



NETSRG

NORTH EAST THIRD SECTOR RESEARCH GROUP

Digest Review 2014

Keith Nicholson and Adele Irving

Acknowledgements

This inaugural Digest Review is the culmination of the efforts of a group of people working to increase levels of engagement between academia and the Third Sector. Those who have submitted formal contributions have spent time and effort developing thoughtful and honest reflections and for that, we are truly thankful. There are a number of Third Sector professionals and academics who are involved in the North East Third Sector Research Group on an ongoing basis and without that valuable support, the group would not exist. Thank you to everyone involved in the group, as well as this publication. What makes this publication unique is that all of the contributions, editing and design has been done on a voluntary basis.

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Introduction

About the North East Third Sector Research Group

The North East Third Sector Research Group (NETSRG) was established in 2013, with the aim of increasing the engagement of Third Sector professionals with academic literature (such as peer-reviewed journal articles, book chapters and conference papers) on topics of relevance to the sector. The group is underpinned by the premise that an abundance of research is produced by academics, which could be of benefit to the Third Sector, but is rarely accessed and translated into practice due to a range of barriers. The group was set up in a voluntary capacity by Keith Nicholson with support from Adele Irving and is made up of around 50 members.

The primary activity of the group is quarterly seminars. Each seminar focuses on a key theme chosen by members and a critique of three academic outputs. Each output is reviewed in relation to three key questions:

- What theory or position is the paper attempting to present?
- To what extent do you agree with this?
- What value does the output have for the Third Sector?

In addition to this, the group organises a number of ad hoc events aimed at exploring barriers to engagement between academia and the Third Sector and building collaborative relationships with all of the region's five universities, in order to maximise knowledge exchange. In June 2014, the group held its first workshop at Northumbria University – '*Partnerships for Impact*' – with was an important step towards achieving these wider aims.

The work of the NETSRG will remain important and of relevance to Third Sector professionals, as long as academics continue to produce work which is of use and can be translated to those working in civil society.

About the NETSRG Digest

This digest is the first of an annual publication, which the group intends to produce. It provides an opportunity for leading academics in their fields to engage in the task of translating academic research on key themes to the Third Sector in the North East and for group members to share some of the insights which they gained from reviewing this work. Importantly, the digest also affords us, the organisers, a chance to thank everyone who has contributed to the group throughout its first year; names too many to list and contributions from organising events to attending meetings, reading papers and being generous with their thoughts and reflections, written or otherwise and being part of a movement.

The digest is structured around the following four themes which were discussed during 2014:

- Volunteering
- Neo-Liberalism
- Change Management
- Individual Giving and Philanthropy

The themes form a coherent set of topics which have been of relevance in an ever-changing sector during the year. From an increasing range of privatised mega-contracts through to challenges in managing change and generating funds, we hope the topics will be of interest to readers of this digest also.

Each section opens with abstracts for and links to the three academic papers reviewed at the quarterly seminars. Due to issues of copyright, it is not possible to include the full texts of the outputs.¹ These are followed by a contribution from one of the academics who produced one of the three papers reviewed at each seminar. The contributions offer reflections on their work and the work of others in the area. Lastly, each section contains a contribution from a

¹ As Open Access becomes more prevalent, it may be possible to reproduce the articles within future digests.

Third Sector professional who also engaged with the papers and was generous enough to provide written reflections on these.

However you use this digest, we hope you find it interesting and insightful and that it gives you time to reflect on your own practice.

If you would like to be part of the group, please do visit us online at our websites <https://netsrg.wordpress.com/about/> and www.facebook.com/netsrg or follow us on Twitter @netsrg

Thank you.

About the Editors

Keith Nicholson

Keith began his professional career at the age of 18, working as a Project Officer with an environmental charity in County Durham. He then moved into the private sector working for the drug development company, Quintiles Ltd, in Edinburgh before taking up the position of Finance and Fundraising Manager for Business in the Community back in the North East region. Keith then moved to take up a role as part of the senior leadership team at the Cyrenians, a multi-million pound national charity focussing on issues of social exclusion.

Keith has worked on a number of recent projects including set up and operational leadership of an endowed Neonatal charity and leading on the development of a TSO consortium in Newcastle and Gateshead, working with a sports charity and an environmental charity. Keith has a degree in Sociology and professional qualifications including AAT, CIPFA and MInstF (Cert).

Keith's current voluntary activity includes Advisor to the Trustees at Children in Need, Chair at Earth Balance 2000, lay reviewer at the BMJ and Founder of the North East Third Sector Research Group.

His interests outside of professional life include playing the trumpet in a funk and soul band performing across Europe, as an amateur Triathlete and as a social golfer and spending time with his wife, two daughters and son.

Adele Irving

Adele Irving is a Research Fellow at Northumbria University. She specialises in research into multiple social exclusion, with a particular interest in homelessness and offending. Adele has undertaken a substantial number of applied research and evaluation projects in the region, commissioned by a range of clients, including the DWP, local authorities, police forces, probation trusts, youth offending teams, homelessness charities and various trusts and foundations.

Current and recent research projects include: research into the use of legal highs by young people in Newcastle, research into the impacts of welfare reform on single homelessness in the North East, an evaluation of the 'Positive Pathways' scheme for offenders under Northumbria Probation Trust, an evaluation of the 'Through the Gate Plus' scheme for offenders in the North East and strategic reviews of Newcastle city council's 'co-ordinated' and 'whole market' approaches to homelessness prevention in the light of changing government policy. She is currently exploring the relationship between private rented housing for low-income households and wellbeing through doctoral study.

Adele is a founding member of the North East Homeless Think Tank, academic advisor to the North East Third Sector Research Group and a member of the Northumbria University's Centre for Offenders and Offending. She was recently awarded the Local Area Research + Intelligence Association prize for 'Best Presentation of Local Area Research' for her ESRC-funded project, 'Imaging Homelessness in a City of Care', with Oliver Moss.

Adele has an excellent track record of successful collaborative working with the public and third sectors and a range of vulnerable groups across the North East and is committed to supporting knowledge exchange with and capacity building amongst the Third Sector and service users.

About the Contributors

Dr Koen Bartels - joined Bangor Business School in September 2012 as Lecturer in Management Studies. He was awarded his PhD in Politics at the University of Glasgow in May 2012. His PhD thesis develops a theory of communicative capacity to explain what happens when public professionals and citizens encounter each other in participatory practice (to be published with The Policy Press in Spring 2015). Koen's current research explores transformations of Western welfare states in the everyday practice of neighbourhood governance. He collaborates with policy makers, public professionals, and citizens in understanding and improving social and democratic innovations aimed at addressing problems of multiple deprivation. He also takes a particular interest in qualitative and interpretive research methods (including action research, qualitative interviewing, and grounded theory analysis), practice theory, and the work of Mary Follett.

Dr Hayley Bennett, University of Edinburgh - I am interested in the design and delivery of policies aimed at reducing unemployment and poverty in the UK. This includes better understanding: the administration of national employment programmes, local actors' innovations and activities, and multi-level public policies that seek to reduce regional inequalities. My research stems from a general interest in British socio-economic inequalities and from insights gained through employment experience outside of academia.

I am currently a Research Associate on the What Works Scotland (WWS) project and am located in the Academy of Government. WWS is a new initiative to improve the way local areas in Scotland use evidence to make decisions about public service development and reform.

After completing my PhD and prior to joining WWS, I was employed as a Research Fellow, in Social Policy at the University of Edinburgh, on a comparative European social policy project called COPE (Combating Poverty in Europe). Co-financed by the European Commission in the 7th Framework Programme, the COPE project unites experienced researchers and stakeholders from six European countries: Germany, the United Kingdom,

Italy, Poland, Sweden, and Norway. In this project we explore minimum income provision from a multi-level governance perspective.

Dr Beth Breeze - I am Director of the Centre for Philanthropy, at the University of Kent's School of Social Policy, Sociology and Social Research. I also teach a postgraduate module on Fundraising and Philanthropy, and an undergraduate module on volunteering. A review of the first three years of the philanthropy research centre is available here and a leaflet celebrating our first 5 years of activity is available here. I have written a wide range of research reports on issues related to charitable giving and philanthropy, including:

- 'Richer Lives: why rich people give', a book exploring the motivations and giving behaviour of wealthy donors
- The annual 'Million Pound Donor Report'
- 'How Donors Choose Charities'
- User Views of Fundraising
- 'Giving in Evidence: Fundraising from Philanthropy in European Universities'
- 'Natural Philanthropists: Findings of the Family Business Philanthropy and Social Responsibility Inquiry'
- 'The Blueprint for Giving', the final report of the Giving Campaign co-written with Professor Adrian Sargeant;
- 'Robin Hood in Reverse: exploring the relationship between income and charitable giving', published by the LSE
- 'Investment Matters', a study of charity asset management
- 'Raising a Giving Nation'.

Current projects include: a 3 year Leverhulme Early Career Fellowship to study the personal and social skills of fundraisers; ongoing updates of the annual Million Pound Donor Report, funded by Coutts Bank; and a study of giving circles and collaborative giving in the UK.

Jo Curry - has been the Chief Executive of VONNE since August 2008, having joined the organisation to work on policy and development in February 2006. VONNE supports and promotes the voluntary, community and social enterprise sector in the North East. Jo leads

on relationships with external stakeholders, representing the VCSE on multi sector boards including the European Regional Development Fund and the Cross Governmental meeting of the North East. She works closely with a wide range of regional stakeholders including both Local Enterprise Partnerships, and the Single Work Programme Advisory Board. Prior to joining VONNE Jo was a solicitor with the Commercial law firm Geldards in Cardiff. Since moving to the North East, Jo worked for the CAB, establishing the Independent Complaints Advocacy Service in North East Prisons. Jo is Vice Chair of the Community Foundation Tyne and Wear and Northumberland. Jo Chairs the BBC Audience Council in the NE and Cumbria and is a member of the BBC Audience Council for England.

Kate Mukungu - I commenced my PhD in 2014 and have been Chief Executive of a local women's mental health organisation, since 2008. I am a member of the North East Third Sector Research Group working to bring the worlds of academia and practice closer together. Other research interests include alternatives to neoliberalism and sustainable responses to HIV. Past roles in the voluntary and community (or NGO) sector career include managing substance misuse / criminal justice services in North East England, HIV services in Namibia and community development / peace and reconciliation youth work in Northern Ireland. I also have an extensive history of voluntary work and community activism.

Dr John Rodger - is the Reader in Social Policy at the University of West Scotland. His teaching interests are in Criminal Justice Policy and Criminological Theory, Family Policy and Family Relationships and Welfare Theory. His research interests are in the relationship between criminal justice policy and social policy, the changing context of social policy in a post-industrial and post-modern era and The Big Society and Neo-Philanthropy.

James Turner - is Associate Director at Rocket Science, a research and evaluation consultancy with offices in Newcastle, Edinburgh and London. He is also a Trustee at the Toby Henderson Trust – a Northumberland-based charity for children and young people with autism and their families. His most recent job was as the Big Lottery Fund's Head of

Policy and Learning from 2013-2014. During this time, he led on the policy development of the Fund's A Better Start programme, to improve the life chances of babies and very young children in the most deprived parts of the country. I also led an internal review of the Fund's approach to partnership working. Before this, he was Head of Region – North East at Big Lottery Fund from 2005-2013. In this role, he was responsible for oversight of BLF's approximate investment of £20million each year in the North East region. A key achievement during his time as Head of Region was his lead policy role in the development of £200m Big Local programme. This has created a network of 150 local endowments in deprived communities across England and is a key part of BLF's approach to community regeneration. In particular, he designed the funding allocation model to decide the national geographic spread of Big Local areas. He also designed the approach to work with local partners to identify relevant communities of approximately 5,000-10,000 people to benefit from the endowments. Going further back, he was a Senior Policy Adviser at what was then called the New Opportunities Fund (before it merged into BLF) from 1999-2004. And before that, he was Policy and Research Manager at London Boroughs Grants Committee from 1997-99.

Quarter 1 – Volunteering

Outputs Reviewed

Bartels, K. P., Cozzi, G., & Mantovan, N. (2013). "The Big Society," Public Expenditure, and Volunteering. *Public Administration Review*, 73(2), 340-351.

Haski-Leventhal, D., Meijs, L. C., & Hustinx, L. (2010). The third-party model: Enhancing volunteering through governments, corporations and educational institutes. *Journal of Social Policy*, 39(01), 139-158.

Handy, F., & Mook, L. (2010). Volunteering and volunteers: Benefit–cost analyses. *Research on Social Work Practice*, 1049731510386625.

Academic Commentary: 'Toward Deeper Understandings of Volunteering Practice', Dr Koen P.R. Bartels, Business School, Bangor University

Volunteering is on the rise. Sure, it has been around for over a century. And over the past decades, overall levels of voluntary activity have remained relatively stable in the UK. But what has been changing is the attention for volunteering and its centrality to the governance of Western societies (see, for example Bryer, 2014). We are witnessing increasing ambitions and expectations about how much people should volunteer and what voluntary organisations should achieve. With policies like the Edward M. Kennedy Service America Act in the US, the Participation Society in the Netherlands, and the Big Society in the UK, governments are deliberately stimulating citizens to volunteer and making public service delivery increasingly dependent on voluntary provision.

However, that does not make volunteering practice any easier. If anything, it has become more complex and challenging to successfully manage voluntary organisations. With austerity squeezing funding opportunities, volunteer availability, living standards and public service quality, voluntary organisations have to toil to attract new volunteers, cultivate human capital, improve performance, gather resources and demonstrate impact (Ramesh, 2011; NEF, 2012). All the while, national policy standards, relationships with a variety of competitors and collaborators and rapidly evolving societal needs need to be taken into account. As such, it is all the more important to improve our understandings of the various dimensions of volunteering practice and the factors that influence its shape, performance and value.

This is what the articles by Debbie Haski-Leventhal, Lucas Meijs and Lesley Hustinx (2009), Femida Handy and Laurie Mook (2011), and Guido Cozzi, Noemi Mantovan and myself (2013) set out to do. Based on a variety of backgrounds and methods, they each shed more light on the motivations of volunteers, voluntary organizations, governments, and other actors, the assumptions dominant to the volunteering discourse, and the policies and practices that could make volunteering more thriving and effective.

In this commentary, I will first briefly summarise the three articles and appraise their value and limitations. Second, I will highlight a number of common issues and emphasise the importance of deepening our understandings of volunteering practice. I will end by arguing that academics and practitioners should labour to improve volunteering policies and management by producing thorough and critical accounts of their daily work experiences, strategies for dealing with other actors, and the impact of volunteering.

Haski-Leventhal, Meijs and Hustinx (2009) observe that what they call ‘third party actors’ have become increasingly involved in volunteering next to its traditional actors (volunteers, voluntary organisations, and clients). Therefore, they develop a model of factors relevant to understanding why and how governments, corporations, and educational institutes influence volunteering. Two factors form the core of the model: volunteerability—“the willingness, capability and availability of individuals to volunteer” (p. 141)—and recruitability—“the ability of volunteer organisations to recruit volunteers and maintain them” (p. 142) through accessibility, resources, and networks and cooperation. Volunteering is not simply a matter of interested individuals and available organisations coming together; individuals might lack social incentives, skills, or time, while organisations have to facilitate a diverse volunteer force to reach them, provide adequate financial and human resources, and collaborate with other actors. The third party model provides a helpful and nuanced overview of the possible motivations, activities, and positive and negative effects of governments, corporations, and educational institutes getting involved in this.

On the one hand, third party actors can enhance volunteerability and recruitability and thereby the many positive impacts of volunteering. Governments can introduce favourable legislation, tax deductions to volunteers, and financial support to voluntary organisations as to promote better service delivery, social cohesion, and democratic participation. Under the banner of corporate social responsibility, corporations can provide a highly skilled and motivated workforce as well as organisational resources. Educational institutes, finally, can facilitate students in partaking in extra-curricular volunteering in order to generate a pool of volunteers in the present and of the future while improving students’ social behaviour, employability, and civic responsibility.

On the other hand, volunteering can also be significantly harmed by the involvement of third party actors. Governments can impose welfare reforms that place an unfair burden for public service provision on the voluntary sector. Collaborating with corporations can lead to a loss of voice for voluntary organisations, as they might be overwhelmed by corporate demands, resources, and management. Educational institutes can frustrate the investment of time and resources and as they provide youngsters with low skills and little experience who do not stay on after term time. Moreover, it is questionable whether all of this can still be called volunteering, as citizens, employees and students are driven to volunteer through regulatory incentives and obligations rather than free will and genuine motivations.

Overall, Haski-Leventhal, Meijs and Hustinx help us toward further understanding the influence of third party actors on both the supply and demand side of volunteering. Although they could have done more to theoretically refine the third party model and provide practical recommendations, the article emphasises that academics and practitioners should critically explore (and develop strategies to deal with) the interests, motivations, and trade-offs of third party actors involvement in volunteering.

Handy and Mook (2011) also strive to provide more insight into the supply and demand side of volunteering. They signal that while the number of US voluntary organizations and their dependence on volunteers has greatly increased, the costs and benefits of volunteering are usually not measured or capitalised on. They propose a social accounting model that makes this possible, which includes benefits and costs on in terms of private and public value, individual and organisational levels, and monetary and non-monetary factors. On the individual level, volunteering can have benefits such as a 'warm glow' effect, capacity building, prestige and increase of social capital, while costs can take the form of foregone earnings and leisure time, direct expenses and social pressure to volunteer. On the organisational level, volunteering can bring benefits by increasing the quality of services, levels of fundraising and savings and relationships with the community, while costs can come down to investing in recruitment and training, providing resources, dealing with liability issues and handling fears among paid staff about being made redundant. Handy and Mook apply their benefit-cost model to a case and demonstrate that the benefits of

volunteering exceeded costs—as well as reporting a number of other studies with similar findings.

Using a benefit-cost model can help both individuals and voluntary organisations in making more informed decisions about the most optimal use of their time, efforts, and resources. It takes us beyond “the common perception of the do-good volunteer who contributes his or her labor for free” (p. 412) and broad brush policy rhetoric about the value of volunteering toward more detailed understandings of the conditions under which it pays to volunteer for particular individuals or to facilitate volunteers for organisations. Furthermore, it can be a valuable tool for producing evidence about the performance and value of voluntary organisations.

At the same time, we should be cautious in embracing Handy and Mook’s assumption that volunteers are “impure altruists” who make rational calculations about the costs and benefits of volunteering and “will only volunteer if the sum of these benefits exceeds their private costs” (p. 413). While common in the domains of economics and accounting, and useful for the aforementioned reasons, it should not distract our attention from the social, emotional, and practical nature of volunteering practice.

The article by myself, Cozzi and Mantovan (2013) attempts to integrate a macro-economic and policy practice approach to volunteering. The connecting factor between these two diverging approaches is the main assumption underlying the Big Society: government should be rolled back as high levels of state intervention and public spending reduce the likelihood that citizens will volunteer. The theoretical and empirical support for or against this crowding out assumption is rather inconclusive, especially when it comes to employed individuals. In the context of the Big Society and austerity policies this seems to be a crucial group of potential volunteers to tap into. However, their time constraints and responsibility to generate income might strongly limit employed individuals’ inclination to engage in time-consuming, unpaid work in a period of rising costs, wage freezes, unemployment, and reducing public services. Therefore, we combined analytical modelling, econometric

analyses, and a narrative analysis to see whether less public spending would make employed individuals more likely to volunteer.

We started by modelling the decision of employed individuals as depending on levels of public spending, mediated by their individual abilities and the available volunteering infrastructure. The prediction that resulted from this was that lower public spending would decrease the likelihood of volunteering. We then looked at statistical evidence from Europe and the UK over the past three decades, with all tests consistently confirming this prediction. Even with the most optimistic expectations, a 10% decrease in public spending would lead directly to a 6.3% decrease in volunteering. A narrative analysis of interviews with volunteers and public officials in Glasgow explains why this is the case: volunteering is a challenging and often frustrating practice. Volunteers and public officials alike experience many barriers and setbacks to working together and actually making a difference to the problems they devote their time to. Lower public spending decreases the availability of an adequate voluntary infrastructure as well as the likelihood that employed individuals feel that volunteering is worth their time.

Our article takes a valuable step toward raising awareness of the influence of public spending on levels of volunteering and the importance of cultivating a thriving voluntary infrastructure. Moreover, we argued that public spending alone is not enough. Volunteers and professionals, as well as voluntary organisations and governments, need to maintain collaborative relationships for effectively dealing with the inherent challenges of volunteering practice. However, it remains unclear how can that be achieved (Locke, 2013). How can a voluntary infrastructure effectively support volunteers? How much funding should be allocated where? What are the effects of funding and support on different types of voluntary activities and divergent contexts? These, and other, questions still need to be answered.

As in many countries it is now “a deliberate strategy to enhance participation in volunteering” (Haski-Leventhal, Meijs and Hustinx, 2009, p. 154), we need more solid evidence, clear theories and practical strategies that will help us better understand and

improve the nature, problems and value of volunteering practice. The three articles discussed here provide a number of methodological, practical, and critical handles that will help us move in that direction.

First, their diverging methodological approaches highlight the need for varied and complementary ways of looking at what has become a complex practice. We need to understand macro-economic conditions, national policies, supply and demand barriers, organisational interests, individual motivations, monetary and non-monetary benefits and costs, and everyday experiences. This can be aided by analytical modelling, econometric analyses, qualitative interviewing, social accounting, and sociological analyses. Each of these approaches has its benefits and limitations, cautioning us in drawing any comprehensive or definite conclusions about volunteering. We should therefore not only gather evidence and explanations from various approaches, but also seek to let them speak to one another and try to integrate them into a more nuanced and coherent understanding of volunteering practice.

Second, even though these are perhaps not as developed as we might want, we can take away a number of practical recommendations from each of the articles. Haski-Leventhal, Meijs and Hustinx (2009) raise awareness of the trade-offs of the involvement of various 'third party' actors. Volunteer managers should adapt their strategies for collaborating with governments, corporations, educational institutes and other actors based on careful considerations of their impact on the 'volunteerability' of volunteers and the 'recruitability' of the organisation. Handy and Mook (2011) guide us toward examining and reporting the benefits and costs of volunteering. Volunteer managers can use benefit-cost analyses as a tool to provide evidence for the performance and value of their organisations as to obtain support and funding. Cozzi, Mantovan and myself (2013) emphasise the importance of public spending, the volunteering infrastructure, and collaboration. Volunteer managers have to collaborate with governments in sustaining funding adequate for a volunteering infrastructure that will make volunteers feel their efforts are worth their time.

Third, the articles lead us to critically rethink common assumptions about the value of volunteering, the motivations of various actors, and the relationships between government and the voluntary sector. We should move beyond the notion that volunteering is simply a matter of do-gooders, philanthropic organisations, and the less fortunate coming together. Getting third party actors involved might have unintended or even undesirable consequences. Analysing benefits and costs is vital for enhancing performance and support and does not necessarily reduce volunteering to numbers and money as long as nonmonetary, qualitative factors are recorded and accounted for as well. And reducing state intervention and public spending can actually drive out volunteers and inhibit effective action by weakening vital infrastructure and collaborative relationships. Thus, we should ask critical questions: What are the costs and benefits of getting involved? Who gets what out of it? Is it worth people's time and organisation's efforts? How do government policies work out in practice? How are quality of services, lives, social capital and problem solving affected?

Besides looking to researchers for producing analyses and answers, practitioners are particularly well situated to critically report their experiences with the everyday practice of volunteering. Their daily efforts, struggles, and achievements require a tremendous amount of practical know-how, informal processes and feel for the situation. Volunteering policy and management should be thoroughly grounded in, and conducive to, the ways in which practitioners perform their work in meaningful and competent ways. How, for example, do volunteering practitioners deal with third party actors? Or in which ways do they account for benefits and costs? And how do they cope with changes in government policies and reductions in public spending. Storytelling, site visits, auto-ethnographic accounts, visual records, and deliberative meetings could enable policy makers, managers, and researchers to learn from practice. Indeed, it is time to move toward deeper understandings of volunteering practice.

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Third Sector Commentary: 'Improving and Proving Volunteering, from a Practitioners Perspective', Keith Nicholson

This review looks at the wide and deep subject of volunteering. A subject close to my heart and a one which Third Sector organizations of any size will have an interest in. The three papers discussed varied in style, geographical coverage and focus, however, help us develop our understanding of volunteering. Reading these works made me reflect on the typologies of organisations I come across in my journey around the Third Sector, from tiny to small, small to medium, medium to large, and a final superlative size. These typologies could be explored further in the context of volunteering and presented many different perspectives on issues of volunteering.

In many ways volunteering is the lifeblood of the sector and from my experience, treatment reflects effort. If you take time to resource the recruitment, training and management of volunteers, they add a huge amount to organizations. The three papers discussed will help us explore this further.

I recently completed a bid for a national government department, happy not to name it but one of those which begins, Department of... The bid was the usual comprehensive set of questions about how a project might meet their needs in funding projects of a national significance. The bid was going great, but ended in a question which took me quite by surprise. It asked to describe how the bid would meet the aims of the Big Society. For a moment, I thought I had gone back a good few years in time, and I was struck by how much the Big Society as a concept, does not get discussed. During the most recent election, it was a bedrock of how cuts were framed nationally and for us in the Third Sector how it was to be the panacea of funding social enterprise to manage public services and opening up the market for the Third Sector.

The paper "The Big Society," Public Expenditure, and Volunteering by Koen P. R. Bartels, Guido Cozzi and Noemi Mantova (2013) helps us explore this in a bit more detail and examine if less public spending leads more people into volunteering by creating a 'strong

crowding-out effect to counter the cuts in public spending: that is, an increase (decrease) in public expenditure brings about a significant decrease (increase) in citizens' propensity to volunteer.' (Bartels, K. P. R., Cozzi, G. and Mantovan, N., 2013). I found the paper a really interesting analysis of this assertion and it brings in a look at the economic modelling of public spending and volunteering; employed and non-employed volunteers and their motivations for volunteering; an econometric analysis; USA/Europe/UK comparisons and a narrative analysis.

The paper really gives a good account of this type of analysis and surmised that government expenditure 'has to be tailored to sustaining local abilities and volunteering infrastructure so that employed individuals will consider voluntary work as worth allocating their time to.' (Bartels, K. P. R., Cozzi, G. and Mantovan, N., 2013). The paper describes how government needs to work alongside the sector and the individuals to support local partnerships and motivate volunteers appropriately.

How does this help us usefully frame our thinking about volunteering? Well for one, it helps us better contextualise the political rhetoric around volunteering, dressed up as Big Society or whatever – the key message we should be listening out for is around support for local infrastructure and appropriately motivating volunteers. A very common sense approach.

In the paper, *The Third-party Model: Enhancing Volunteering through Governments, Corporations and Educational Institutes*, by Debbie Haski-Leventhal, Lucas C. P. M. Meijjs and Lesley Hustinx (2010) helps us frame this wider infrastructure support idea further, bringing in educational institutions as additional spaces to consider providing support, opportunities and motivations for volunteers. The paper takes a wider view of the policies of the Western countries and examines how volunteering is such an important part of developing social capital and a civil society.

The paper briefly touches on some of the negative aspects of volunteering, namely reinforcing the difference between those better off and able to devote disposable time to

helping others as well as , allowing governments to withdraw basic provision for citizens and in organisations not recruiting volunteers effectively from all sections of society. The paper takes an overall positive view of volunteering though, countering with the United Nations support and the emerging corporate and educational institutions. The paper defines three actors in volunteering, the volunteers, the volunteer organisations and the clients. The paper then uses the phrase Third Parties to 'advance a new theoretical framework, 'the third-party model', which observes the ways in which political leaderships, corporations and educational institutes (seek to) enhance volunteering.' (Debbie Haski-Leventhal, Lucas C. P. M. Meijs and Lesley Hustinx, 2010) It uses volunteerability (Meijs et al., 2006a, 2006b) and recruitability to frame the discussion.

After spending some time setting the scene with these motivating factors, the paper delves into examining the Corporate, Government and Educational Institutions as actors and comprehensively details a discussion. Despite the article being very comprehensive in its discussion and providing a very clear conceptual framework, I would have loved to have seen a piece of further work which involved practically focussed frameworks for those institutions to act of some of this sound thinking. Not having to deal with administration and bureaucracy, volunteers, more than paid workers, can focus on direct services and free the professional staff to achieve other objectives and goals clients, especially from socially excluded groups, such as in distress youth. Service users, more than paid workers, prefer to receive services from volunteers and see them as altruists (Ronel et al., 2008) and I find that the authors insight is very useful in helping me approach organisations with an understanding of what would benefit them in using or providing volunteers.

Our final paper, Volunteering and Volunteers: Benefit-Cost Analyses by Femida Handy and Laurie Mook brings a numbers based approach to volunteering by looking at benefits-costs at both organisational and individual levels. The work is very interesting overall in that it makes a great deal of common sense, however, practical implementation might be limited for some of their thoughts. The work brings a USA flavour to the trilogy of papers and I am not sure how differences in volunteering manifest themselves between say the UK and the USA other than I have a personal perception that the USA may enjoy a more active

volunteering population. The paper firstly examines volunteering benefits and costs from an individual perspective, covering a lot of ground from altruism through to warm glow, status, skills, training, and other private benefits. The authors' costs analyses is comprehensive and begins to introduce some data through the comparison of volunteers versus paid staff in a Hospital environment, estimating at \$4,763 (Handy, F., Mook, L., & Quarter, J., 2006).

The paper then moves on to the organizational perspective, considering how organizations might make choices about recruiting, accepting, training and managing volunteers, in other words meeting demand. One example presents the costs to an organization of using volunteers at \$2.62 per hour of volunteering but actually the perceptions around having volunteers represent the organization attributed benefits difficult to value. In spite of the many tangible and intangible benefits generated by volunteers as "good will generated by their presence, their service as ambassadors to the public, and enhancement of community relations" are not without costs (Handy, Mook & Quarter, 2006).

The paper provides an in depth case study in a social accounting type analyses, for an anonymous community service organization providing meals and services. The social accounting was very neatly described and felt like a coherent approach building on the conceptual picture presented already by the authors, presenting us with a Comparative Value Added Statement. The statement combined a social and financial value columns to present an overall set of surrogate information. The paper concludes by saying that 'Social accounting models can help make visible and count what is vital in terms of non-profit organizational performance. However, what is important is not the perfect indicators or the perfect evaluation methods, but rather an understanding that benefits and costs drive the behaviours of volunteers and organizations.' (Handy, F., Mook, L., & Quarter, J., 2006). However, I rather think that it is time for governments to start actually setting out some key indicators in order that we in the sector can stop dancing around the issue of social value measurement and indicators and start to take it as seriously as they take GDP or GVA.

What right have I to pontificate on all of this? Personally, I volunteer my time with two

charities. One a national grant making charity which has an excellent sense of governance, funding demonstrable quality and is a learning organisation filled with excellent, highly competent staff which understands where it sits in the funding picture. Another charity is volunteer with is a micro charity based in Morpeth which focusses on doing the best it can around issues of environmental issues and training with six Trustees and zero staff. Both charities have an unspoken emphasis on contributing in terms which are unstated and I am absolutely fine with this.

I'm entirely comfortable with the fact that neither charity is entering the private sector battle nor has an over-reliance on the public sector. Those charities that are, often have difficult internal boundaries and positions and that comes across sometimes to volunteers 'working' on the same role as those getting paid.

Academic rhetoric which poses more questions than it asks is not always helpful to advance practical application of tremendous knowledge and it seems that the role of education institutions, both as drivers of thinking and places of work and study, have an ever increasing willingness to consider their place in volunteering. There is a role for helping people find their motivations and recognising the holistic benefit of volunteering which can support social, societal and career goals.

I feel that the three works presented here really add a sense of depth of understanding and exploration on the topic of volunteering and it makes sense to me to build on this work and turn some of this excellent conceptualisation into practical action which moves us forward as a sector and better recognises and supports the valuable contribution that volunteers make. I look forward to applying some of this thinking in my day to day practice and help others think conceptually about volunteering and it's place within the Third Sector and wider Civil Society.

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Quarter 2 - Neo-Liberalism

Outputs Reviewed

Churchill, H. (2013). Retrenchment and restructuring: family support and children's services reform under the coalition. *Journal of Children's Services*, 8(3), 209-222.

Jackson Rodger, J. (2013). "New capitalism", colonisation and the neo-philanthropic turn in social policy: Applying Luhmann's systems theory to the Big Society project. *International Journal of Sociology and Social Policy*, 33(11/12), 725-741.

Kim, S. (2013). Voluntary Organizations as New Street-level Bureaucrats: Frontline Struggles of Community Organizations against Bureaucratization in a South Korean Welfare-to-Work Partnership. *Social Policy & Administration*, 47(5), 565-585.

Academic Commentary: 'Understanding the Changing Role of the Third Sector in the Era of Austerity', John J Rodger, University of the West of Scotland

Perhaps the most enduring issue surrounding third sector engagement with government directed social policy initiatives is the preservation of organisational autonomy: how can voluntary organisations avoid becoming state outposts, providing cheap services for the state without abandoning the principle of *caritas* (the Latin term which encompasses the notions of altruism, caring and social solidarity) which influenced their foundation and shapes their practice? These three pieces, in their different ways, relate to this central question. I have argued (Rodger 2013 and 2012) that, in terms of the logic of complex modern social systems, the capacity of voluntary organisations to escape at least some level of subordination to either government, or what Bishop and Green (2008) call 'philanthrocapitalism', is fairly restricted in an era of austerity. In order to survive in an era of public sector contraction, voluntary organisations must develop what Villadsen (2008) has called 'polyphonic organisational structures' which recognise that increasingly the third sector of social and public service provision must embrace market sustainability independent of state funding, or at least augment government grants with higher levels of entrepreneurial activity. I will return to this theme following commentary on the two other pieces being reviewed.

Kim (2013) explicitly discusses this key issue in the context of a welfare-to-work programme in South Korea. The key question in that context is how can voluntary organisations revive 'grassroots democracy in the public welfare system'? The language of partnership, which is frequently used to describe state/voluntary sector relationships, too often obscures processes of actual incorporation in which voluntary organisations are required to manage their clients, often in terms of principles and practices established in a formal contract or memorandum, rather than enhance their experience of active citizenship. For Kim, the voluntary sector has as its primary purpose to 'speak for the people'. It has, in the South Korean context, as much a political role as a supportive welfare role to fulfil. The argument which Kim advances suggests that, contrary to the more pessimistic views current in policy

circles and academic research, 'street level bureaucrats' can create sufficient freedom of action locally to allow them to interpret and sometimes change the rules governing the delivery of a service in favour of their clients. There are two distinguishable issues evident in the piece by Kim which should be highlighted. First, the description of the programme in terms of increasing bureaucratisation suggests that the same state driven principles of eligibility determining 'deserving' and 'undeserving' participants in the programme described in the article are the same in South Korea as in any other modern welfare/public sector system: no matter how approachable and supportive staff workers are with their clients, the same disciplines and demands required by the state of beneficiaries will apply. Second, what Kim refers to as 'street level bureaucrats' perhaps misdescribes what is actually occurring. The efforts made by staff members to 'humanise' their relationship with their clients by getting involved in their everyday lives is certainly an example of workers drawing on the *caritas* that is a feature of the routine ordinary interactions of what Habermas would call the 'lifeworld'. However, the inveigling of some participants in the welfare-to-work programme in to becoming 'supervisors' and organisers of some aspects of the programme does not challenge the 'logic' of how the system works. To claim this initiative as reshaping or transforming a 'participatory culture within the policy system' is to over-interpret what is described. The sacrifices made by staff members to establish a strong relationship with their clients, often by drawing on their own money to pay for events and outings, is on one level laudable, but on another level it brings in to sharp relief the different operating principles underlying state and voluntary action. What Kim highlights is that often it is only by stepping outside of their professional roles that staff workers can deliver a caring and supportive service to clients in a personalised and humane form.

Churchill (2013) provides a very useful overview of how family support and children's services have fared under the coalition government not only in terms of benefit changes impacting on family life but also in relation to the framing of a policy agenda around the idea of the Big Society. The shift from a social investment strategy, under New Labour, to an approach entirely driven by austerity and deficit reduction, under the Conservative-led coalition government, has led to one of the best examples of what I, following Etzioni (1968), would call 'inauthentic politics': giving the appearance of government responsiveness to

participatory democracy while actually concealing the real contours of a system that is manipulative and which presents the partisan interest in a small state as principle. The relentless pursuit of welfare reform (cuts) and public sector contraction while claiming that the Big Society initiative is aimed at releasing civic energy and mending 'broken Britain', is disingenuous in the extreme. Whatever else the Big Society initiative claims to be, enlivening civil society and releasing the untapped energy of ordinary people to do good and caring work was not and is not its key objective. The juxtaposition of extensive public expenditure reductions with a desire to stimulate civic engagement has created a confusing context in which to develop family support services. Churchill's review of policy clearly identifies the 'inauthenticity' at the heart of the coalition government's policy agenda: reforming welfare in a way that takes little account of the impact of benefit changes on child poverty and family support; rebranding existing funding to give the appearance of a responsiveness to social need while effectively rationalising jobs and services out of existence; largely ignoring the spirit of the Allen and Field reports; and systematically attempting to use the context of austerity as a mechanism to discredit the 2010 Child Poverty Act.

One policy strategy which emerged from the post 2010 Conservative agenda, and is beginning to have an influence on the way some voluntary organisations function, is the introduction of Payment by Results. It has been particularly prominent in the field of criminal justice where the 2010 Ministry of Justice white paper *Breaking the Cycle: Effective Punishment, Rehabilitation and Sentencing of Offenders* signalled the intention to devolve responsibility for the probation service to consortia of private and voluntary organisations. The Troubled Families initiative, discussed in Churchill's article, provides a brief insight into the impact of Payment by Results on family support services. While the notion of outsourcing is presented as a potential mechanism for strengthening the effectiveness of children services, in reality it creates an environment where funding is uncertain and services may become patchy and fragmented. A common problem for the third sector.

The underlying rationale for these policy developments is that without a major shift of responsibility for delivering social and caring services from the state to the voluntary and

commercial sectors, Britain PLC, and we could add in relation to Kim's piece, South Korea too, will lose international competitiveness because of high taxation, high public expenditure and declining attractiveness as a destination for foreign inward investment. I have argued that there is a key distinction to be made between the existence of a neo-liberal global market system that dominates economic thinking and theory, and which has the quality of being perceived as a disembodied system which acts as an imperative which determines policy agendas and political discourse internationally, and the expedient use of the *sui generis* character of this system for short to medium term ideological advantage. It has always been a characteristic of those advancing the case for a small state to claim that tampering with the economic imperatives of international market processes will inevitably lead to an unencumbered and mobile capital moving around the global system in search of destinations where they can operate without regulation and without what they consider to be punitive taxation. I have suggested that the empirical evidence for this is not strong because international capital is fairly immobile (see Doogan, 2009). The central reality is that governments do not actually understand how complex economic systems work and that extends to world organisations such as the International Monetary Fund (see Rodger, 2012: 72; Harvey, 2011). However it is ideologically helpful for those who favour a small state to use the advantages that such complexity and uncertainty creates to advance their partisan interest in shrinking the state and, strategically, to promote the third sector as the solution to social service provision in an era of austerity.

The particular issue addressed in my article is how best to conceptualise the concept of the Big Society in this wider economic and ideological context. What is visible today is that the third sector is not only being asked to become engaged in a number of key policy fields in partnership with the state and large commercial organisations like Serco and G4S, but also super-rich philanthropists who wish to engage in social entrepreneurialism that will provide a profitable return for their capital investment in charitable projects. The coalition government want to wean key players in the voluntary sector off state funding altogether and encourage them to raise capital on the open market just like any commercial organisation. For example, this is how the Conservatives see the future development of housing associations. Brandon Lewis, the housing minister, suggested in October 2014 that

he would like to see social landlords withdraw entirely from government capital funding programmes and raise their own capital in order to save taxpayers money (Inside Housing, 3 October 2014). The Big Society has been as much about changing the contract culture of the sector as it has been about volunteering and self-help.

The theoretical argument developed in the article draws on the work of the late German social theorist Niklas Luhmann who remains relatively unread in the UK 23 years after his death in 1991. Luhmann was a student of the American structural functionalist sociologist Talcott Parsons who developed a grand theory of social systems in the 1950s which reflected his interest in order and social stability. While Parson's has frequently been cast as a conservative thinker, Luhmann has transformed systems theory in to a quite radical analytical instrument (systems should not be understood in terms of parts which contribute to the maintenance of the whole system to ensure ongoing stability, as suggested by Parsons, rather all social systems should be understood in terms of maintaining their internal integrity and functioning in relation to the environments that impose demands on them and increase complexity for their decision-making processes – they are self-reproducing). It is precisely the sui generis character of social systems that Luhmann makes intelligible in pursuit of a science of society. The defining feature of what are often referred to as the advanced societies is the functional differentiation which characterises their institutional structures: institutional systems have evolved with their own internal logic to deal with matters relevant only to the policy fields (environments) for which they have a functional responsibility. The legal system deals exclusively with matters of what is lawful and what is unlawful and claims absolute jurisdiction on all matters of conflict resolution (even the state can be found to have acted unlawfully in a legal state and a prime minister can be forced in law to abandon a policy). The economic system deals exclusively with the payment or non-payment for goods and services and its medium is money. The science system deals exclusively with what is considered to be empirically true or false and its medium is truth. The religious system deals exclusively with spiritual matters relating to what is immanent and what is transcendent and its medium is faith. And the political system deals with government and opposition. There are, of course, societies and political states where functional differentiation does not exist and presidents, and sometimes clerics, determine

what is lawful rather than the courts. However, complex western societies all operate with a system of a separation of powers and differentiated functional systems that operate in accordance with their own internal logic: each system 'observes' the world in its distinctive way and operates always to protect its institutional boundaries from other social systems. Luhmann augmented this insight with an additional concept which he referred to as 'structural coupling' which occurs when two different institutional systems have ongoing and continuous interaction; the structural coupling of the political system and the legal system is the clearest example of how this works. I have argued, beyond Luhmann, that the voluntary/charitable sector in complex societies also constitutes a social sub-system system within civil society which deals with meeting social need, or not meeting social need, and its medium of operation is *caritas* (see definition above). The welfare system is different from the third sector because it is a sub-system of the political system which deals with the creation of law to establish criteria of eligibility distinguishing deserving and undeserving claimants. The system of social entrepreneurialism, or what the article describes as neo-philanthropy, should also be differentiated from the third sector because it effectively operates as a sub-system of the economic system because it works through the medium of money and seeks profit. However, crucially, the media through which each system operates are not of equal efficacy, particularly in the harsh neo-liberal economic environments shaping present-day politics and policy. In the real world power and money will typically subordinate *caritas* or faith, or indeed truth, whenever the economic system or political system engage in structural coupling with the voluntary sector. Third sector organisations cannot change the internal logic either of the economic system or the political system, both of which distribute funding and wield power, and must inevitably adjust the medium through which they engage with the economic and political systems. However, as Kim's article suggests, and I discuss in relation to the need for voluntary organisations to become 'polyphonic', voluntary organisations must develop many strategies and practices which shield clients as much as feasibly possible from the full force of the neo-liberal winds blowing through the third sector. The voluntary sector must become adept at facing in different directions simultaneously as increasingly it becomes 'colonised' by the penetration of market principles which will increasingly come to shape and alter its practice. Indeed we may have to think about the third sector in dichotomous terms; a local system of voluntary

and charitable action that quickly mobilises volunteers to provide for a wide range of social needs from hospice shops, children's organisations and community activities, and a national system of large organisations transmuting into hybrids of charitable and commercial businesses whose purpose may increasingly be to provide provider professional services once monopolised by the state. This is really what the Big Society means.

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Third Sector Commentary: A view on neo-liberalism of the sector, Kate Mukungu²

As a participant in NETSRG, I verbally presented a review of the article by Kim (2013) focusing on voluntary and community sector (VCS) participation in the Self-Sufficiency Programme (SSP), the South Korean equivalent of Welfare to Work. Here I present a written expansion of that verbal review, solely in relation to this article, as opposed to all three articles that made up the session on neo-liberalisation. Before offering my thoughts on Kim's work, I wish to explain it as my article of choice.

Firstly, I knew even before the inaugural meeting of the research group that the session in which I most wanted to participate was the neo-liberalisation of the VCS. This is because neo-liberalism is a concept in which I have immersed myself as an academic but is not a term I generally hear uttered in VCS networks and meetings at work. In fact, the prospect of being part of a debate neo-liberalism with other VCS colleagues for the first time was the main reason I was drawn to the group. Secondly, I was particularly interested in the international context of Kim's article, which appealed as a reminder that the forces of neo-liberalism are not confined to the borders of England, Europe and North America. Although borne of the ideology of Thatcher and Regan, the impact of neo-liberalism is now global, due primarily to the influence of the International Monetary Fund and the World Bank. It follows that the struggles faced by those who would wish to swim against that particular tide are faced the world over too. So, it would seem incomplete to consider neo-liberalism only in relation to one's own area and political context and given that South Korea is a not a country about which I have much knowledge or any experience, this paper seemed to offer much that could be learned.

² Please note the views expressed in this paper are my own and not designed to represent Tyneside Women's Health or any other organisation in which I have a formal role.

So, now onto the article review which entails my responses to the three questions set by the group:

1) What theoretical position is the paper trying to advance?

The main finding of the study is to unveil how the VCS 'recreated democratic and inclusive environments' in the mandatory policy setting of SSP. Kim purports that the VCS achieved by organising a range of activities outside of SSP for 'recipients' and by transferring authority to them.

2) Do you agree with the position?

I found the article fascinating in terms of learning how the VCS operated as community organisers during authoritarian rule in South Korea and the changes that came with democracy, as VCS organisations were given the remit to run services akin to Job Centre Plus. I particularly value the insight Kim provides into the dilemmas faced by VCS organisations with a strong history of collective action that is pro-poor people, to then take on the role of assessing whether individuals are deserving of state financial support or not. I also found it helpful to access Kim's observations through his mixed methodology; archival research, semi-structured interviews and a period of participant observation.

However, I don't totally agree with the position taken by Kim as I think he is at risk of over-emphasising the significance of positive impact of the ways VCS organisations engaged with recipients in comparison to state counterparts.

"As new street-level bureaucrats, voluntary organizations can exercise a degree of autonomy on the frontline despite the bureaucratic constraints engendered by partnership and can thereby reshape a participatory culture within the policy system " (Kim: 580)

When I look at the examples Kim provided, I think he is mainly articulating the ways in which VCS organisations have put a human face on a process that is tasked with separating the deserving from the underserving poor. In doing so he highlights that much of the reaching out to recipients by VCS staff has been at their own expense, such as celebrating birthdays and organising camping - trips. The staff efforts were also aimed at raising the esteem of the families in culturally important ways, such as buying gifts to that invoke success in applying to university (for children of recipients) and by attending funerals of recipients' family members in the evening, as a sign of regard in the community. Kim also credits VCS organisations for introducing processes to encourage leadership and inclusiveness, although such initiatives had mixed success and some unintended outcomes that were not positive.

The examples of the extra efforts that Kim observes in the VCS resonate with my own experience of the sector, here and in other countries. I can therefore relate to them and in that regard they come as no surprise. However, it would still appear that such localised initiatives, although mainly positive, are integrated into a larger national system that largely remains structurally unaffected by them.

Kim also observes that VCS work to challenge poverty since its role as part of SSP is not the same as the community organising work of the past,

“Of course, the ways in which community organizations retain their spirit of autonomy in partnership have become more indirect and nuanced than their previous work outside of partnership.” (Kim: 580)

With this in mind, it is necessary to balance what the VCS has achieved in providing a more human face in SSP, against what it has lost through becoming more 'indirect' and 'nuanced' than before.

3) How does this reflect practice or enhance thinking in the sector?

I think that the paper touches on pertinent issues impacting on the VCS in this part of the world, such as whether to participate in the work programmes and other initiatives in which individuals are conscripts rather than willing participants, and, if yes, how to do so in a way that is true to the values of the VCS organisation. Similarly, the risks associated with partnership with larger entities, particularly, though I would argue not necessarily, from other sectors are also clear. Kim (p. 565) observes that these partnerships may be 'sites of struggle' for VCS organisations. In a UK context, caution in relation to partnership approach in large national such as the work programme are being increasingly report, leaving VCS organisations on guard against being used as 'bid candy' (Butler, 2011) in a competitive process to win contracts.

What the article does not attempt to advance however, is a particularly overt theoretical position on the neo-liberalisation of the VCS sector. In fact it is bureaucratization that is explicitly mentioned as a keyword of the article, rather than neo-liberalism and whilst the two concepts are strongly linked, they are not one and the same. I hope the local VCS does become more deliberate in exploring what neo-liberalism is, how it has influenced us our sector as well as wider society, and, most of all, explores what the alternatives are. I say this without naiveté as I understand from first-hand experience the pressures of working flat out to achieve charitable objectives, honour explicitly shared values, balance the books and generally find a way to sustainably steward an organisation. However, if we are not willing to challenge our own legitimacy in the wider context of challenging the legitimacy of the system in which we operate, then we are in danger of missing the point.

"The smart way to keep people passive and obedient is to strictly limit the spectrum of acceptable opinion, but allow very lively debate within that spectrum....while all the time the presuppositions of the system are being reinforced by the limits put on the range of the debate." Chomsky (98: 43)

In quoting Chomsky above, it may be worth reflecting on that which feminists have argued for a long time; our role is not to be obedient, but rather to seek social justice and emancipation. The challenge is how to demonstrate that purpose in a landscape which places increasing emphasis on eligibility criteria, compliance, sanctions and austerity.

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Quarter 3 – Change Management

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Macmillan, R., Taylor, R., Arvidson, M., Soteri-Proctor, A., & Teasdale, S. (2013). *The third sector in unsettled times: a field guide*.

Academic Commentary: 'Permanently Changing? Operationalising Research into Organisational Change in the Third Sector', Dr Hayley Bennett, University of Edinburgh

Organisations are never static; they are changing all the time. Unsurprisingly, actors in 'third sector organisations' (the diverse array of organisations that do not fit into the ideal type constructs of market or state organisations) experience and implement change in many different ways. On the one hand, there are numerous types of third sector organisations operating in different policy streams, locations, and contexts. On the other, third sector organisations engage in a variety of activities; some may deliver public service contracts, whilst others focus on traditional civil society and volunteer based activities. Many more may sit somewhere in between (Billis, 2010). There are very few third sector organisations that share organisational histories, activities, funding sources, and structures. In fact, whilst there are numerous attempts to conceive typologies to create some order in the 'loose and baggy' third sector concept (Kendall and Knapp, 1995), it remains highly contested (Brandsen, van de Donk, and Putters (2005). As third sector organisations are constantly changing and evolving, researchers face a complex challenge in their efforts to create distinctive and applicable concepts.

There is an inadequate amount of research on third sector organisational change. It is important that we start to address this knowledge deficit. Third sector organisations are increasingly engaged in activities and contexts that were previously reserved for public sector actors (Kelly, 2007). At the same time, policy responses to the 2008 financial crisis focus on reducing public sector expenditure and thus create new financial limits for public and third sector organisations (Clifford et al. 2013). This new 'crisis of the public sector' means that many third sector organisations face uncertain income or increased competition and as a result may need to find new ways organizing. These new pressures, alongside consecutive government's enthusiasm for public service reform and the outsourcing of service provision to non-public actors, shape operating contexts and the requirements of third sector organisations (Taylor-Gooby 2012). As such, relationships, pressures, and opportunities are being reconstituted. The impact of policy changes on third sector

organisations is also a policy issue. If policy makers chose to use markets, contracts and competitive commissioning to govern service delivery, then they need to be aware of the impact of such systems on the organisations involved and thus the services they are able to deliver.

In this commentary I briefly reflect on three papers that discuss organisational change. First, in the working paper, *The third sector in unsettled times: a field guide* Macmillan et al (2013) present the findings of *The Real Time* project, a unique large scale longitudinal study into organisational change in third sector organisations in the UK. Using the concept of the sociological concept of a 'field' (Fligstein and McAdam, 2012), they convincingly show the importance of understanding an organisation's situation and environment when exploring issues associated with organisational change. The authors contend that "fields are arenas within which actors convene to advance their interests and purposes amidst evolving rules and understandings about what the field is, how it operates and what is at stake" (2013; 1) and they focus on the shared experiences across different organisations. They demonstrate that third sector organisations are influenced by the dominant norms and practices in their field.

In my conference paper, *Pricing out third sector organizations*, I narrow down and focus on one single case study of an organisation operating in a particular market based environment. Using transaction cost theory, I explore organisational change through the eyes of economic theorists who perceive organisations as 'rational systems' where actors base their decisions predominately on financial transactions. Using empirically driven research I contend that the introduction of a highly competitive welfare market for the delivery of public services has led actors to implement a range of market-suitable reforms. Using a case study of one supposedly 'successful' TSO I contend that the market exerts particular regulatory and competitive pressures onto the organisation. The purpose of this paper to reflect on the outcome of policy making and administration processes on a particular third sector organisation and to demonstrate, in some detail, the change processes involved. In both of these papers the authors and researchers explicitly focus on organisational change over time and adopt a qualitative longitudinal approach to frame their understanding of change.

Crawford and Nahmias (2010) explore the idea of change management in their paper, *Competencies for managing change*. Unlike the first two papers these authors use a managerial approach and focus predominately on the conscious actions of individuals within an organisation. The authors implicitly accept that individuals can manage and control organisational change and thus compare the role of project managers and change managers. Their aim is to ascertain the personal competencies required to implement 'effective' change management. Unlike the other authors, Crawford and Nahmias assume that actors within organisation are somewhat powerful actors who are able to make decisions and implement change using professional competences. Consequently, the authors not only imply that change can be controlled and managed by individuals within an organisation, but they also contend that there are a specific set of characteristics that lead to better management of organisational change. This perspective gives less credence to the organisation's environment and the powers of others within the market and adopts a different underpinning perspective. Nevertheless it brings into the discussion the important detail about the workings of organisations and the way that changes are implemented.

Collectively these three papers demonstrate very different methodological and theoretical approaches. Yet all three suggest that actors within organisations make active decisions about organisational change. Macmillan et al (2013) posit that actors are competing with each other in a contested field, thus they engage in strategies and game playing. I explore whether rational decision making regarding costs and exchange relations guides the decisions that actors make regarding adopting and implementing regulatory and contract based changes. Finally, Crawford and Nahmias (2010) focus solely on, what they frame as, change agents- those individuals within an organisation who are best suited to carrying out change processes. This collection of papers brings two essential questions to the fore for future research into organisational change; first, are actors always in control of change? Second, how do we know what changes are taking place?

1. Can actors always be in control of change?

Some researchers and practitioners perceive organisational change as something that can be controlled; change is an active choice by individuals and we can thus professionalize change processes. Most management texts that are aimed at third sector practitioners will claim that actors can control change, and that there are ways to do this. In times of crisis and huge pressure for change from external sources, many organisations recruit 'change managers' to try to understand these pressures and respond accordingly. Alternatively, this is a function for the human resources department or is a central task for existing senior managers. Furthermore, in all three papers there is evidence that actors make strategic decisions and implement change processes.

There are a number of issues to consider regarding how we position ourselves and consider organisational change. First, research that focuses on individuals and specific job titles is too narrow. As demonstrated in the paper by Crawford and Nahmias (2010), many actors whose explicit job is it to implement change and initiate new practices within the organisation, do so without questioning where such ideas come from and the norms they are embedding. Professional memberships, cultural norms, and personal experiences impact on the decisions such actors make. It is also highly unlikely that one actor within an organisation is aware of or in control of the constant changes that organisations experience. They may be responsible for implementing a specific change process, or responding to a specific pressure from the environment, however every interaction between employees and with actors outside of the organisation can be creating change. Furthermore, during times of financial constriction, there may be a tendency for some organisations to 'follow the money', and thus actors may reflect the regulatory requirements of the governing state departments or the language of policy documents of the political actors in power. It is therefore questionable whether research that focuses on specific individuals and job competencies can present a comprehensive organisational change narrative.

Second, some changes take place by actors who are not formally defined as change agents. As touched upon in my own text, recruitment is an important factor (and not only in terms

of a specific project management role). When organisations are facing and experiencing a particular environment, such as a new welfare market, senior managers often employ new staff that they now perceive as a requirement of the market. For example, contract management specialists, or those with experience in commercial organisations. Whilst the immediate change is intentional and highly visible (as these new staff bring in new processes and ways of working) there is often a secondary and more permanent 'shift'. New employees bring new cultures, perceptions of 'best practice' and the discourse and language of commercial entities. Similarly departing colleagues take away knowledge and perhaps some attributes that were pertinent to the organisation at a different time. Consequently, conscious decisions to create and implement one type of organisational change in response to a shift in the external environment, may lead to unconscious and longer term shifts in culture, ethos, and purpose (for example). The secondary shift may not be actively controlled or even desired.

Third, external pressures often require an immediate response. Actors within organisations experiencing crisis do not have much time to plan change. Third sector organisations may experience external shocks from a number of sources as, unlike many commercial organisations, they are engaged in a very diverse and broad range of funding relationships, or policy streams. As highlighted by Macmillan et al, (2013) rebranding or repositioning is one way that actors seek to respond to an external pressure and some organisations decide to replicate organisations they perceive as successful. This strategy may involve simple rebranding to look like a different organisation, or it may go deeper and replicate practices and structures. Organisational change may therefore involve an element of 'morphing' as actors seek to look like a more legitimate and successful competitor (Leiter, 2008). Actors within organisations may model change strategies on other 'leading' or 'legitimate' organisations. To make such conscious decision they are often using their understanding of what Macmillan et al (2013) consider as 'the field.'

The approach adopted by Macmillan et al (2013) is extremely useful. As the authors themselves contend, a field-related perspective "steps beyond a managerial account based primarily on the resources, structures and capabilities of individual third sector

organisations. At the same time it gets underneath a rather general 'whole third sector' horizontal narrative to reveal the multiple dilemmas and decisions involved in sustaining organisational life". To these authors "Change occurs through exogenous shocks arising from proximate fields, or through the complex outcome of everyday struggles for position" (2013: 20). This is an important contribution to the more narrowly focussed managerial texts because here change is positioned as an outcome of a range of (often uncontrollable) actions.

The field concept can easily be applied to my own paper on the welfare-to-work market. Here, we see that when a field (the collection of organisations involved in the provision of employment support programmes), are put under competitive pressures they become 'arenas of conflict' (Scott, 2008, 183). In these arenas we see players who seek to advance their interests and if possible create rules of the game and impose them onto others. Clearly, in the welfare-to-work quasi-market we see that some norms, rules and regulations are imposed by state actors onto those within the field. Furthermore, whilst some competitors and actors may shape these rules, it is clear that the case study organisation does not. It complies to and accepts the rules of the game. The organisation changed as actors sought to become legitimate within the field. Is it possible therefore that successful organisations are those that understand their role within the field and are effective in their quest to dominate it? If this is the case, how can a third sector organisation conceive and dominate a welfare market where the other players are large, well-funded, multi-national organisations? These are questions I cannot answer here, however Macmillan et al (2013) paper provides a very strong example of how such arrangements can be conceptualised.

2. How do we know what changes are taking place?

Can we be aware of all the changes that are taking place? Those who claim that change can be controlled and managed arguably adopt a narrow view of who is involved in change and how organisations interact with their environment. All actors and employees are engaged in change making activities- every new network or relationship, and organisations regularly appropriate new language or jargon perhaps picked up through attendance at events or sector magazines. Again, the concept of the field is useful here, as it extends beyond the

immediate programmes or activities and suggests that we look at the totality of actors within a field (such as competitors, partners, service users, advisors and umbrella groups). However, the field concept brings about some difficult operational questions for researchers and practitioners seeking to better understand organisational change, as not all data can be collected, and it is not always possible to know what parts of the field are creating change.

Researchers also need to be explicit about how they understand and conceptualise change. This affects the data collection processes and methodological approach. Here we find a new problem, and one reason why there are limitations for longitudinal qualitative research. Both Macmillan et al (2013), and myself (Bennett, 2012), adopt qualitative research techniques to explore change over time. However, this is not only resource consuming, it is also reliant on the accessible data from the case study organisations. Many third sector organisations (but I assume organisations in general) store a select group of texts that document change. Some of these texts present the organisation in a particular manner, or represent the voices and actions of only a handful of dominant characters at a particular time. Furthermore, many third sector organisations engage in many different policy streams, and apply for numerous sources of third sector income. It is difficult for researchers to explore historical activities if there is only a limited selection of activities has been stored. For example, some organisation only save and document successful grant applications, others may log and record all their formal activities but in different ways as required by different funders. Similarly if a programme or activity ceases to exist many organisations lose knowledgeable individuals who move on to new work, or cease to store the data from long forgotten programmes. All of these issues limit the availability of research studies on organisational change in the third sector.

For researchers and practitioners alike there is therefore an inherent difficulty in understanding why an organisation changes and where the impact of external changes becomes an actual outcome or 'change event' within the organisation. If, for example, researchers only spoke to the 'change managers' and analysed texts that actively sought to manage change, would the narrative differ than if they had employed a multi-method approach, analysed different texts and interviewed a more varied collection of past and

present employees? How can researchers compare organisations and create patterns of organisational change if there are inconsistencies in data availability? Whilst, some of these issues are central to the research design process, they are less common conversations with practitioners, despite the shared interest in understanding the impact of previously large change events. If research into organisational change can produce a more accurate portrayal of the third sector than current typologies and concepts, then it is important that more research is conducted, and that practitioners and researchers work more closely on issues of data collection. Perhaps then research into organisational change in the third sector can be more useful to practitioners who seek to develop strategies and exert control over their own activities and behaviour.

In conclusion, the three papers seek to identify, measure, and theorise organisational change. There is no doubt that research into the third sector remains contested and organisations are increasingly difficult to conceptualise. It is also evident that research into organisational change is complex; there are many different actors involved and many ways that an organisation can change. Longitudinal research into TSOs is particularly difficult due to methodological issues and data limitations. However, it is important for researchers and practitioners to better understand organisational change. In my view this can be best achieved by producing qualitative, long-term studies that acknowledge the broader environment (or field) in which an organisation operates. This will enable future studies to identify reasons for previous change and hopefully equip practitioners with a greater understanding of the decisions they make and how they affect organisational change. Such studies can also feed into more pragmatic managerial texts that are arguably in high demand during times of intensive policy reform.

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Third Sector Commentary: 'Change in the Third Sector', James Turner, Rocket Science

"All changed, changed utterly: A terrible beauty is born"

Of all the quotes on the subject of change, it's arguably W.B. Yeats' refrain that is best known. And for the Third Sector over the past five years, the line is certainly apt. For many charities and voluntary organisations, funding cut-backs, redundancies and closures have often, indeed, been terrible. But there has also been beauty in the way that these groups have adapted and shifted to the changed environment.

It was this mixture of changed circumstances and flexible responses that the NETSRG wished to discuss at its July 2014 meeting. We looked at three papers:

Pricing out third sector organizations, Hayley Bennett, University of Edinburgh covered the implementation of payment-by-results approaches in welfare to work programmes and their impact on third sector organisations (TSOs).

The third sector in unsettled times: a field guide, Macmillan, Taylor, Arvidson, Soteri-Proctor and Teasdale, Third Sector Research Centre, looked at three mechanisms for organisational change: restructuring and redundancy, mergers and acquisitions, and repositioning and branding.

Competencies for managing change, Crawford and Nahmias, Bond University, Australia looked at the differing skills sets of project managers and change managers. It also looked at which types of change were most suitable for project managers and for change managers.

The idea was to start by looking at one of the external policy factors (payment-by-results) that has driven change over recent years, and then to look in more detail at the ways in which TSOs have responded to change. So let's begin at the beginning and consider the first paper on pricing out third sector organisations...

1. Pricing out third sector organizations

Bennett helpfully takes a longer term perspective than just looking at welfare to work policy implementation since 2010. Instead, she considers the development of the welfare to work market in four phases:

“The New Deal programmes introduced in the late 1990s - involving a number of consortiums between TSOs, public sector organisations and some private sector organisations in delivering employment services.

The second phase of the development of the market involved the introduction of the Employment Zone (EZ) which used a number of competing providers to deliver employment targets in areas of high unemployment in the UK.

The third phase involved the introduction of the Flexible New Deal in 2008.

Finally the fourth stage began with the introduction of the new Coalition Government’s Work Programme in 2010.”³

It’s during phases three and four that we see a policy shift towards payment-by-results, a top tier of prime contractors and larger contracts. And it’s these policy shifts that Bennett suggests impact on the involvement of TSOs. Fundamentally, the financial risks are shifted from the commissioners to the providers and it’s this shift that creates an *‘unequal playing field for TSOs who have capital raising limitations’⁴.*

³ Bennett, H. (2012) 'Pricing out Third Sector Organizations: The unequal outcome of the Freud Report' Conference paper presented at *Social Policy Association Conference*, University of York, 16th-18th July, 2012

⁴ Ibid

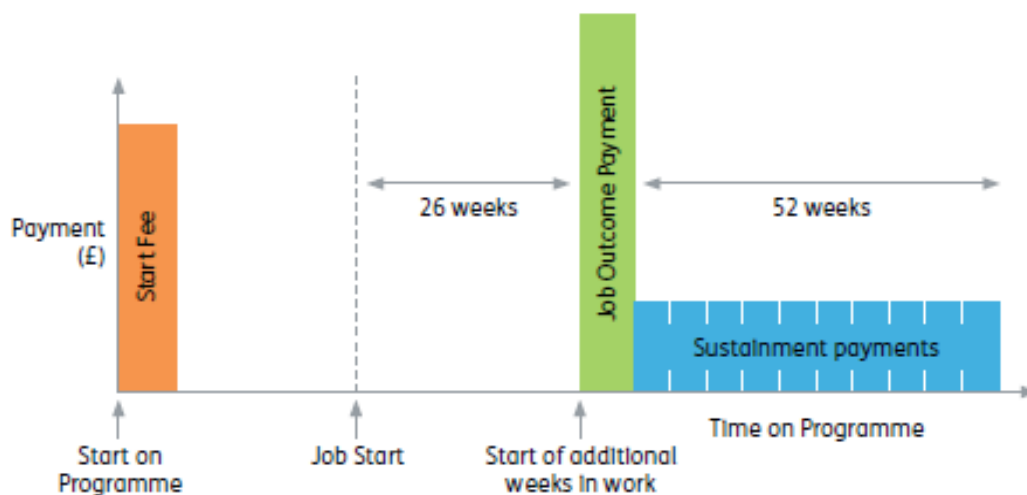
Figure 1: Incentives for sustained work, for example participant

Figure 1: How contractors are paid for achieving outcomes on the Work Programme
[DWP, Work Programme, 2012]

The simplest point in support of Bennett’s conclusions is the distribution of Work Programme prime contractors between TSOs and private sector organisations. As Bennett notes: “35 out of 40 (87 per cent) available prime contracts within the Work Programme were won by private sector organizations, with only three awarded to TSO organizations.”

We now have the advantage of being able to look back on several years of operation of the Work Programme. The DWP-commissioned evaluation of the Work Programme’s commissioning model suggested that the provider market is a relatively stable “unconcentrated, competitive oligopoly”.⁵ In other words, the market is competitive, but controlled by a relatively small number of providers – which is much as Bennett argues.

Secondly, it’s clear that the Work Programme is working better for Job Seekers’ Allowance (JSA) claimants than it is for Employment and Support Allowance (ESA) claimants. *Inclusion* in its 2014 report Making the Work Programme work for ESA claimants states: “Both the numbers of ESA participants on the Work Programme, and performance in finding them

⁵ Bertram *et al.* (2014) Work Programme evaluation: operation of the commissioning model, finance and programme delivery

jobs, have been below the levels expected by the Department [of Work and Pensions]"⁶. Of course, it's impossible to say if greater TSO involvement would have changed this. But ESA claimants are, by definition, ill or disabled and have greater needs than a typical Work Programme participant. It's arguable that TSOs could play a greater role in providing more individualised support to these Work Programme participants.

And the question, "How can TSOs play more of a role in difficult times?" brings us on to the second paper that the group looked at...

2. The third sector in unsettled times: a field guide

The overall approach of Macmillan et al was to look at a range of longitudinal case studies over a three year period from 2010-2013. Waves of fieldwork over this period would help understand *"how and why TSOs change, how they respond to the challenges they face, and whether and how they might flourish over time."*⁷

The researchers adopted a field-based perspective. They explain that TSOs are actors in a number of different fields: the field of the third sector itself but also other fields including *"'vertical' fields in policy domains, such as health, family support and housing."*⁸

The paper focused on three broad categories of strategies and tactics: restructuring and redundancy, mergers and acquisitions, and repositioning and branding.

Some of the striking findings from the report included the wide range of organisational strategies used by case study groups to restructuring and redundancy – including more positive strategies, such as using restructuring to reshape and strengthen the organisation. On mergers and acquisitions, the report explains that 'sharing without merging' is a more

⁶ Riley et al (2014) Making the Work Programme work for ESA claimants, Centre for Economic and Social Inclusion

⁷ Macmillan et al (2013), The third sector in unsettled times: a field guide, Third Sector Research Centre

⁸ Ibid

common TSO approach. The authors state: *“Merger is seen as a last resort, arising mainly when forced by funders or where organisations are in serious financial difficulty.”*⁹

The authors differentiate repositioning and branding from the other two strategies, explaining *“Whereas the first two strategies thus exhibit organisations taking or resisting actions in direct survival mode, the third strategy emphasises more fundamental underlying features of third sector organisational life. They are part and parcel of... ..ongoing ‘jockeying’ for position in fields.”*¹⁰

But how to put these organisational changes into effect? Interestingly, it was the third paper which most engaged the NETSRG meeting, without even mentioning the Third Sector. This was because it was the paper that was most grounded in the actual practice of organisational change (and, in the main, NETSRG members are practical people!):

3. Competencies for managing change

In this paper, Crawford and Nahmias examine, through three case studies, the organisational change processes which are appropriate to be led by a Project Manager and those where it is more appropriate to have a Change Manager.

They explain that, essentially the difference between a Project Manager and a Change Manager is that a Project Manager is more focused on managing resources, people, budget schedule and risk; a Change Manager is more focused on changing behaviours and organisational culture to achieve goals.¹¹

The report states that, *“A key finding from the case studies is that, except in projects where there is very little behavioural change required, the Project/Programme Manager will not have the time or*

⁹ Ibid

¹⁰ Ibid

¹¹ Crawford and Nahmias (2010) “Competencies for managing change” International journal of project management 28 (4), 405-412

bandwidth to carry out all the change management activities required to ensure a successful outcome.”¹²

A possible difficulty in applying this paper’s findings is that all three of the case studies were very large organisations – with between 9,000 and 12,000 employees – and none of them were TSOs. However, the NETSRG felt that the performance competencies identified for Change Managers remained applicable to much smaller organisations. In particular, NETSRG members were taken by the following table – which could almost act as the starting point for a job description for a Change Manager post:

Figure 2: A starting point for a Change Manager job description? [Crawford and Nahmias

Table 3: Competencies and activities required to manage change based on synthesis of findings from literature and case studies

Competencies required	Change activities to be undertaken
Leadership	Changing behaviors and organizational culture to achieve goals
Stakeholder management	Preparation of users
Planning	Organizational structure
Team selection/ team development	Political diffusion
Communication	Impact analysis
Decision-making and problem-solving	Selling the change
Cultural awareness / skills	Champion schemes
Project management skills	Involvement in process analysis work
	Training and education to affected staff

(2010) Competencies for managing change]

And it was there where the meeting finished and where this report will finish too. As ever, the discussions were a mixture of the theoretical and the practical. And this brings to mind another quote (and one which has been attributed to everybody from Michelangelo to Einstein):

“In theory, theory and practice are the same. In practice, they are not”

¹² Ibid

Quarter 4 – Individual Giving and Philanthropy

Outputs Reviewed

Wiepking, P., & Breeze, B. (2012). Feeling poor, acting stingy: The effect of money perceptions on charitable giving. *International Journal of Nonprofit and Voluntary Sector Marketing*, 17(1), 13-24.

Pharoah, C. (2011). Private giving and philanthropy—their place in the Big Society. *People, Place & Policy Online*, 5(2), 65-75.

Andreoni, J., Rao, J. M., & Trachtman, H. (2011). Avoiding the ask: a field experiment on altruism, empathy, and charitable giving (No. w17648). National Bureau of Economic Research.

Academic Commentary: Individual Giving and Philanthropy – an academic perspective, Dr Beth Breeze, University of Kent

“We as human beings live in a very imprecise world. A world where our perceptions of reality are far more important than actual reality.” (Daniel K. Moran)

This quote connects the three papers discussed in this section, each of which highlights how what we think we know about philanthropy, and our commonplace perceptions of how charitable giving works, turns out to be not quite right. And yet those ‘perceptions of reality’ have a huge amount of influence on policy making as well as on our views of both donors and fundraisers.

Philanthropy is unavoidable in daily life. Private gifts from past and present donors fund many of the institutions that we come into contact with on a daily basis including hospitals, schools, theatres, art galleries, universities, zoos, libraries and hospices. Private contributions fund many activities and clubs that enhance our lives (ranging from the local history society to the brass band, skate park, knitting club and Saturday football league) as well as the philanthropically-funded campaigns that have transformed society and brought benefits to many, from the anti-slavery campaigns of the 18th century to the equality campaigns of the 20th century, as well as the many medical and scientific advances funded by philanthropic support.

Yet the omnipresence of philanthropy in our daily lives is not reflected in any significant presence of philanthropy as a topic of study in our universities and other higher education institutions. People working in the third sector feel ill-served by academia for good reason – there’s really not much going on. Until 2008, there was no central research hub in the UK, just a handful of isolated academics in different institutions doing bits of research when they could find some money or some time. From 2008- 2013 there was a national Centre for Giving and Philanthropy (CGAP), funded primarily by government with some support from the Carnegie UK Trust. This funding was not renewed and we are now back to fragmented efforts around the country, albeit with some additional crucial support from

enlightened funders such as Pears Foundation. But two of the three papers discussed by the NETSRG in this section are of the CGAP vintage, which is a pleasing tribute to the value of that body.

The first is 'Private giving and philanthropy – their place in the Big Society' by Cathy Pharoah, co-director of CGAP, which was published in 2011 in *People, Place and Policy Online*. Politicians of all the main parties agree that promoting philanthropy is a good thing, though they use different language to make that point. The last Labour government talked of a 'Generous Society' (Home Office 2005) whereas the Conservative partner in the current coalition has made the 'Big Society' its mantra. This latter phrase leads many to speculate that more private giving will be used to justify government spending cuts although, as this paper notes, that charge has been refuted by the Prime Minister and other members of his Cabinet. The paper begins by reviewing a range of coalition government documents and ministerial speeches to identify what the politicians who currently run the country mean by philanthropy and what they hope it can contribute to society. This review points to a gap between political hopes and the reality of donation patterns, as people support the causes they like best, not those that are most in need of funding. This argument was also taken up in a paper that I wrote when I was a colleague of Pharoah's, called 'How Donors Choose Charities', which used evidence from in-depth interviews with 60 committed donors to demonstrate that charitable giving is essentially taste-based, not needs-based. Pharoah's paper busts a few other myths – she demonstrates that most giving comes from individuals rather than from the super-rich or from corporates as many suppose, and she demonstrates that the distribution of donated money differs markedly from the distribution of government spending on charities. For example 7% of philanthropy is spent on animal welfare, which receives nothing from the state, and the state spends a much higher proportion (24%) on arts and cultural charities than do private donors (4%). As Pharoah concludes "*the evidence of this sample indicates that the preferences of philanthropic and statutory donors and funders are very different, and that one would not easily substitute for the other*" (2011:4-5). Coupling this conclusion with evidence that the donor pool is shrinking and increasingly reliant on older, wealthier people leads her to suggest that pinning hopes on a mass,

philanthropically-funded Big Society to supplement the state during a time of austerity, is an aspiration that lacks a realistic evidence base.

It may seem quite a leap from 10 Downing Street to the doorway of a US supermarket, but the second paper continues the theme of questioning what we think we know about how charitable giving operates in our society. 'Avoiding the Ask: a field experiment on altruism, empathy and charitable giving' by James Andreoni, Justin M. Rao and Hannah Trachtman, published in 2012, presents data that questions our assumptions about why some people avoid those trying to raise funds for good causes - is it because they are mean or might there be a more complicated explanation? This study uses an interesting 'real world experiment' or 'natural field experiment' where the academics worked with fundraisers collecting for the Salvation Army at a shop in Boston. They observed more than 17,000 customers over a period of four days during the Christmas season, during which time they arranged different combinations of having collectors stationed at one or both doors, and making either a silent ask (simply being present with a tin) or a verbal ask ("please give today") in order to measure how shoppers respond.

The study finds very high levels of avoidance of fundraisers – people will literally walk around the block to avoid a collecting tin. But rather than conclude that avoiders are mean, the authors suggest they may in fact be generous, but because they are not able to give to every single cause they take preventative action. Saying "no" feels uncomfortable, especially for people with high "empathic vulnerability". Knowing that refusing an ask will make them feel guilty and unhappy they choose to avoid the collector to maintain their private equilibrium or, as the authors summarise: *"avoiding the social interaction with someone asking for support of a worthy cause is a means of self control"* (Andreoni et al 2012:2). This philanthropic self control is described as analogous to a dieter avoiding situations involving chocolate cake. The avoider likes to donate and the dieter likes to eat cake, but they are both using self-preservation to avoid finding themselves in situations that cause them harm. It's a subtle but crucial distinction – and another good myth-buster – if people are avoiding being asked rather than avoiding giving.

Despite finding “dramatic avoidance” of the fundraisers (when only one fundraiser is present, 30 times more people change doors to avoid an ask than change doors in order to give), the authors also conclude that “asking is powerful” because the verbal ask (which is simply drawing attention to the collection and offering no information about the cause or the impact of the gift, which we are often told is so crucial) increases giving by 65%. This means that adding a simple polite request will raise as much additional income as adding a second, silent fundraiser. Stick that in your “what’s the implication for practice” pipe and smoke it!

I co-wrote with Pamala Wiepking the third paper under discussion: ‘Feeling poor, acting stingy: the effect of money perceptions on charitable giving’, which was published in the *International Journal of Nonprofit and Voluntary Sector Marketing* in 2012. Ours was the first study to empirically (i.e. use data rather than just theory) examine the relationship between people’s financial resources, their attitudes towards money and their charitable giving,

We already knew from existing research that attitudes towards money are largely independent of an individual’s income (Yamouchi and Templer 1982). That finding had been studied in relation to topics such as spending, saving and gambling (Furnham and Argyle 1998), yet the implications for philanthropy and fundraising had not yet been explored.

Anyone who has ever asked for donations will know that people with similar wealth levels have very different views on how much they can afford to give. In part this is because different people incur different levels of expenditure depending on factors such as how many dependents they are responsible for and the local cost of living. But attitudes towards money are deeply rooted in subjective soil and pay little regard to objective factors such as prices. As Edwards found in her study of why people don’t give, even the objectively wealthy can believe themselves to be poor, citing one rich respondent exclaiming: “*Wealthy? It’s £50 million and upwards as far as I’m concerned. £50 million is the point at which you don’t have to panic anymore*” (Edwards 2002:35). Equally, there are donors who reject such attitudes, believing themselves to be rich enough to be substantially philanthropic. I also write the

annual 'Coutts Million Pound Donor Report' and one of my favourite case studies of a 'million pound donor' was of an upper-middle class woman (comfortable but by no means entirely financially secure) who inherited £2.6 million and promptly put the full amount into a charitable trust.

We can't predict how much anyone thinks they have available for philanthropic spending, yet we continue to make assumptions about their capacity to give. I've lost count of the number of well-meaning fundraisers who fire off a letter to everyone named in the annual Sunday Times Rich List, expecting to receive a donation by return post because "s/he can afford it". More sophisticated fundraisers understand that capacity to give must be coupled with a connection to the cause, and yet that approach still omits the crucial factor of 'perceived capacity to give'.

We wrote our paper because we believe that a deeper understanding of the role of attitudes towards money can help generate better explanations of philanthropic behaviour. We studied two sorts of money attitudes. Firstly 'retention', which refers to the degree to which people have a careful approach to wealth and a preference not to spend money on anything; retentive people feel guilty about spending, and have difficulties making spending decisions regardless of the amount involved or their ability to afford it. And secondly 'inadequacy', which refers to those who worry about their financial situation most of the time, who believe they have less money than most of their friends and believe that others overestimate the amount of wealth they hold.

As with the Salvation Army fundraising study, our paper eschews 'lab experiments' and instead uses data on actual gifts made by donors, who also supplied information on their money attitudes. We used Furnham's Money Beliefs and Behaviour Scale (1984) and data on giving by 1,866 donors, gathered in a bi-annual longitudinal study of charitable giving and volunteering in households in the Netherlands, to test whether different money attitudes affect the incidence and scale of charitable giving, regardless of actual financial resources. We found statistically significant relationships between actual giving levels and both of the money attitudes under investigation, with feelings of 'inadequacy' having the strongest

negative effect on donations. The more people worry about their finances, the less they donate (regardless of whether objectively they have anything to worry about); we also found a negative relationship between retention and giving as preferring not to spend money results in lower donating levels.

These findings lead us to argue for greater attention to be paid to the psychological mechanisms involved in giving, and to suggest that these factors should be considered as important dispositional characteristics for predicting donations, in a similar way to factors such as altruistic values and empathic concern. One main implication is for prospect research (the task of identifying potential donors and assessing their likely level of gift) which can fall into the trap of segmenting donors with too much regard for the contents of their bank account, and too little regard for how rich they feel, and how strongly they feel about the cause. Erring in either direction – assuming a donor will give because “they can afford it” or not realising a donor is willing and able to give far more than the conservative predictions typically used by prospect research – would result in either wasted time or foregone income, neither of which are in abundance in most third sector organisations.

These three papers are different in many ways – they examine different aspects of philanthropy (political rhetoric, fundraising activity and donor deliberation); they use different methodologies (literature review, field experiment and quantitative analysis) and they generate findings relevant to distinct audiences (policy makers, fundraising managers and prospect researchers). But they share commonalities in questioning perceived wisdom, highlighting the consequences of making assumptions and the importance of making appropriate, audible and appropriate asks. Given the immaturity of the field of philanthropic studies in the UK, these three papers help to shed light on an aspect of social life that is greatly in need of more illumination.

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Third Sector Commentary: Individual Giving and Philanthropy – a third sector perspective, Jo Curry, The Community Foundation serving Tyne and Wear and Northumberland

The NETSRG creates the opportunity for academics and charitable practitioners to discuss academic research. It bridges the two sectors effectively and is a welcome addition. When approaching an academic paper I ask the following three questions:

- What does the paper tell me?
- What is the practical application of the research?
- Is the research that underpins it robust?

Whilst my emphasis is on the second question, far too often this is the leanest section of the work. This year we considered three papers on philanthropy.

Private giving and philanthropy - their place in a big society was written by Professor Cathy Pharoeh in 2011, when the buzz around 'Big Society' and expectations were at their greatest, since which time a lot of water has past under the bridge. Pharoeh examines patterns of giving over the last thirty years in which the average percentage of expenditure devoted to giving to charity by the general public did not change, with the over 65s giving the most. The donor base she concludes is increasingly narrowing to older wealthier donors. Philanthropy does not necessarily have sufficient resources and a diverse enough base to extend easily or rapidly into meeting the new demands of building a big society. Even if there were, the things that philanthropists prefer to support and what the state funds does not entirely match. An increase in philanthropy would not necessarily bring help to causes most at risk of statutory spending cuts, and this factor together with the overall policy was underdeveloped by government.

Avoiding the ask - this American field experiment was carried out by Adreoneoni, Rao and Trachtman during the Salvation Army's annual campaign. Researchers observed the behaviour of 17000 people as they passed collectors whilst shopping over a four day period. The paper examines the 'warm glow' that gives experience and what compels rational

altruists to avoid the situation. They conclude that if a person can look ahead and see that they will be confronted with a situation that will require them to engage in empathetic thinking, which in turn may trigger concerns for social image, altruism or guilt, they may wish to avoid this as a means of self-control. Just as we should not eat our favourite dessert at every opportunity, we can also not give every time.

Whilst there was virtually no avoidance of silent collectors, in sharp contrast, one third chose to avoid a short verbal request. Nonetheless, a simple "please give today" increased giving by 65 percent, leading the research to conclude that asking is powerful, and thereby proving the Geordie maxim that 'shy bairns get nowt'

Feeling poor acting stingy by Wiepking and Breeze concludes that understanding a persons perception of money and their attitude to financial security is an important factor in understanding their charitable giving. This is independent of actual income and wealth. The key message to fundraisers being that the most fruitful strategy is encouraging those that already give to give more.

