times	39.2	*	15.0

Notes: Tests the 'Never' proportion (first row of each register), and the 'Five or more times' (last row of each register) only; One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level; (Chi-Square test of independence).

Table 32 (Regression Table) To your knowledge on how many occasions, if any, in the past three years has a board member declared or discussed a conflict of interest?

Variable	Coef	St Error	Beta	t-stat	p-value	Sig
Revenue of Entity	0.2289	0.0378	0.3381	6.049	0.0000	**
Religious Charity	-0.0757	0.1421	-0.0289	-0.533	0.5944	
Age	-0.0029	0.0048	-0.0343	-0.618	0.5372	
How Long Position Held	-0.0192	0.0079	-0.1339	-2.427	0.0158	*
Incorporated Association	-0.1951	0.1024	-0.1069	-1.905	0.0576	
Paid full-time	-0.1262	0.1259	-0.0550	-1.002	0.3169	
(Constant)	1.9812	0.3042		6.513	0.0000	

Notes: Regression returned an Adjusted R-Square statistic of 0.14049 with an F-stat=9.88114 (Signif F=0); df (regression)=6; df (residual)=320

Management of Conflicts of Interest

Managing conflicts of interest is, of course, a crucial issue for all organisations and charities are no exception. The main difference concerned that between smaller and larger charities: in the larger entities, it was far more likely that conflicts of interest were recorded in a conflicts register and far more likely that it was a standing item for board meetings (Table 33).

Table 33 Management of conflicts of interest

(Q20 Where a board member has had a conflict of interest, how often has it been managed in the following ways?)

Likert Item	Aust ALL		UK ALL
The conflicted board member disclosed the conflict to the board.	89.9		91.9
The conflicted board member abstained from participating in discussion on the matter.	67.7		75.3
The conflicted board member abstained from voting on the matter.	86.6		83.7
The conflicted board member or the board sought authority from members.	49.3	*	60.2
The conflict was recorded in the organisation's conflicts register (or register of interests).	78.3		78.6
The board obtained independent expert advice.	5.5		9.9
The conflicted board member resigned.	0.8		2.4
The board sought guidance from the ACNC/guidance or authority from the CCEW	0.4	**	6.3

Disclosure of conflicts of interest is a standing item on the agenda of meetings of the board.	74.1		68.1
	Small Entities		Large Entities
The conflicted board member disclosed the conflict to the board.	88.1		90.7
The conflicted board member abstained from participating in discussion on the matter.	66.1		67.3
The conflicted board member abstained from voting on the matter.	82.8		87.4
The conflicted board member or the board sought authority from members.	58.8		46.6
The conflict was recorded in the organisation's conflicts register (or register of interests).	54.2	**	84.0
The board obtained independent expert advice.	6.0		5.5
The conflicted board member resigned.	4.0	**	0.0
The board sought guidance from the ACNC	2.0		0.0
Disclosure of conflicts of interest is a standing item on the agenda of meetings of the board.	41.4	**	82.7
	Aged 18 to 54		Aged 55 and Over
The conflicted board member disclosed the conflict to the board.	88.6		90.5
The conflicted board member abstained from participating in discussion on the matter.	63.2		69.9
The conflicted board member abstained from voting on the matter.	80.2	*	89.7
The conflicted board member or the board sought authority from members.	48.6		49.7
The conflict was recorded in the organisation's conflicts register (or register of interests).	76.6		79.1
The board obtained independent expert advice.	8.1		4.3
The conflicted board member resigned.	0.0		1.2
The board sought guidance from the ACNC	0.0		0.6
Disclosure of conflicts of interest is a standing item on the agenda of meetings of the board.	74.2		74.0
	Unpaid		PaidFTPT
The conflicted board member disclosed the conflict to the board.	90.5		89.0
The conflicted board member abstained from participating in discussion on the matter.	66.9		64.2
The conflicted board member abstained from voting on the matter.	88.1		81.3
The conflicted board member or the board sought authority from members.	52.1		45.6
The conflict was recorded in the organisation's conflicts register (or register of interests).	71.7	*	87.0
The board obtained independent expert advice.	5.0		8.1
The conflicted board member resigned.	0.8		0.0

The board sought guidance from the ACNC	0.0		1.4
Disclosure of conflicts of interest is a standing item on the agenda of meetings of the board.	70.2		77.8
	Religious		Other Than Religious
The conflicted board member disclosed the conflict to the board.	94.4		89.2
The conflicted board member abstained from participating in discussion on the matter.	71.4		67.1
The conflicted board member abstained from voting on the matter.	91.4		85.8
The conflicted board member or the board sought authority from members.	58.1		48.0
The conflict was recorded in the organisation's conflicts register (or register of interests).	80.6		78.0
The board obtained independent expert advice.	5.9		5.5
The conflicted board member resigned.	0.0		1.0
The board sought guidance from the ACNC	0.0		0.5
Disclosure of conflicts of interest is a standing item on the agenda of meetings of the board.	63.9		75.6
	Company		Non-Company
The conflicted board member disclosed the conflict to the board.	95.6	*	86.9
The conflicted board member abstained from participating in discussion on the matter.	66.3		68.4
The conflicted board member abstained from voting on the matter.	86.4		86.7
The conflicted board member or the board sought authority from members.	42.3		53.0
The conflict was recorded in the organisation's conflicts register (or register of interests).	83.1		75.8
The board obtained independent expert advice.	3.8		6.5
The conflicted board member resigned.	1.2		0.6
The board sought guidance from the ACNC	1.3		0.0
Disclosure of conflicts of interest is a standing item on the agenda of meetings of the board.	81.5	*	70.2
	Conservative COI		Relaxed COI
The conflicted board member disclosed the conflict to the board.	91.2		86.7
The conflicted board member abstained from participating in discussion on the matter.	71.8	**	51.2
The conflicted board member abstained from voting on the matter.	88.2		81.4
The conflicted board member or the board sought authority from members.	49.7		48.6
The conflict was recorded in the organisation's conflicts register (or register of interests).	80.5		70.7

The board obtained independent expert advice.	6.3		2.7
The conflicted board member resigned.	1.0		0.0
The board sought guidance from the ACNC	0.5		0.0
Disclosure of conflicts of interest is a standing item on the agenda of meetings of the board.	76.7		68.2

Notes: Tests the sum of 'Always' and 'Frequently'; One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level; (Chi-Square test of independence).

Table 34 reports outlines responses to what factors loom large when determining how a conflict of interest should be managed. Only the difference between religious and secular organisations showed a marked differential in the conflicts management items.

All eight items loaded highly on the Principal Components Analysis (Table 35), and the subsequent regression (Table 36) confirmed the overall effect of religious charity status: the negative and statistically significant t-stat established that attention to conflicts of interest and reputation matters are of reduced consequence within religious charities.

Table 34 Importance of factors in determining how a conflict of interest should be managed

(Q21 Please indicate how important the following factors are, in your opinion, in determining how a conflict of interest should be managed.)

Likert Item	Aust ALL		UK ALL
Whether the conflict is serious or minor	78.5		75.1
The extent to which the conflict affects the board member's ability to decide the matter in the best interests of the organisation	94.2		92.2
Whether the conflicted board member or an associated person or organisation stands to gain a benefit	93.6		95.6
The provisions in the organisation's conflicts of interest policy or governing document	86.1		86.0
Whether there is a perception of conflict (in the sense of whether an outsider or member of the public might think that the decision might be affected by the conflict of interest)	91.2		89.1
Whether the conflict will affect the charity's reputation	93.0		93.6
Whether the conflict could affect trust or free discussion between board members	94.8		91.4
Whether the conflicted board member is regularly affected by this conflict of interest	83.8		77.7
	Small Entities		Large Entities
Whether the conflict is serious or minor	80.6		78.5
The extent to which the conflict affects the board member's ability to decide the matter in the best interests of the organisation	93.7		94.7

Whether the conflicted board member or an associated person or organisation stands to gain a benefit	93.6		93.9
The provisions in the organisation's conflicts of interest policy or governing document	81.1		88.3
Whether there is a perception of conflict (in the sense of whether an outsider or member of the public might think that the decision might be affected by the conflict of interest)	87.4		93.0
Whether the conflict will affect the charity's reputation	90.5		93.9
Whether the conflict could affect trust or free discussion between board members	93.6		95.2
Whether the conflicted board member is regularly affected by this conflict of interest	79.8		85.2
	Aged 18 to 54		Aged 55 and Over
Whether the conflict is serious or minor	80.4		78.0
The extent to which the conflict affects the board member's ability to decide the matter in the best interests of the organisation	98.1	*	92.3
Whether the conflicted board member or an associated person or organisation stands to gain a benefit	95.3		92.8
The provisions in the organisation's conflicts of interest policy or governing document	89.7		84.2
Whether there is a perception of conflict (in the sense of whether an outsider or member of the public might think that the decision might be affected by the conflict of interest)	92.5		91.0
Whether the conflict will affect the charity's reputation	96.3		91.4
Whether the conflict could affect trust or free discussion between board members	93.5		95.5
Whether the conflicted board member is regularly affected by this conflict of interest	86.8		82.4
	Unpaid		PaidFTPT
Whether the conflict is serious or minor	77.6		78.0
The extent to which the conflict affects the board member's ability to decide the matter in the best interests of the organisation	92.0		97.0
Whether the conflicted board member or an associated person or organisation stands to gain a benefit	93.8		93.1
The provisions in the organisation's conflicts of interest policy or governing document	83.1		91.1
Whether there is a perception of conflict (in the sense of whether an outsider or member of the public might think that the decision might be affected by the conflict of interest)	87.6	*	95.1
Whether the conflict will affect the charity's reputation	92.6		93.1
Whether the conflict could affect trust or free discussion between board members	93.8		96.0

Whether the conflicted board member is regularly affected by this conflict of interest	79.1	*	90.9
	Religious		Other Than Religious
Whether the conflict is serious or minor	70.2		79.9
The extent to which the conflict affects the board member's ability to decide the matter in the best interests of the organisation	89.4		95.0
Whether the conflicted board member or an associated person or organisation stands to gain a benefit	85.1	**	95.0
The provisions in the organisation's conflicts of interest policy or governing document	76.6	*	87.6
Whether there is a perception of conflict (in the sense of whether an outsider or member of the public might think that the decision might be affected by the conflict of interest)	85.1		92.2
Whether the conflict will affect the charity's reputation	83.0	**	94.7
Whether the conflict could affect trust or free discussion between board members	89.4		95.7
Whether the conflicted board member is regularly affected by this conflict of interest	72.3	*	85.8
	Company		Non-Company
Whether the conflict is serious or minor	78.8		78.4
The extent to which the conflict affects the board member's ability to decide the matter in the best interests of the organisation	93.0		94.7
Whether the conflicted board member or an associated person or organisation stands to gain a benefit	92.0		94.3
The provisions in the organisation's conflicts of interest policy or governing document	86.0		86.1
Whether there is a perception of conflict (in the sense of whether an outsider or member of the public might think that the decision might be affected by the conflict of interest)	90.0		91.7
Whether the conflict will affect the charity's reputation	93.0		93.0
Whether the conflict could affect trust or free discussion between board members	93.9		95.2
Whether the conflicted board member is regularly affected by this conflict of interest	82.8		84.3
	Conservative COI		Relaxed COI
Whether the conflict is serious or minor	79.1		78.3
The extent to which the conflict affects the board member's ability to decide the matter in the best interests of the organisation	94.7		95.0

Whether the conflicted board member or an associated person or organisation stands to gain a benefit	93.3		98.3
The provisions in the organisation's conflicts of interest policy or governing document	88.4	*	78.3
Whether there is a perception of conflict (in the sense of whether an outsider or member of the public might think that the decision might be affected by the conflict of interest)	93.3	*	85.0
Whether the conflict will affect the charity's reputation	93.6		93.3
Whether the conflict could affect trust or free discussion between board members	95.8		95.0
Whether the conflicted board member is regularly affected by this conflict of interest	85.3		81.4

Notes: Tests the sum of 'Very Important' and 'Fairly Important'; One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level; (Chi-Square test of independence).

Table 35 Perception trust and reputation scale (Q21)

Whether the conflict is serious or minor
The extent to which the conflict affects the board member's ability to decide the matter in the best interests of the organisation
Whether the conflicted board member or an associated person or organisation stands to gain a benefit
The provisions in the organisation's conflicts of interest policy or governing document
Whether there is a perception of conflict (in the sense of whether an outsider or member of the public might think that the decision might be affected by the conflict of interest)
Whether the conflict will affect the charity's reputation
Whether the conflict could affect trust or free discussion between board members
Whether the conflicted board member is regularly affected by this conflict of interest

Notes: Standardised Cronbach Alpha=0.8036

Table 36 (Regression Table) Perception trust and reputation scale (Q21)

Variable	Coef	St Error	Beta	t-stat	p-value	Sig
Revenue of Entity	0.0196	0.0229	0.0515	0.856	0.3926	
Religious Charity	-0.2408	0.0839	-0.1657	-2.872	0.0044	**
Age	0.0010	0.0028	0.0209	0.351	0.7255	
How Long Position Held	-0.0038	0.0048	-0.0473	-0.801	0.4236	
Incorporated Association	0.1008	0.0614	0.0984	1.641	0.1019	
Paid full-time	0.0264	0.0748	0.0208	0.353	0.7246	

(Constant)	4.4010	0.1784		24.666	0.0000	
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Notes: Regression returned an Adjusted R-Square statistic of 0.02958 with an F-stat=2.64102 (Signif F=0.0163);
df (regression)=6; df (residual)=317

Relationships

Table 37 reports results from a question about whether a benefit to certain persons or organisations might constitute a conflict of interest. Other than 'the football team you support' (Row 5 in each register), respondents were – theoretically at least – aware that if a financial benefit went to a close relative or associate of a board member then it constituted a conflict of interest. Differences were few between demographic groups but perhaps more noticeable between large and small entities (second register). It was this series which formed the basis of determining whether a respondent held a 'conservative' view of conflicts of interest (if they agreed with ten or more of the twelve items) or 'relaxed' (zero to nine ticked). Even when we averaged the number of items ticked (first and third rows of each register in Table 38) or calculated the percentage of those who ticked all items (second and fourth row of each register), there were no statistically significant differences. Overall, with the possible exception of differences between large and small entities, there were no great differences among respondents as to what constituted conflict of interest.

Table 37 Which relationship/entity classifies as a conflict of interest if committing the organisation to a transaction in which they benefit

(Q22 Which of the following would you classify as a conflict of interest? You are committing your organisation to a transaction which results in a benefit to . . .)

Relationship/Situation	Aust ALL		UK ALL
Your sibling	99.1		98.3
Your spouse	99.1		99.3
Your friend	92.6		89.4
Your nephew	96.6		93.5
The football team you support	56.3	*	47.8
Another entity whose board you serve on	95.7		97.3
Another entity of which you are a member	84.1		84.7
Your daughter	98.8		99.0
Your daughter's boyfriend	93.6	*	88.4
The person or organisation that appointed you	79.1		81.7
Your employer	85.7		90.4
A business in which you are an investor	95.1		95.2
	Small Entities		Large Entities
Your sibling	97.8		99.6
Your spouse	97.8		99.6
Your friend	92.4		93.0
Your nephew	95.6		97.4
The football team you support	57.1		55.5
Another entity whose board you serve on	96.7		95.2

Another entity of which you are a member	83.1		84.6
Your daughter	96.8	*	99.6
Your daughter's boyfriend	88.0	*	95.7
The person or organisation that appointed you	69.2	**	82.6
Your employer	85.6		85.5
A business in which you are an investor	94.5		95.2
	Aged 18 to 54		Aged 55 and Over
Your sibling	98.1		99.5
Your spouse	98.1		99.5
Your friend	88.7		94.5
Your nephew	95.3		97.3
The football team you support	47.1	*	60.6
Another entity whose board you serve on	97.2		95.0
Another entity of which you are a member	85.7		83.3
Your daughter	98.1		99.1
Your daughter's boyfriend	95.3		92.7
The person or organisation that appointed you	75.5		80.8
Your employer	83.0		87.0
A business in which you are an investor	97.2		94.0
	Unpaid		PaidFTPT
Your sibling	98.9		100.0
Your spouse	98.9		100.0
Your friend	92.5		92.0
Your nephew	97.1		98.0
The football team you support	59.5		53.5
Another entity whose board you serve on	96.5		94.0
Another entity of which you are a member	83.5		81.8
Your daughter	98.3		100.0
Your daughter's boyfriend	92.0	*	98.0
The person or organisation that appointed you	82.8		74.0
Your employer	91.8	**	78.0
A business in which you are an investor	95.9		93.0
	Religious		Other Than Religious
Your sibling	100.0		98.9
Your spouse	100.0		98.9
Your friend	91.1		92.9
Your nephew	95.6		96.8
The football team you support	52.3		57.0
Another entity whose board you serve on	95.5		95.7
Another entity of which you are a member	84.1		84.1
Your daughter	100.0		98.6
Your daughter's boyfriend	95.6		93.3
The person or organisation that appointed you	73.3		80.1
Your employer	88.4		85.3
A business in which you are an investor	97.7		94.6

	Company		Non-Company
Your sibling	100.0		98.7
Your spouse	99.0		99.1
Your friend	97.0	*	90.7
Your nephew	98.0		96.0
The football team you support	51.0		58.7
Another entity whose board you serve on	96.0		95.6
Another entity of which you are a member	87.9		82.4
Your daughter	99.0		98.7
Your daughter's boyfriend	95.0		93.0
The person or organisation that appointed you	81.0		78.3
Your employer	83.0		86.9
A business in which you are an investor	96.0		94.6

Notes: All items tested; Tests whether the item was ticked or not; One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level; (Chi-Square test of independence).

Table 38 Which relationship/entity classifies as a conflict of interest if committing the organisation to a transaction in which they benefit (Average of items; and percentage ticking ALL items)

(Q22 Which of the following would you classify as a conflict of interest? You are committing your organisation to a transaction which results in a benefit to (Q22 Conflict of Interest Awareness Indices)

	Aust ALL	UK ALL
COI (Average of 12 items)	10.7	10.6
All 12 (correctly) have a COI [percent]	41.5	38.4
COI (Average of 11 items)	10.1	10.1
All 11 (correctly) have a COI [percent] (excl Footy Club)	60.1	59.5
	Small Entities	Large Entities
COI (Average of 12 items)	10.4	10.8
All 12 (correctly) have a COI [percent]	39.8	41.3
COI (Average of 11 items)	9.8	10.2
All 11 (correctly) have a COI [percent] (excl Footy Club)	51.6	63.0
	Aged 18 to 54	Aged 55 and Over
COI (Average of 12 items)	10.6	10.7
All 12 (correctly) have a COI [percent]	34.0	44.8
COI (Average of 11 items)	10.1	10.1
All 11 (correctly) have a COI [percent] (excl Footy Club)	59.4	60.2
	Unpaid	PaidFTPT
COI (Average of 12 items)	10.8	10.5
All 12 (correctly) have a COI [percent]	45.7	37.6
COI (Average of 11 items)	10.2	10.0
All 11 (correctly) have a COI [percent] (excl Footy Club)	63.4	55.4

	Religious	Other Than Religious
COI (Average of 12 items)	10.5	10.7
All 12 (correctly) have a COI [percent]	30.4	43.3
COI (Average of 11 items)	10.0	10.1
All 11 (correctly) have a COI [percent] (excl Footy Club)	56.5	60.6
	Company	Non-Company
COI (Average of 12 items)	10.8	10.6
All 12 (correctly) have a COI [percent]	36.0	43.9
COI (Average of 11 items)	10.3	10.0
All 11 (correctly) have a COI [percent] (excl Footy Club)	65.0	57.9

Notes: First and third rows in each register are tested with a t-test; second and fourth rows with a Chi-Square test of independence. No items statistically significant.

Hypothetical Scenarios

The final three questions presented hypothetical scenarios where respondents determined the nature of possible conflict of interest infringements. The three situations cover an indirect financial benefit, a non-pecuniary benefit and a direct financial benefit.

In the case of an indirect financial benefit (Table 39), there was very little difference across the demographics. In the case of a non-pecuniary benefit (Table 40), the differences were quite marked between younger and older respondents: the latter much more reticent to see issues with non-pecuniary favours toward relatives or associates of board members. This was also borne out by the difference between those who held a conservative or relaxed attitude to conflicts of interest (as measured theoretically from Table 37): in effect, they were only being quite consistent when presented with a hypothetical situation such as in Table 40.

Finally, in the case of a direct financial benefit (Table 41), there was little argument and little difference between the demographic groups.

Table 39 Hypothetical example on conflict of interest I

Rachel is a CEO of 'Rising Suns', a charity that runs ballet classes for children with mental health issues. The windows of the charity's premises have been badly damaged in a thunderstorm. Rachel's de facto partner, Zac, runs a successful window company. Rachel has no involvement in the company. The board is considering whether to engage Zac's company to fix the windows. The charity obtains three quotes from window companies, including one from Zac's company. Please indicate which of the following statements you agree with.

Item to agree or disagree	Aust ALL		UK ALL
Rachel should declare a conflict of interest.	99.1		100.0
Rachel should abstain from being involved in discussions and voting.	94.2		94.8

Rachel does not have a conflict of interest because she does not have a direct interest in Zac's company – she can therefore participate in the decision.	3.7		5.2
If Zac's company provides the lowest quote, then the contract is on arm's length terms and there is no need for Rachel to declare a conflict.	3.4	**	8.7
It depends on other factors - more information is needed to make a decision on this scenario.	33.0		35.6
	Small Entities		Large Entities
Rachel should declare a conflict of interest.	98.9		99.1
Rachel should abstain from being involved in discussions and voting.	90.3		95.6
Rachel does not have a conflict of interest because she does not have a direct interest in Zac's company – she can therefore participate in the decision.	5.4		2.7
If Zac's company provides the lowest quote, then the contract is on arm's length terms and there is no need for Rachel to declare a conflict.	4.3		2.7
It depends on other factors - more information is needed to make a decision on this scenario.	34.1		32.4
	Aged 18 to 54		Aged 55 and Over
Rachel should declare a conflict of interest.	98.1		99.5
Rachel should abstain from being involved in discussions and voting.	93.3		94.5
Rachel does not have a conflict of interest because she does not have a direct interest in Zac's company – she can therefore participate in the decision.	4.8		3.2
If Zac's company provides the lowest quote, then the contract is on arm's length terms and there is no need for Rachel to declare a conflict.	2.9		3.7
It depends on other factors - more information is needed to make a decision on this scenario.	42.2	*	28.8
	Unpaid		Paid/FTPT
Rachel should declare a conflict of interest.	100.0		99.0
Rachel should abstain from being involved in discussions and voting.	94.8		93.1
Rachel does not have a conflict of interest because she does not have a direct interest in Zac's company – she can therefore participate in the decision.	2.3		2.0
If Zac's company provides the lowest quote, then the contract is on arm's length terms and there is no need for Rachel to declare a conflict.	2.9		2.0
It depends on other factors - more information is needed to make a decision on this scenario.	32.7		35.1
	Religious		Other Than Religious

Rachel should declare a conflict of interest.	100.0		98.9
Rachel should abstain from being involved in discussions and voting.	93.6		94.2
Rachel does not have a conflict of interest because she does not have a direct interest in Zac's company – she can therefore participate in the decision.	2.1		4.0
If Zac's company provides the lowest quote, then the contract is on arm's length terms and there is no need for Rachel to declare a conflict.	2.2		3.6
It depends on other factors - more information is needed to make a decision on this scenario.	27.7		34.0
	Company		Non-Company
Rachel should declare a conflict of interest.	100.0		98.7
Rachel should abstain from being involved in discussions and voting.	96.0		93.4
Rachel does not have a conflict of interest because she does not have a direct interest in Zac's company – she can therefore participate in the decision.	4.1		3.5
If Zac's company provides the lowest quote, then the contract is on arm's length terms and there is no need for Rachel to declare a conflict.	3.1		3.6
It depends on other factors - more information is needed to make a decision on this scenario.	36.5		31.5
	Conservative COI		Relaxed COI
Rachel should declare a conflict of interest.	99.2		98.3
Rachel should abstain from being involved in discussions and voting.	94.7		91.5
Rachel does not have a conflict of interest because she does not have a direct interest in Zac's company – she can therefore participate in the decision.	3.8		3.4
If Zac's company provides the lowest quote, then the contract is on arm's length terms and there is no need for Rachel to declare a conflict.	3.4		3.4
It depends on other factors - more information is needed to make a decision on this scenario.	31.6		37.9

Notes: All items tested; Tests whether the item was 'Agreed' or not; One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level; (Chi-Square test of independence).

Table 40 Hypothetical example on conflict of interest II

The charity, 'Listening for Life', has decided that it should seek the services of additional counsellors. Caroline is a board member of Listening for Life. Her brother, Edgar, provides counselling to individuals affected by suicide. During a board meeting Caroline offers to ask Edgar to provide counselling services to the charity for free. Although Edgar will not be paid for the counselling services he provides, he will benefit from the practice hours, which will go towards his course accreditation. Please indicate which of the following statements you agree with.

Item to agree or disagree	Aust ALL		UK ALL
Caroline has a conflict of interest.	87.3		83.2
Caroline does not have a conflict of interest because the charity is getting something for free.	10.8		14.6
Caroline does not have a conflict of interest because she is not getting any benefit personally.	14.2		16.8
Caroline does not have a conflict of interest because a potential benefit to Edgar is unlikely to affect her decision-making.	14.2		18.5
Caroline does not have a conflict of interest because there is no financial benefit involved.	13.6		13.7
A member of the public might perceive that Caroline has a conflict and she should therefore declare the conflict of interest.	92.4	*	86.8
	Small Entities		Large Entities
Caroline has a conflict of interest.	82.4		89.4
Caroline does not have a conflict of interest because the charity is getting something for free.	12.5		9.4
Caroline does not have a conflict of interest because she is not getting any benefit personally.	18.2		12.1
Caroline does not have a conflict of interest because a potential benefit to Edgar is unlikely to affect her decision-making.	15.9		13.0
Caroline does not have a conflict of interest because there is no financial benefit involved.	21.6	**	9.8
A member of the public might perceive that Caroline has a conflict and she should therefore declare the conflict of interest.	89.8		93.8
	Aged 18 to 54		Aged 55 and Over
Caroline has a conflict of interest.	91.3		85.3
Caroline does not have a conflict of interest because the charity is getting something for free.	5.8	*	13.2
Caroline does not have a conflict of interest because she is not getting any benefit personally.	8.7	*	17.0
Caroline does not have a conflict of interest because a potential benefit to Edgar is unlikely to affect her decision-making.	7.8	*	17.5
Caroline does not have a conflict of interest because there is no financial benefit involved.	7.8	*	16.4
A member of the public might perceive that Caroline has a conflict and she should therefore declare the conflict of interest.	97.1	*	90.1
	Unpaid		PaidFTPT
Caroline has a conflict of interest.	87.8		86.1
Caroline does not have a conflict of interest because the charity is getting something for free.	10.7		10.2
Caroline does not have a conflict of interest because she is not getting any benefit personally.	16.0		11.2

Caroline does not have a conflict of interest because a potential benefit to Edgar is unlikely to affect her decision-making.	15.4		12.2
Caroline does not have a conflict of interest because there is no financial benefit involved.	15.4		8.2
A member of the public might perceive that Caroline has a conflict and she should therefore declare the conflict of interest.	91.7		93.9
	Religious		Other Than Religious
Caroline has a conflict of interest.	93.5		86.3
Caroline does not have a conflict of interest because the charity is getting something for free.	6.7		11.4
Caroline does not have a conflict of interest because she is not getting any benefit personally.	8.9		15.1
Caroline does not have a conflict of interest because a potential benefit to Edgar is unlikely to affect her decision-making.	8.9		15.1
Caroline does not have a conflict of interest because there is no financial benefit involved.	4.4		15.1
A member of the public might perceive that Caroline has a conflict and she should therefore declare the conflict of interest.	95.6		91.9
	Company		Non-Company
Caroline has a conflict of interest.	89.0		86.5
Caroline does not have a conflict of interest because the charity is getting something for free.	6.2		12.8
Caroline does not have a conflict of interest because she is not getting any benefit personally.	9.2		16.5
Caroline does not have a conflict of interest because a potential benefit to Edgar is unlikely to affect her decision-making.	11.2		15.6
Caroline does not have a conflict of interest because there is no financial benefit involved.	6.1	**	16.9
A member of the public might perceive that Caroline has a conflict and she should therefore declare the conflict of interest.	94.9		91.3
	Conservative COI		Relaxed COI
Caroline has a conflict of interest.	90.9	**	71.2
Caroline does not have a conflict of interest because the charity is getting something for free.	8.1	**	22.8
Caroline does not have a conflict of interest because she is not getting any benefit personally.	11.6	**	26.3
Caroline does not have a conflict of interest because a potential benefit to Edgar is unlikely to affect her decision-making.	11.6	**	26.3
Caroline does not have a conflict of interest because there is no financial benefit involved.	11.2	**	24.6

A member of the public might perceive that Caroline has a conflict and she should therefore declare the conflict of interest.	94.2	*	84.5
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Notes: All items tested; Tests whether the item was 'Agreed' or not; One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level; (Chi-Square test of independence).

Table 41 Hypothetical example on conflict of interest III

The charity 'Teachers for Change' requires specialist advice on hiring casual teachers. One of the charity board members, Tran, is an expert in relation to hiring casual teachers and runs a successful company which advises on this issue. The board of the charity decides to engage Tran's company to provide expert advice. Tran's company is one of a number of companies that specialise in the area and it provides the expert advice at the going rate. Please indicate which of the following statements you agree with.

Item to agree or disagree	Aust ALL		UK ALL
There is nothing that Tran needs to do because the advice is provided at the going rate – there is therefore no conflict of interest that needs to be declared.	3.2		4.0
It is enough for Tran to enter her involvement in her company in the charity's register of interests.	23.2		22.3
The charity should get quotes from at least two other companies to determine which is the best value.	94.3		96.4
Tran should declare her interest in her company at the meeting at which the charity's board decides which company to engage to provide the services	97.2		98.2
Tran should withdraw from discussion during the meeting.	81.5		81.7
Tran should not vote on the decision as to which company is engaged to provide the services.	97.8		97.5
It would be helpful to have Tran's insight and thoughts during the board meeting at which the decision is made as to which company to engage to provide the services - Tran should therefore participate but she should not vote.	50.5	*	60.0
It depends on other factors - more information is needed to make a decision on this scenario.	36.4		40.8
	Small Entities		Large Entities
There is nothing that Tran needs to do because the advice is provided at the going rate – there is therefore no conflict of interest that needs to be declared.	3.4		2.3
It is enough for Tran to enter her involvement in her company in the charity's register of interests.	29.5		20.3
The charity should get quotes from at least two other companies to determine which is the best value.	85.6	**	97.7
Tran should declare her interest in her company at the meeting at which the charity's board decides which company to engage to provide the services	98.9		96.4

Tran should withdraw from discussion during the meeting.	85.4		79.5
Tran should not vote on the decision as to which company is engaged to provide the services.	97.8		97.7
It would be helpful to have Tran's insight and thoughts during the board meeting at which the decision is made as to which company to engage to provide the services - Tran should therefore participate but she should not vote.	46.1		52.1
It depends on other factors - more information is needed to make a decision on this scenario.	35.4		36.3
	Aged 18 to 54		Aged 55 and Over
There is nothing that Tran needs to do because the advice is provided at the going rate – there is therefore no conflict of interest that needs to be declared.	2.9		3.3
It is enough for Tran to enter her involvement in her company in the charity's register of interests.	26.5		21.7
The charity should get quotes from at least two other companies to determine which is the best value.	94.1		94.3
Tran should declare her interest in her company at the meeting at which the charity's board decides which company to engage to provide the services	95.1		98.1
Tran should withdraw from discussion during the meeting.	77.5		83.4
Tran should not vote on the decision as to which company is engaged to provide the services.	97.1		98.1
It would be helpful to have Tran's insight and thoughts during the board meeting at which the decision is made as to which company to engage to provide the services - Tran should therefore participate but she should not vote.	48.0		51.4
It depends on other factors - more information is needed to make a decision on this scenario.	39.0		35.3
	Unpaid		PaidFTPT
There is nothing that Tran needs to do because the advice is provided at the going rate – there is therefore no conflict of interest that needs to be declared.	2.4		3.1
It is enough for Tran to enter her involvement in her company in the charity's register of interests.	21.5		25.5
The charity should get quotes from at least two other companies to determine which is the best value.	93.4		94.9
Tran should declare her interest in her company at the meeting at which the charity's board decides which company to engage to provide the services	97.6		97.0
Tran should withdraw from discussion during the meeting.	80.4		80.4
Tran should not vote on the decision as to which company is engaged to provide the services.	97.6		98.0

It would be helpful to have Tran's insight and thoughts during the board meeting at which the decision is made as to which company to engage to provide the services - Tran should therefore participate but she should not vote.	46.7		53.6
It depends on other factors - more information is needed to make a decision on this scenario.	33.6		38.5
	Religious		Other Than Religious
There is nothing that Tran needs to do because the advice is provided at the going rate – there is therefore no conflict of interest that needs to be declared.	2.3		3.3
It is enough for Tran to enter her involvement in her company in the charity's register of interests.	22.7		23.3
The charity should get quotes from at least two other companies to determine which is the best value.	97.7		93.7
Tran should declare her interest in her company at the meeting at which the charity's board decides which company to engage to provide the services	97.7		97.1
Tran should withdraw from discussion during the meeting.	72.1		83.0
Tran should not vote on the decision as to which company is engaged to provide the services.	95.5		98.2
It would be helpful to have Tran's insight and thoughts during the board meeting at which the decision is made as to which company to engage to provide the services - Tran should therefore participate but she should not vote.	51.2		50.4
It depends on other factors - more information is needed to make a decision on this scenario.	16.3	**	39.9
	Company		Non-Company
There is nothing that Tran needs to do because the advice is provided at the going rate – there is therefore no conflict of interest that needs to be declared.	4.1		2.8
It is enough for Tran to enter her involvement in her company in the charity's register of interests.	18.8		25.2
The charity should get quotes from at least two other companies to determine which is the best value.	91.8		95.4
Tran should declare her interest in her company at the meeting at which the charity's board decides which company to engage to provide the services	94.9		98.2
Tran should withdraw from discussion during the meeting.	76.5		83.8
Tran should not vote on the decision as to which company is engaged to provide the services.	98.0		97.7
It would be helpful to have Tran's insight and thoughts during the board meeting at which the decision is made as to which company to engage to	55.8		48.1

provide the services - Tran should therefore participate but she should not vote.			
It depends on other factors - more information is needed to make a decision on this scenario.	44.3		33.0
	Conservative COI		Relaxed COI
There is nothing that Tran needs to do because the advice is provided at the going rate – there is therefore no conflict of interest that needs to be declared.	3.1		3.6
It is enough for Tran to enter her involvement in her company in the charity's register of interests.	17.6	**	49.1
The charity should get quotes from at least two other companies to determine which is the best value.	95.0		91.2
Tran should declare her interest in her company at the meeting at which the charity's board decides which company to engage to provide the services	96.5		100.0
Tran should withdraw from discussion during the meeting.	83.0		74.5
Tran should not vote on the decision as to which company is engaged to provide the services.	97.7		98.2
It would be helpful to have Tran's insight and thoughts during the board meeting at which the decision is made as to which company to engage to provide the services - Tran should therefore participate but she should not vote.	49.8		53.6
It depends on other factors - more information is needed to make a decision on this scenario.	34.0		47.2

Notes: All items tested; Tests whether the item was 'Agreed' or not; One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level; (Chi-Square test of independence).

Scales

Table 42 presents results of t-tests between demographic pairs for each of the eleven scales discussed above. They are useful for determining whether there are broad differences between the scales (averages of multiple items). Generally speaking, it is advisable to use these in conjunction with the regression results discussed elsewhere in the paper, but in some cases the regressions do not have the power to discern differences (ie. where they have violated the F-test), so we list the t-test results below. In effect, Table 42 can serve as an overall summary of results.

In broad terms, we can be certain that views and attitudes (and practices) exists between the Australian and UK samples (first register of Table 42) and exist across the board. The same is true of contrast between those who hold conservative and those who hold relaxed views of conflict of interest (bottom register). Substantial differences are also apparent between younger and older aged groups, and between respondents from religious and secular entities. Less so, but still notable, are the differences between respondents answering for smaller and larger entities.

Table 42 General scales

General scales	Aust ALL		UK ALL
Clear Governance and Responsibilities Scale (Q12)	4.2		4.2
Lack of Awareness of Understanding Scale (Q13)	1.8		1.8
Tools and Assistance Would be Helpful Scale (Q15)	4.0	**	3.8
Desire for Practical Help and Mentoring Scale (Q15)	3.7	**	3.4
Law and Optimisation Scale (Q16)	4.7	**	4.6
Concern for Personal Liability and Reputation Scale (Q16)	4.5	**	4.3
Favour Disclose and Abstain Scale (Q20)	4.3		4.4
Sought Advice and Guidance Scale (Q20)	1.4	*	1.6
Perception Trust and Reputation Scale (Q21)	4.5		4.5
Close Associates Scale (Q22)	0.9	*	0.9
Business and Board Scale (Q22)	0.9		0.9
General scales	Small Entities		Large Entities
Clear Governance and Responsibilities Scale (Q12)	4.1	**	4.3
Lack of Awareness of Understanding Scale (Q13)	2.0	*	1.8
Tools and Assistance Would be Helpful Scale (Q15)	4.0		4.0
Desire for Practical Help and Mentoring Scale (Q15)	3.6		3.7
Law and Optimisation Scale (Q16)	4.6	**	4.8
Concern for Personal Liability and Reputation Scale (Q16)	4.4		4.5
Favour Disclose and Abstain Scale (Q20)	4.1		4.3
Sought Advice and Guidance Scale (Q20)	1.4		1.5
Perception Trust and Reputation Scale (Q21)	4.5		4.5
Close Associates Scale (Q22)	0.9		1.0
Business and Board Scale (Q22)	0.9		0.9
General scales	Aged 18 to 54		Aged 55 and Over
Clear Governance and Responsibilities Scale (Q12)	4.1		4.3
Lack of Awareness of Understanding Scale (Q13)	2.0	*	1.8
Tools and Assistance Would be Helpful Scale (Q15)	4.1	*	3.9
Desire for Practical Help and Mentoring Scale (Q15)	3.8	**	3.6
Law and Optimisation Scale (Q16)	4.6	*	4.8
Concern for Personal Liability and Reputation Scale (Q16)	4.5		4.4
Favour Disclose and Abstain Scale (Q20)	4.1		4.3
Sought Advice and Guidance Scale (Q20)	1.5		1.4
Perception Trust and Reputation Scale (Q21)	4.5		4.5
Close Associates Scale (Q22)	0.9		0.9
Business and Board Scale (Q22)	0.9		0.9
General scales	Unpaid		PaidFTPT
Clear Governance and Responsibilities Scale (Q12)	4.2	**	4.4
Lack of Awareness of Understanding Scale (Q13)	1.8		1.9

Tools and Assistance Would be Helpful Scale (Q15)	4.0		4.0
Desire for Practical Help and Mentoring Scale (Q15)	3.6		3.7
Law and Optimisation Scale (Q16)	4.7		4.8
Concern for Personal Liability and Reputation Scale (Q16)	4.5		4.5
Favour Disclose and Abstain Scale (Q20)	4.2		4.3
Sought Advice and Guidance Scale (Q20)	1.4	*	1.6
Perception Trust and Reputation Scale (Q21)	4.5		4.6
Close Associates Scale (Q22)	0.9		1.0
Business and Board Scale (Q22)	0.9		0.9
General scales	Religious		Other Than Religious
Clear Governance and Responsibilities Scale (Q12)	4.0	**	4.3
Lack of Awareness of Understanding Scale (Q13)	2.1	*	1.8
Tools and Assistance Would be Helpful Scale (Q15)	3.9		4.0
Desire for Practical Help and Mentoring Scale (Q15)	3.6		3.7
Law and Optimisation Scale (Q16)	4.7		4.7
Concern for Personal Liability and Reputation Scale (Q16)	4.1	**	4.5
Favour Disclose and Abstain Scale (Q20)	4.3		4.3
Sought Advice and Guidance Scale (Q20)	1.5		1.4
Perception Trust and Reputation Scale (Q21)	4.3	*	4.6
Close Associates Scale (Q22)	0.9		0.9
Business and Board Scale (Q22)	0.9		0.9
General scales	Company		Non-Company
Clear Governance and Responsibilities Scale (Q12)	4.4	**	4.2
Lack of Awareness of Understanding Scale (Q13)	1.7	**	1.9
Tools and Assistance Would be Helpful Scale (Q15)	4.0		4.0
Desire for Practical Help and Mentoring Scale (Q15)	3.7		3.7
Law and Optimisation Scale (Q16)	4.7		4.7
Concern for Personal Liability and Reputation Scale (Q16)	4.4		4.5
Favour Disclose and Abstain Scale (Q20)	4.3		4.3
Sought Advice and Guidance Scale (Q20)	1.4		1.5
Perception Trust and Reputation Scale (Q21)	4.5		4.5
Close Associates Scale (Q22)	1.0		0.9
Business and Board Scale (Q22)	0.9		0.9
General scales	Conservative COI		Relaxed COI
Clear Governance and Responsibilities Scale (Q12)	4.3		4.1
Lack of Awareness of Understanding Scale (Q13)	1.8	*	2.0
Tools and Assistance Would be Helpful Scale (Q15)	4.0		3.8
Desire for Practical Help and Mentoring Scale (Q15)	3.7	**	3.4
Law and Optimisation Scale (Q16)	4.8	**	4.6
Concern for Personal Liability and Reputation Scale (Q16)	4.5	*	4.2
Favour Disclose and Abstain Scale (Q20)	4.3		4.1
Sought Advice and Guidance Scale (Q20)	1.5		1.3

Perception Trust and Reputation Scale (Q21)	4.6	*	4.4
Close Associates Scale (Q22)	1.0	**	0.7
Business and Board Scale (Q22)	1.0	**	0.6

Notes: All items tested; Tests whether the scale (usually averages of several 1 to 5 Likert items); One asterisk indicates statistically significant difference at the 0.05 level; two asterisks statistically significant difference at the 0.01 level; (all are t-tests).